

STATE BANK OF INDIA
INTERNAL AUDIT DEPARTMENT, HYDERABAD

STANDARD OPERATING PROCEDURE FOR EMPANELMENT OF RETIRED EXECUTIVES FROM SBI/e-ABs IN TEGS-VI AND TEGS-VII AS AUDITORS ON SHORT TERM ASSIGNMENT BASIS

1. State Bank of India: Overview

State Bank India (“SBI” or “Bank”) a body corporate constituted under the State Bank of India Act, 1955 having its Corporate Centre at State Bank Bhavan, Madame Cama Road, Mumbai and Internal Audit Department at Hyderabad undertake various audits viz. Thematic Audits / Special Audits / Spot Audits / Validation Audit as per RBI guidelines, in addition to regular Risk Focused Internal Audit (RFIA), Management Audit, Credit Audit, FEMA Audit etc.

2. Objective of Process:

The Bank desires to create a pool of Retired executives in the scales of TEGS VI and TEGS-VII, for conducting Thematic Audits / Special Audits / Spot Audits / Validation Audit as per RBI guidelines on short term assignment basis in accordance with the scope of engagement mentioned herein.

3. Scope of Engagement:

The job involves conduct of Thematic Audits / Special Audits / Spot Audits / Validation Audit as per RBI guidelines. Detailed scope of audit is given in **Annexure-B**

4. Eligibility Criteria:

- i) Officers of SBI/e-ABs retired in the grade of TEGS-VI to VII on superannuation shall be considered for empanelment.
- ii) The Officer should have retired from the Bank’s service only on attaining superannuation at the age of 60 years.
- iii) The officers voluntarily retired / resigned / suspended /dismissed / retired through exit option scheme or left the Bank otherwise before superannuation are not eligible for consideration for empanelment.
- iv) The integrity of the official should not be doubtful during his service.
- v) The officer should have good track record of performance and deep knowledge of systems and procedures.

- vi) No punishment/penalty (Censure or higher) should have been inflicted on the official during the five years of his/her service preceding to his/her retirement.
- vii) Cases of CBI or other law enforcement agencies should not be pending against the official.
- viii) The Officer should maintain good health.
- ix) The services of the executive will be utilized for mobile/stationary duty.
- x) The empanelment shall be up to the maximum age of 65 years, subject to other conditions regarding renewal of contract. As such, the retired official should not be more than 63 years of age at the time of empanelment.
- xi) The retired official should have sufficient work experience and overall professional competence in the relevant areas.
- xii) The retired official should possess the special skills/aptitude/quality as per the requirement.

5. Selection Process:

The selection of Auditors shall begin with the invitation of applications from Executives retired from SBI/e-ABs on or after 31.05.2017 in the scales of TEGS-VI and TEGS-VII, through an open advertisement on Bank's Website, Pensioners Portal of SBI and one National Newspaper (English), followed by interview and will cover the following processes:

- a) Retired executives have to apply for empanelment in the prescribed format (**Annexure-A**) to the DGM (HR, Admin & Ops.), Internal Audit Department, Hyderabad on or before the stipulated last date for receipt of applications. The application should be submitted in a single sealed envelope super scribed as "Application for empanelment of Auditor on short term assignment basis in State Bank of India"
- b) The applications shall be scrutinised based on the stipulated eligibility criteria and the candidates shortlisted will then be interviewed by a Committee comprising of a CGM and 2 GMs of IAD which will select the Retired Executives finally.
- c) Interview may be conducted through Video Conference (VC) or Video Calling on Mobile or in person. In case interview is conducted in person, No halting/travelling allowance is payable for attending the interview. Applicants have to attend interview at their own cost.
- d) The selected Retired Executives will be advised through mail stating that they are selected and placed in the pool of Retired executives for engaging as per the need.

