Sr. No.	Pg No	Point No	Tender Original Clause	Request for Change / Modification / Addition / Deletion	BFSL comments
1	8	3	The company is in a transformation phase & may outsource certain backend operational processes during the course of the coming financial year.	Can you throw some light on the proposed plan of action w.r.t. outsourcing of backend operational process to other agencies (type of activities planned & indicative timelines)	No communication as off now.
2	9	3	Adequate emphasis would need to be accorded to testing the IT systems & operational risks and controls on which the generation of financial information is dependent.	We would like to know if an one time review of Testing of IT Systems & Controls would suffice for the said 2 year engagement or do you expect it to be done more frequently	yealy once.
3			GENERAL QUESTION	Could you give some indication on the number of active Credit Cards and Debit Cards issued by the company as on date	details are available on RBI website.
4	9	3(2)(B)	Table	would you be able to give some indication on the number of active Merchants in the network	details are available on RBI website.
5	10	3(2)(D)	Table	Could you tell the size of total Personal Loan Book (& no. of borrowers) of the company as on 31st Dec. 2018	data cannot be provided now.
6	10	3(2)(F)	Table	What would be the number of On roll and Off roll employees as on 31st Dec. 2018	data cannot be provided now.
7	4	1.2	The company also provides back end support for Debit cards operations to Bank of Baroda for their RRBs & International territories and also is acting as DST agent for BOB.	How many Regional Rural Banks (RRBs) does Bank of Baroda have as on 31st Dec. 2018 to whom Back end support for Debit cards is provided by your company	BFSL supports 3 RRBs of Bank of Baroda for back end support for debit cards.
8	4	1.2		Does the scope include review of operations at 38 area offices. If yes, what is the scope of activities to be covered at the area offices.	presently no. can be disccused mutually with short listed bidder.
9	8	3	Extent of sampling / test checking will be the responsibility of Internal audit firm depending upon the generally accepted audit principles and methodology.	There is a recommendatory sampling grid provided by the Institute of Internal Auditors based on the frequency of the control performed. Will that be acceptable.	depend upon the generally accepted audit principles and methodology.
10	9	3	Internal Audit should not be confined only to finance audit, should go beyond vouching, verification, checking the arithmetical accuracy etc. Adequate emphasis would need to be accorded to testing the IT systems & operational risks and controls on which the generation of financial information is dependent.	Does the scope include any specific IT Application review or IT General Controls. What is the financial system in use? Is there a any other ERP for managing operations?	Yes IT is included. Presently BFSL is using Tally for financial reporting.
11	9	3	Internal Audit for the respective financial year to be conducted on an ongoing basis, quarterly report on key observations to be presented to the Audit & Risk Committee of BFSL Board at their quarterly meetings	Is there any pre-defined internal audit reporting format. Do we follow exception reporting ? It is a general practice to classify all audit observations in High, Medium and Low category. Mostly, the High risk observations are only reported to the Audit Committee?	There is no predefined format for reporting to ARCB but short listed bidder as to share the format for BFSL approval.
12	11	3	Scope of Work Internal Controls over Financial Reporting (ICFR)	Has the ICFR framework (SoP & RCM) being developed for key controls over financial reporting ?	Yes
13	12	3	Support in developing remediation plans for ICFR testing gaps by engaging process owners.	Does the scope also includes follow-up, audit validation and reporting on action plan provided by process owners ?	Yes
14	13	4	Resource / Manpower Deployment IA: 1 SQ / Graduate on a daily basis ICFR: 2 CA (6 Weeks)	Considering the scope of work, our recommendation would be as follows: IA: 1 SQ & 1 Trainee on a daily basis ICFR: 1 CA + 1 SQ (8 Weeks)	recommendation not accepted.
15	13	4	Time limit for submission of deliverables (ICFR) - On or before 31st March of the respective financial year.	The ICFR testing for transactions upto 31st March can only be verified in the subsequent month. Hence, the deadline needs to be reconsidered.	Yes . can be disccused mutually with short listed bidder.

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16	13	4	Out of pocket expenses will be paid extra on actuals basis with prior written approval from BFSL .	What is generally covered in out of pocket expense (Local Conveyance, Food Allowance, Outstation Lodging & Boarding, etc)? What is the overall capping on the local out of pocket expense vis-a-vis total audit fee?	Out of pocket expenses will be paid extra on actuals basis with prior written approval from BFSL .without written approval out of pocket expeses will not be paid.
17	2 of Annexure A1	1 of 2nd table	Firm/LLP must be practicing in India for the last 5 years as on 31.12.2018 with pan India presence directly or through associates	Is it necessary that the Bidder should be ICAI registered as a Firm/LLP	Yes
18	2 of Annexure A1	2 of 2nd table	Documents to be submitted: Constitution certificate issued by ICAI / Self declaration certificate	What does the self-declaration certificate mentioned here mean? Any format : Kindly Share	Self declaration on company letter head with sign and stamp.
19	2 of Annexure A1	3 of 2nd table	Criteria: Firm/LLP must have internal audit experience of minimum 3 clients such as Government organization /PSU /Bank /NBFC during the recent three years FY 2017-18, FY 2016-17, FY 2015-16	As per the eligibility criteria and documents required given, is there a requirement of submitting engagement letters of Commercial bank/ NBFC only or it includes Government organizations and PSU as well?	provide documents as per RFP.
