पंजाब एण्ड सिंध बैंक
(भारत सरकार का उपक्रम)
प्र . का . लेखा एवं लेखा परीक्षा विभाग,
एनबीसीसी भवन ब्लॉक 3, **किडवई नगर**,
नई दिल्ली –110023
Email: ho.accts@psb.bank.in



Punjab & Sind Bank
(A Govt. Of India Undertaking)
H.O. Accounts & Audit Dept.,
NBCC Building Block 3, Kidwai Nagar,
New Delhi - 110023
Email: ho.accts@psb.bank.in

Policy for Appointment of Statutory Auditors For FY 2026-27 and Onwards

Preamble

It aims to formulate policy on selection and appointment of Statutory Central Auditors and Statutory Branch Auditors in accordance with the latest guidelines issued by Reserve Bank of India.

This policy also aims to establish a well defined procedure and selection criteria to be followed by the bank with respect to appointment of Statutory Central Auditors and Statutory Branch Auditors.

This Policy confirms all statutory / regulatory guidelines.

Policy for Appointment of Statutory Auditors For FY 2026-27 and Onwards

<table>
<tr><td>A.</td><td>Appointment of Statutory Central Auditors</td></tr>
<tr><td>I)</td><td>Number of Audit Firms</td></tr>
<tr><td></td><td>Bank shall have a minimum of 2 and a maximum of 4 SCA Firms [Partnership firms/Limited Liability Partnerships (LLPs)].

Considering the size and spread of assets, accounting and administrative units, complexity of transactions, level of computerization, availability of other independent audit inputs, identified risks in financial reporting, etc. and the requirements of the bank, the actual number of SCAs to be appointed shall be decided by the Board, subject to the aforsaid limits.</td></tr>
<tr><td>II)</td><td>Eligible Audit Firms</td></tr>
<tr><td></td><td>The List of eligible Audit firms will be provided by Reserve Bank of India. The selected audit firms must confirm to the eligibility criteria prescribed by RBI from time to time.</td></tr>
<tr><td>III).</td><td>Eligibility Criteria</td></tr>
<tr><td></td><td>Basic Eligibility Criteria for appointment of SCA:

<table>
<tr><th>Particulars</th><th>Nos.</th></tr>
<tr><td>Minimum No. of Full-Time partners (FTPs) associated with the firm for a period of at least three (3) years</td><td>5</td></tr>
<tr><td>Out of total FTPs, Minimum No. of Fellow Chartered Accountant (FCA) Partners associated with the firm for a period of at least Three (3) years</td><td>4</td></tr>
<tr><td>Minimum No. of Full Time Partners/ Paid CAs with CISA/ISA Qualification</td><td>2</td></tr>
<tr><td>Minimum No. of years of Audit Experience of the firm</td><td>15</td></tr>
<tr><td>Minimum No. of Professional staff</td><td>18</td></tr>
</table>
*The information in respect of aforesaid eligibility criteria is provided in the list shared by RBI.</td></tr>
</table>

	i. The full-time partner's association with the firm shall mean "exclusive association", which is defined as follows: • The full time partner should not be a partner in other firm/s. • She/He should not be employed full time / part time elsewhere. • She/He should not be practicing in her/his own name or engaged in practice otherwise or engaged in other activity which would be deemed to be in practice under Section 2(2) of the Chartered Accountants Act, 1949. • The income of the partner from the firm/LLP should not be below the threshold limits prescribed by the Office of C&AG for the purpose of consideration as full-time partners. ii. There should be at least one-year continuous association of partners with the firm as on the date of empanelment for considering them as full time partners. iii. At least two partners of the firm shall have continuous association with the firm for at least 10 years. iv. Continuous association of Paid CAs with the firm as on the date of empanelment should be at least one year for considering them as Paid CAs with CISA/ISA qualification. v. Audit experience shall mean experience of the audit firm as Statutory Central/ Branch Auditor of Commercial Banks, Small Finance Banks, Payment Banks, Local Area Banks or AIFIs. A self declaration will be obtained from the audit firm in case the Bank audit experience of the audit firm is shown as Zero in the list provided by RBI. vi. In case of merger and demerger of firms, merger effect will be given after 2 years of merger while demerger will be effected immediately. vii. Professional staff will include audit and article clerks with knowledge of book-keeping and accountancy and who are engaged in on-site audits but exclude typists/stenos/computer operators/ secretaries/subordinate staff, etc. There should be at least one-year continuous association of professional staff with the firm as on the date of empanelment for considering them as professional staff.

