

State Bank of India – SBI Singapore Operations

REQUEST FOR PROPOSAL- APPOINTMENT OF INTERNAL AUDITORS

We, State Bank of India, Singapore Operations invite proposals from reputable Internal Audit firms for appointment as Internal Auditor on a co-sourced basis for a period of three year from 01st April 2027 to 31st March 2030, subject to annual reviews of performance.

The interested audit firms are requested to please contact to the undersigned for additional information i.e. scope of audit, timelines for etc.

SVP - Inspection & Audit, Quality Assurance

State Bank of India

80, Robinson Road

27-01 Singapore 068898

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Email: svpia@sbising.com

1. Proposal Requirements:

The proposal should necessarily include the following information, required for the evaluation exercise. As the parameters listed below carry weights in the scoring process, non-inclusion of the information in the proposal will affect the chances of being engaged as Internal Auditor.

i. Brief Profile of the Audit Firm's operations- Globally and in Singapore.

Include details of the firm's experience in auditing commercial banks (internal/external), especially Foreign Banking organizations (FBO) in Singapore.

ii. Brief Profile of Internal Audit Personnel.

Provide comprehensive profiles of team members, including names, designations, areas of specialization, professional qualifications, experience in audit of Banks and

with the current firm, details of specialists/experts in the areas of Regulatory compliance, KYC/AML/CFT, Treasury, and commercial credit, as well as Information Technology audits. Highlight significant achievements in audit space such as specialized audit experience, regulatory assignments, accreditations and certifications, and any specific knowledge of the Singapore financial regulatory environment (for entities regulated by MAS).

The proposed team should have at least one CISA qualified personnel with a minimum of two years' experience in auditing Information Technology area.

iii. Internal Audit Methodology.

Present the proposed audit methodology including details of identification of auditable areas, conducting risk assessment, preparation of audit plan, scoring/rating methodology, sampling methodology, execution of audit plan, use of data analytics or technology, submission of draft/final audit reports and revalidation of compliance with audit observations. Include methods for adapting to evolving scenarios and emerging risks such as cybersecurity.

iv. Terms of Internal Audit Contract, if any for taking up the engagement as Internal Auditor.

v. Deliverables.

- a. *Preparation of 3-year Rolling Plans* (where Risk assessment is to be carried out annually)
- b. *Annual Risk Assessment*: Identification and prioritization of audit areas and components based on inherent/residual risks.
- c. *Risk-Based Internal Audit Plan & Engagement Planning Memoranda*: Annual Plan outlining audit coverage, frequency, resource deployment, scope, objectives, audit criteria, and approach for each audit assignment.
- d. *Audit Programs & Sampling Methodology*: Tailored audit procedures, control testing strategies, and sampling rationale.

- e. Fieldwork Execution: Documentation of audit testing, walkthroughs, interviews, and working papers.
- f. Preliminary Observations / Exit Meeting: Summary of Key finding for discussion during exit meetings.
- g. Draft Audit Reports: Final reports incorporating management responses and agreed action plans.
- h. Issue/Recommendations Tracker: Consolidated tracker of open audit issues, action owners and target dates.
- i. Follow-up Review Notes: Validation of Implemented actions and closure memos for resolved findings.
- j. Quality assurance Documentation: Certification of compliance with applicable standards.

vi. Number of Foreign Bank Clients.

Provide details of major banking clients and Foreign Banking Organization (FBO) clients of Singapore, and experience of Internal Audit of FBOs.

vii. Sample Audit Report.

Provide a sample audit report with standard sections such as executive summary, scope, audit observations, assigning risk to each observation, root cause analysis, overall rating of the auditable area, management response, recommendations, timelines, official responsible for compliance with the audit, observations, period covered under audit, and sampling procedures, demonstrating adherence to standard auditing conventions, etc.

viii. Estimated number of Audit Hours.

The proposal should include the estimated number of Audit Hours required to perform the audit exercise for the designated audit areas for each of the three years as per the Audit scope, along with a detailed justification for any significant increases compared to the historical estimate. Based on internal audit exercises from the past three years, the estimated average annual audit hours are **2000**.

2. Professional Standards:

The Internal Audit services are to be performed in accordance with applicable professional standards, including the IIA's International Standards for the Professional Practice of Internal Auditing, along with adherence to Singapore regulatory expectations and SBI's Standard Audit Scope.