- e) The selected Retired Executives will be placed in the pool of retired Executives and will remain in the pool of selected candidates for a period of two years or attaining the age of 65 years whichever is earlier.
- f) Internal Audit Department will utilize the services of these retired Executives placed in the pool as per the need and suitability of the executive for the identified task/audit.
- g) The Sub-vertical Head (CGM) will identify the Retired Official from the Pool based on the suitability and assign the Audit/task to him with due approval from the Vertical Head i.e DMD(IA)

6. Terms of Engagement:

- i) The Auditor should complete the task/audit and submit findings to the appropriate authority as per the allotted time schedule.
- ii) The engagement shall be on short term assignment basis without prejudice to the pension of the Retired Executive.
- iii) The selected retired executive will remain in the pool for a period of two years or till the age of 65 years whichever is earlier subject to review of performance at yearly intervals.
- iv) The Auditor shall be given need-based access to Core Banking Platform/other intranet resources for enquiry purpose only, where required..
- v) The empanelment of Retired officers in the Bank shall not be considered as a case of re-employment in the Bank. The Bank /Retired Officer may cancel / terminate the contract of the empanelment at any time without assigning any reason whatsoever with an option of 30 days notice period or payment / surrender of remuneration in lieu thereof.
- vi) The retired officer will execute a stamped undertaking before taking up the assignment. **(Annexure-C)**
- vii) The performance of the Ex-executives who are empaneled as Auditors shall be reviewed on various parameters as per the **Annexure- D** or any other format deemed fit for the performance assessment of the retired Executive, by CGM of the respective sub-vertical at IAD at yearly intervals and If the services of the ex-executive are not found satisfactory, the services of the ex-executive shall be terminated with one month's notice.
- viii) The Retired Executive has to convey acceptance of the assignment with in 7 days from the receipt of the communication from IAD and commence the audit within 2 weeks from the date of acceptance or after as agreed to/advised by IAD.
- ix) The decision of Internal Audit department (IAD) in selecting any official from the Panel for an assignment is final.

7. Remuneration:

The remuneration will be paid for the actual period for which the Retired Executive is engaged for an Audit/Task.

As and when the Auditor(s) is/are engaged for an assignment, the Auditors shall be paid a consolidated remuneration of Rs.7,000/- per diem for the period of audit assignment (for executives who retired as TEGS-VI) and Rs.9,000/- per diem for the period of audit assignment (for executives who retired as TEGS-VII) without prejudice to the pension.

- a. This per diem remuneration will be in addition to Traveling expenses as applicable to the serving executives and for the period of audit.
- b. Lodging Expenses: TEGS – VI - Rs.4,000/- per day
TEGS-VII - Rs.5,000/- per day
- c. In case lodging expenses are claimed by the retired executive on production of receipts, 1/4th of per diem remuneration will be deducted, for each day of the claim.
- d. They will not be entitled to any other perquisites / facilities / benefits etc. from the Bank.
- e. The Retired Executive should preferably stay in Transit Guest House(s) of the Bank wherever available.

8. Other Terms & Conditions:

- i) The retired executives shall not be eligible for reimbursement of medical or any other benefits during the empanelment period. However, they will continue to avail the facilities to them as a pensioner of the Bank.
- ii) The retired executives will not exercise any administrative /financial powers during the period of engagement.
- iii) The Retired officer shall follow the normal working hours applicable to the branch.
- iv) The contractual period will not be reckoned as service or re-employment for the purpose of superannuation benefits/ PF /Bonus etc.
- v) **Income Tax:** Income-tax or any other tax liabilities on remuneration will be deducted as per prevailing rates mentioned in the Income Tax Rules.
- vi) During the period of empanelment, the retired officer will not accept any other assignment with any other organization.

vii) The retired executive shall not accept any assignment with any other organization when carrying out the assignment given by the IAD/Bank and/or will provide a letter of furlough from the organization he/she is engaged with..

9. Leave:

- a. As the engagement is of short term in nature no leaves are sanctioned to the Retired Executive during the assignment. However, based on the duration of assignment the sub-vertical head who is engaging the services of Retired Executive will decide the number of days leave is permissible.
- b. The un availed leaves will lapse on completion of the assignment and cannot be carried over or encashed.
- c. If the retired Executive proceeds on leave on medical grounds/otherwise during the period of assignment, remuneration will not be paid for that period.
- d. The retired executives shall follow the normal working hours applicable to the Auditors.