viii. Apart from the above the eligible audit firms shall also satisfy the following conditions:

a) Eligible audit firms should be duly qualified for appointment as auditor of a company in terms of Section 141 of the Companies Act, 2013.

b) Eligible audit firm should not be under debarment by any Government Agency, National Financial Reporting Authority (NFRA), the Institute of Chartered Accountants of India (ICAI), RBI or Other Financial Regulators.

c) Eligible audit firm should comply with the ICAI's Code of Ethics / any other such standards adopted. The appointment of the Eligible audit firm should not give rise to any conflict of interest.

d) If any partner of a Chartered Accountant firm is a director in any Public Sector Bank, the said firm shall not be appointed as SCA of Punjab & Sind Bank.

e) Eligible audit firm should preferably have capability and experience in deploying Computer Assisted Audit Tools and Techniques (CAATTs) and Generalized Audit Software (GAS), commensurate with the degree/ complexity of computer environment of the bank.

f) Neither any partner of Eligible audit firm, nor their spouse, dependent children and wholly or mainly dependent parents, sisters, brothers or any of them, of any partner/proprietor of the firm/Company in which they are partners/ directors should be indebted to Punjab & Sind Bank.

g) Neither partners/ proprietor of the Eligible audit firm nor their spouse, wholly or mainly dependent parents, dependent children, brothers, sisters or any of them, or the firm / company in which they are partners / directors should have been declared as willful defaulters by any bank / financial institutions

h) Eligible Audit Firm should have subjected itself to Peer Review System of the Institute of Chartered Accountants of India and should hold a valid Peer Review Certificate.

i) Concurrent auditors of Punjab & Sind Bank should not be considered for appointment as SCA. If an audit firm is engaged as Concurrent Auditor of Punjab & Sind Bank, the time gap between the appointment of eligible audit firm as SCA and

	completion of concurrent audit assignment given to the firm should be two years as on 31st March of the relevant year for which appointment is being made (for illustration Cut Off date for FY 2026-27 is 31.03.2027 i.e the Audit firm should not be a Concurrent auditor of the Bank on or after 01.04.2025). j) The time gap between any non-audit work (services mentioned at Section 144 of Companies Act, 2013, Internal assignment, special assignments, etc.) by the eligible audit firm should be at least one year before or after its appointment as SCA (for illustration cut off date for FY 2026-27 is 31.03.2027). k) Eligible audit firms shall maintain confidentiality of having given their consent for appointment as Statutory Central Auditor of Punjab & Sind Bank till the final approval for appointment is received from RBI. ix. **Continued Compliance with basic eligibility criteria:** In case SCA Firm (after appointment) does not comply with any of the eligibility norms (on account of resignation, death etc. of any of the partners, employees, action by Government Agencies, NFRA, ICAI, RBI, other Financial Regulators, etc.), it must approach Punjab & Sind Bank with full details. Further, the SCA Firm shall take all necessary steps to become eligible within a reasonable time and should be complying with the above norms before commencement of Annual Statutory Audit for Financial Year ending 31st March and till the completion of annual audit. In case of any extraordinary circumstance after the commencement of audit, like death of one or more partners, employees, etc., which makes the SCA Firm ineligible with respect to any of the eligibility norms, RBI will have the discretion to allow the concerned audit firm to complete the audit, as a special case.
IV)	**Procedure for selection of Audit Firms for SCA**
	a) The appointment of SCAs will be made on an annual basis, subject to their fulfilling the eligibility norms prescribed by RBI from time to time and also subject to their suitability. b) For every vacancy of SCAs minimum of 2 audit firms shall be shortlisted so that even if firm at first preference is found to be ineligible or refuses appointment,