3. Reporting Requirements:

3.1 All reports are required to be submitted in English.

3.2. The reports are required to include sections as per standard auditing conventions, e.g., Executive Summary, Scope of Audit, Risk Rating of audit areas and findings, procedures performed, sampling procedure followed along with the samples checked, overall rating, etc. However, the format may undergo changes as per Bank's requirement.

4. Timelines:

During the course of engagement as an Internal Auditor, the Internal Audit firm (IAF) will be required to submit a draft report to the management/ auditee unit prior to submission of the final report.

4.1. The following timelines will be adhered to in the audit process:

- i. Field work to be completed not later than 4 weeks from the end of the review period.
- ii. Draft report to be issued not later than 6 weeks from the end of the review period.
- iii. Management response to the draft report to be received within 2 weeks from submission of Draft Report.
- iv. Final reports to be issued within 10 weeks from the end of the review period.
- v. A penalty of 5% of audit fee may be levied in case of non-adherence to mentioned timelines, attributable to IAF.

4.2. The ownership and control of internal audit workpapers produced by the audit firm will remain with SBI's Internal Audit Department (IAD).

4.3 The IAF will be expected to advise SBI on relevant and evolving regulatory and statutory developments in Singapore.

4.4 Interested firms may contact SBI Singapore Operations to obtain a copy of the Standard Audit Scope, which may be referred to for the purpose of estimating the audit cost. However, the Audit Plan will be based on the risk assessment exercise, to be carried out annually, keeping in view the audit areas and components as per the Audit Scope. All High / Medium / Low risk areas will be covered at Annually / Biennially /Triennially respectively. The estimated audit hours should be submitted considering the requirements mentioned above.

5. Evaluation Process:

The proposals received will undergo preliminary evaluation by the Internal Audit Department (IAD), State Bank of India, Hyderabad. The firms shortlisted in the process will be required to make a presentation to the Selection Committee.

6. Submission of Financial Quote:

The shortlisted firms will be required to submit the financial quote, comprising Blended Hourly Rate (BHR) in USD as well as SGD, audit hours and total estimated fees for each of the three years, in a sealed envelope to the Procurement Committee at SBI Singapore. BHR will remain same for the period of engagement, except for annual inflationary adjustments, if any. Applicable taxes may be indicated separately. Incidental Expenses incurred directly by the service provider shall be capped at a maximum of 5% of the original fee.

7. Selection Process:

7.1 The combined score obtained by the shortlisted firms during the technical evaluation, and the financial bid will be ranked, and the firm with the highest score will be selected as the Internal Auditor of SBI Singapore Operations for the period 1st April 2027 to 31st March 2030.

7.2 Firms not shortlisted as the final internal audit firm may, at the discretion of SBI, be considered for empanelment as a backup internal audit firm, to be engaged in the event of any exigency, withdrawal, or disqualification of the selected firm. Such consideration shall

not confer any right or assurance of future engagement. By submitting their proposal, firms are deemed to have expressed their willingness to be considered for such empanelment, if required.

8. Conflict of Interest:

Audit Firms must maintain objectivity in their professional judgements and monitor, identify, evaluate, and promptly disclose any circumstances that could reasonably be perceived as impairing their ability to perform their duties objectively at the time of application as well throughout the period of engagement. A no conflict-of-interest declaration will be required to be submitted in this regard at the time of application as well as on an annual basis.

9. Disclaimers and Reservations:

Please note that mere submission of the proposal does not confer any claim whatsoever against State Bank of India. SBI reserves the right to cancel or withdraw the RFP process at any stage without notice, without assigning any reason, and without incurring any liability. Submission of a proposal implies acceptance of this condition, and no claim, entitlement, or expectation of a contractual relationship arises against SBI as a result.

We request that interested audit firm to approach us for any kind of information in this regard at the earliest but **not later than 08th Oct 2026.**

The interested audit firms are requested to submit the detailed proposal as well as the financial quote on the address given below by 5 PM on or before 14th October 2026. Please note that the financial quote (comprising BHR in USD and SGD terms) must be submitted separately in a sealed cover.

The Chief General Manager & Internal Audit Manager
C/o Chief Executive Officer
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