

Date: January 31, 2024

Madam/Sir,

We are in the process of identification of Statutory auditors/Financial auditors for the Canara Bank IFSC Banking Unit (GIFT City) branch for Balance sheet audit of March 31, 2024 {period "Sep. 5, 2023 (date of opening of the branch) to March 31, 2024"} as per Indian Banking accounting standard {IGAAP & IndAs}. We are pleased to make an invitation soliciting quotes from eligible audit firms.

- (i) The audit needs to be conducted in accordance with the Indian Bank accounting standards. The financial statements have to be in conformity with Indian Banking accounting standards and also verified with reference to Bank's Accounting Policies/Procedures (which are based on the applicable Indian Accounting Standards, The Reserve Bank of India guidelines and the legal requirements of disclosure as per Banking Regulations Act 1949, India).
- (ii) The following reports or statements also needs to be given by the auditor viz;
1. Balance Sheet & P&L A/c
  2. Returns from 4 to 17 including CRAR Basel II and III, data on replacement cost with positive value of derivative contracts
  3. Break up of SA Prepaid Expenses, investment/NPA/ SL outstanding charges/other items
  4. Advances Dimensions including Statement showing amount written back from the provision made in earlier years
  5. Statement showing movement in HO A/c, Provisions made/held and Breakup of provisions held
  6. Fixed Assets details
  7. Investment details including provisions for NPI, Depreciation on Investments and Movement of provisions of NPI
  8. Details of Standard, Sub-Standard, Doubtful and Loss Assets under Bills Purchased and Other Advances
  9. Segment Report
  10. Risk Weight Assets & Exposures
  11. Long Form Audit Report (LFAR)
  12. All Averages of Assets and Liabilities
  13. Details of exposures to overseas branches, subsidiaries and joint ventures
  14. Counterparty and country-wise exposures statement
  15. Capital Charge Statement
  16. Market Value of Investments
  17. Pillar 3 Disclosures (Basel II and III)



18. International Financial Services Centres Authority reports.
19. Disclosures in Financial Statements
20. Any other statement / return that would be sent as part of the Balance Sheet file.
21. Checking whether the previous Quarter/Annual audit MOC's are effectively implemented in CBS/System or not.

As regards provision, the certificate from the auditor to include the following:

"The specific provision for possible losses on exposures to customers is determined by the Canara Bank IFSC Banking Unit (GIFT City branch) management;

Specific provisions have been calculated in accordance with Reserve Bank of India instructions except where the application of generally accepted accounting principles/IndAs that require a higher level of provision;

Loans and advances are written down to estimated realizable value where there is no realistic prospect of recovery. Interest on nonperforming advances is not recognized as income in accordance with Head Office policy.

- (iii) The quotes should be submitted in a sealed cover on **February 17, 2024 (Saturday) on or before 3 P. M. at our office**. The said cover will be opened on the same day at **3.15 P. M.** and a representative of your firm can be present while we open the bid.
- (iv) The audit firm is to carry out a full audit of financial statements as at March 31, 2024.
- (v) You may send the fixed price (all in price) quotes for Financial Audit for March 2024 along with the payment terms too.
- (vi) Fees once approved would be final and be inclusive for submission of any reports/ information/certificates regarding the audit work and for any additional certification/ audit under regulatory requirement for the balance sheet dates.
- (vii) Please confirm that the firm is eligible for taking up the assignment as per the Reserve Bank of India regulations and there are no adverse comments by any of the regulators about the firm.
- (viii) In case of Termination/ resignation following terms & conditions are applicable:  
"Either party shall have a right to immediately terminate the agreement if -  
a) the other party is in breach of any material terms of engagement.



b) the other party ceases to have license as per applicable law"

Indemnity clause as under:

- a) The Bank shall indemnify the firm, its directors, and employees, from all third-party claims, litigations, damages, losses, expenses, or costs (including attorney's lawyer's fees and court expenses) directly or indirectly arising out of misrepresentation, fraud or non - disclosure of material facts.
- b) The Firm shall indemnify the Bank against all claims, losses, costs, damages, litigations, expenses, or costs incurred by it due to breach of any term of engagement".

Auditor's credentials, constitution documents (supporting documents), Firm registration details, brief description of the firm and its strengths with details of past experience, names of banks for which the firm has been rendering services as auditors should be mentioned in the proposal. Audit firms shall adhere to minimum cyber security practices normally required to be met.

If you need further information/clarification, please feel free to contact:

Mr. Santosh Kumar Patra

Compliance Officer

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Best Regards,



Santosh Kumar Patra  
Compliance Officer

