

SCOPE AND FUNCTION OF OPERATIONS & PREMISES DEPARTMENT AUDIT

(Malad “CitizenCredit Centre” project is not covered under the scope of audit)

Purpose:

The audit is being conducted with a view to verify the efficiency of the department, processes and procedures, statutory and non statutory compliances, relevance of expenditure incurred according to the applicable circulars, notifications, bank policy, etc.

Scope:

- a) Verify adherence of the department to the policies and procedures laid down by the Board/regulatory authorities.
- b) Verify the procedures implemented and followed by the department and comment on operational efficiency, improvement in workflows and cost effect.
- c) Verify the service quality standards for customers and their implementation.
- d) Examine the internal processes in all sub processes within operations i.e. Planning, Premises, Central Processing Unit, Cash Management Unit, etc. w.r.t. maximization of efficiency, minimization of cost, accountability.
- e) Attendance of customer complaints registered at Bank level and Banking Ombudsman and steps taken by the department to mitigate the complaints.
- f) Verify the plan, procedure, cost effectiveness of indent for stationery, forms, cards, calendars, brochures and other materials for the smooth running of the branches/departments.
- g) Verify the processing of all expenditure bills and scrutiny of expenses incurred to ensure they are within the policy terms and are sanctioned by the correct authority as per delegation of non-lending powers.
- h) Timely release of payment of bills pertaining to upkeep of premises and other expenses.
- i) Monitoring of activities of Security Guards and other safety devices.
- j) Verify maintenance of accounts of our Bank with other Banks.

- k) Verify sanction and processing of sponsorship/advertisement as per the Banks policy and appropriate authority.
- l) Verify management and maintenance of Bank's assets w.r.t.:
- Proper due diligence at the time of identification of premises for new/existing branches
 - Proper maintenance and upkeep of branches
 - Opening of new branches, ATMs, kiosks, safe deposit lockers, shifting of premises, etc.
 - RBI licenses for operations and premises
 - Maintenance of Bank/Branch assets
 - Security arrangement and adequate insurance coverage of the Bank's property and assets
 - Accommodation obtained by the Bank on lease/rental basis for office use and residence of staff
 - Renewal of licenses, insurance, annual maintenance
- m) Attendance of legal and court matters w.r.t. branch premises and operations.
- n) Reporting to the management and board as per Calendar of Reviews.
- o) Timely filing of statutory and non-statutory returns.
- p) Annual Rating of Branches.
- q) Budgeting and Planning strategies developed and implemented by the department.
- r) Basis of Calculation and allocation of growth targets.
- s) Sanctions and execution of any other operational activities – death claims, break open of lockers, etc.
- t) Technology implementation.
- u) Mitigation of operational risks, serious irregularities, operational frauds and misappropriations.
- v) Adherence of master circulars, guidance, directives issued by RBI and other statutory authorities.

Kindly note the above scope is indicative and not exhaustive.