20			Documents required: Copy of engagement letter signed with the scheduled commercial bank / NBFC		
21	13 of RFP	4	Resource requirement for Internal Audit requires 1 Graduate/Semi-Qualified daily	Is the Graduate/ semi qualified required daily for whole of the two financial years (2019-20 and 2020-21)?	yes
22	8 of RFP	3	Scope of Work - The company is in a transformation phase & may outsource certain backend operational processes during the	Required more clarification of this clause	already answer above.
23			course of the coming financial year. The selected Internal auditor will need to realign their audit	1) What kind of realignment internal auditor needs to do. Does it involve changing the frequency of audit?	already answer above.
24			program/procedure during the financial year to accommodate for such transition.		already answer above.
25	Appendix 5	4	Earnest Money	Is there any earnest needs to be deposited as no earnest money clause is mentioned in RFP.	no.
26	1.7	6	Last date & time for submission of Bids - 21/03/2019	Last date for submission of bid is 21st march which is holiday, so should we submit the bid on 22nd march	Please refer point no 6.9 page number 19 of RFP.
27	4	1.1	Invitation of Tender offers	Does the bidder need to be an ICAI registered entity.	yes
28	11	I	Certification work	Does the certification need to be from an ICAI registered partnership firm	yes
29	12	3.1.3	Project scope	Describe the clause - The bidder will be required to fix any vulnerablity in the RFP for Appointment of Audit firm for conducting Internal Audit and ICFR	point as been removed.
30	18	6.4.1	Clarification on RFP Document	There is a reference to the implementation of origination system solution. Please clarify on the same	point as been removed.
31	9 and 14	3.1-Scope of Work and 4.0-Service Levels	Internal Audit for the respective financial year – to be conducted on an ongoing basis, quarterly report on key observations to be presented to the Audit & Risk Committee of BFSL Board at their quarterly meetings Internal auditor should plan internal audit in such way that each department/area should be atleast audited twice a year and the same plan should be shared within	Internal Audit is to be conducted on ongoing basis does it implies that all the process areas mentioned in the RFP is to be covered every quarter.	already answer above.
32	9	3.1-Scope of Work	Internal Audit for the respective financial year – to be conducted on an ongoing basis, quarterly report on key observations to be presented to the Audit & Risk Committee of BFSL Board at their quarterly meetings	Sample Size and Extent of Coverage is not specified in RFP	already answer above.
33	9	3.1-Scope of Work A point 3 and point 5	A.Credit Card Operations 3 Accuracy of data captured in the Card origination system.	Do we need to review in compliance with PCI DSS Standards and other applicable RBI regulations.	yes

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34	9	3.1-Scope of Work	Internal Audit should not be confined only to finance audit, should go beyond vouching, verification, checking the arithmetical accuracy etc. Adequate emphasis would need to be accorded to testing the IT systems & operational risks and controls on which the generation of financial information is dependent	Scope of Audit under Review of IT System should be elabarorated as to whether it is limited to IT General Controls like Change Management,Patch Management,Interface Connectivity,Uptime Management,Information Security controls or anything additional to be seen.	already answer above.
35	11	3.1-Scope of Work Point I	I. Certification work	Estimated number of certificates issued in previous years to estimate the price, frequency and type / nature of certificate . Commercials for Certificate may be considered as a seperate and suggested not to be merged in Internal Audit and ICFR Fees for better clarity	as per RFP documents.
36	11	3.1-Scope of Work	ICFR - Broad anticipated scope is as follows: □ Design assessment of existing IFC system over Financial reporting Prepare a Risk Control Matrix for each significant accounts/process to be covered for review	Scope is whether review of existing Risk Control Matrix and suggesting improvements/gaps therein or preparation of entire RCM.In our understanding it should be review of existing Risk Control Matrix and suggesting improvements therein.Preparation of RCM whether mandated in scope	as per RFP documents.
37	11	3.1-Scope of Work	Our broad scope of work will be to review the IFC system related to Financial Reporting to comply with the regulatory requirement.	Whether Extent of samples to be selected based on frequency of controls as mentioned in Internal Audit Standards or this would be on based on auditors judment may be clarified.	already answer above.
38	36	cl. 1.2 last line, pg 5/36,	The company intend to host its various applications in a partner Virtual Data Centre.	Whether the location will be within Mumbai, Is system controls and other application testing part of scope	point as been removed.
39	36	cl. 2.1, 3rd para, pg 8/36,	The Company at its discretion reserves the right to change the scope of the RFP considering the size and variety of the requirements and the changing business conditions	Change in scope may require change in fees as it may involve engagement of additional time and / or engagement of additional / expert resource	as per RFP documents.
40		cl.3.1-3 pg 12/36	The Bidder will be required to fix any vulnerability in the RFP for Appointment of Audit firm for conducting Internal Audit & ICFR at no additional cost during the entire tenure of the contract. These vulnerabilities can be detected by the Company or can be a finding of any internal or external audit conducted by the Company or its auditors on a periodic basis.	What is fixing of vunerabilities includes	already answer above.