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State Bank of India
Internal Audit Department, Hyderabad

**Empanelment of Retired SBI/e-ABs Executives of TEGS-VI and TEGS-VII Grade as
Auditors on short term assignment basis**

APPLICATION

Sl.	Particulars	To be filled by the applicant
1	Name	
2	Date of Birth	
3	PF index No.	
4	Presently domiciled at	
	Address for communication	Permanent Address
5	Contact Numbers: a) Land line with STD Code b) Mobile No	
6	E-mail id.	
7	Educational qualifications	
8.	Date of Retirement from the Bank Service.	
9.	Designation/Grade at the time of retirement.	
10.	Assignments held during the last 10 years of service in the Bank.	1. 2. 3. 4. 5.

11.	Experience in handling Credit / International Banking and experience as Credit Auditor/RFIA Auditor/Concurrent Auditor in the Bank. (Applicants can provide details in a separate attachment; in case the space is not adequate.)	
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Place:

Signature

Date:

Please affix a
Self-attested
recent Passport
size photo

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SCOPE OF AUDIT

THEMATIC AUDIT

1. Thematic Audit Process Objective

Thematic Audit is a comprehensive/an in-depth analysis of specific segments of business activities, events, regulatory concerns, emerging risks and any other areas with an aim to measure the impact and covering the adequacy and effectiveness of controls and to recommend improvement measures.

Thematic Audits assess the risks and evaluate the controls across the business/activities/sub-activities. The audit ensures organization and its stakeholders are aware of status and initiate appropriate steps for course correction and remediation.

The key objective of Thematic Audit is as under:

- ❖ To identify and address systemic risks emerging from Business, Control, Regulated and external environments.
- ❖ To meet regulatory expectations under the risk-based supervision framework
- ❖ To provide key business insights to the Bank in product, processes and its associated risks.
- ❖ To focus on significant control weaknesses and breakdowns together with root-cause analysis.
- ❖ To review the critical risk areas with expected high impact by Specialist/Domain Experts.
- ❖ To mitigate the organization risk profile.
- ❖ To add value to business through pre-emptive assessments.
- ❖ To suggest remedial measures to contain risk and improve compliance culture of the bank.
- ❖ To study the best practices adopted by the peers in the Industry.

2. Scope of the Thematic Audit

Thematic Audit broadly encompass the following aspects: -

- ❖ To identify deficiencies between the regulatory guidelines and banks policy.
- ❖ To identify gaps, if any, in SOP vis-a-vis policy.
- ❖ Gaps between SOP and Systems & Practices at the operating level.
- ❖ To address the systemic lapses and high-risk areas.
- ❖ To develop an integrated view of existing and emerging risks and their impact on business.
- ❖ To suggest for strengthening of Systemic improvement & Procedures and adoption of digital platform for the solution.
- ❖ To suggest corrective measures by undertaking best practices adopted in the Industry.

3. Spot Audit / Special Audits:

To conduct audit of an area where there is suspected fraud or irregularity or a failure of internal control / systems of a material nature and submit the report.

4.KYC Audit:

To carry out audit of KYC related aspects of Bank's customers and general public carrying out banking transactions.

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Undertaking

To be executed on stamp paper
as an agreement

I, S/o
Resident of Hereby declare and undertake as
under: -

That I was appointed in the State Bank of India /e-Associate Bank (herein-after referred
to as Bank) on and retired from the Bank’s service
on as

2. That Bank (SBI) has offered me an assignment, after my retirement, as an
..... for a period of days/months from to
..... (inclusive of both days) vide letter No.
dated

3. In consideration of the Bank appointing me in this assignment as
without prejudice to my pension, I agree and undertake as under:

- i) That I am bound by the terms and conditions as contained in the letter of the
Bank dated mentioned in the paragraph (2) above.
- ii) That I shall be bound by the declaration of fidelity and secrecy which was
executed by me while joining and working with the State Bank of India / e-
Associate Bank and this declaration shall be binding on me till such time my
assignment as subsists.
- iii) That I shall not share any information with any other organization regarding
circulars of the Bank and the procedures adopted by the Bank as also any other
information which comes to my knowledge while discharging my duties as
.....
- iv) That if any loss is caused to the Bank on account of the breach of this
undertaking by me the Bank shall be at liberty to take such action as it deems fit.
- v) That this undertaking is unrestricted and covers all claims, damages. etc. to the
full extent without any reservation.

Place:

Signature

Date:

(Name:)