	the firm at second preference can be appointed and the process of appointment of SCAs does not get delayed. c) The list of eligible audit firms for appointment as SCAs will be provided by RBI. d) A Committee of Executives consisting of CRO, HIA and CCO will be formed with CFO as convener. The verification of the eligibility criteria of the audit firms to be done by aforesaid Committee of executives. e) The shortlisting of the Audit Firms will be done by the aforesaid committee on the basis of parameters as approved by the ACB. The committee will take into consideration those audit firms whose expression of interest for appointment as SCA of the bank is received, since the beginning of financial year i.e from 1st April till 7 days after the receipt of list of audit firms from RBI. To the extent possible, at least one audit firm having its Head Office in the same place where the Bank's Head Office is located, to be preferred and the remaining audit firms should be preferably from other than the northern region. Out of the aforesaid audit firms, the consent of audit firms up to 5 times of the vacancy will be obtained in prescribed format (Form B duly signed by main partner i.e partner having longest association with the firm) before recommending the name of audit firms to ACB.Discreet enquiries about the credentials of the audit firm to be made informally to maintain the secrecy. f) The audit firms shortlisted by Committee of Executives will be placed before ACB. The ACB will approve adequate number of audit firms in order of preference to take care of the situation where some firms may be found to be as ineligible or refuses appointment. g) Accordingly, CFO /Executive Incharge of HO Accounts & Audit Department shall recommend the name of audit firms to the RBI for its prior approval along with the following documents: • Copy of audited Financial Statement indicating the total asset size as on March 31st of the previous year. • A copy of ACB Resolution recommending names of audit firms for appointment as SCAs in the order of preference.

	• Information as per Form – "B" and Form – "C" of RBI Letter Ref.No.DoS/2026-27/414 DoS.CO.ARG.8/08.91.001/2026-27 dated July 31,2026. h) After receiving the approval from RBI, CFO /Executive Incharge of HO Accounts & Audit Department to issue the Appointment Letter to the SCAs for that particular year and undertake all the necessary activities with regard to the appointment of SCAs. i) The said firms will continue to conduct quarterly reviews for next year until the bank receives new panel/ list of SCAs from RBI and new SCAs are appointed.
V)	**Tenure and Rotation**
	i. SCA Firm will be appointed for a continuous period of three years, subject to the firms satisfying the eligibility norms each year. However, in case of resignation/removal of SCA(s) before completion of their tenure the following procedure will be followed. **a.** *In case of resignation by SCA(s)* In case of resignation of Statutory Central Auditor(s) before completion of their tenure, the same will be intimated to ACB and RBI. The work allocation of the outgoing Statutory Central Auditor(s) will be distributed among the existing Statutory Central Auditor(s) till the appointment of new audit firm(s) as Statutory Central Auditor(s). **b.** *In case of removal of SCA(s)* In case of removal of Statutory Central Auditor(s) before completion of their tenure, prior approval of ACB will be sought before recommending the name of such firm(s) to RBI and the work allocation of the outgoing Statutory Central Auditor will be distributed among the existing Statutory Central Auditors till the appointment of new audit firm(s) as Statutory Central Auditor(s). ii. SCA Firm would not be eligible for reappointment in Punjab & Sind Bank for six years after completion of full or part of one term of the audit tenure. iii. SCA Firm can concurrently take up statutory audit of a maximum of four Small Finance Banks, Payment Banks, Commercial Banks and Local area Banks [but

	not more than one PSB or one AIFI or RBI], eight UCBs and eight NBFCs and five StCBs / CCBs (including not more than one StCB) during a particular year, subject to compliance with required eligibility criteria. The limits prescribed for UCBs exclude audit of other co-operative societies by the same SCA Firm. These limits are applicable in respect of audit of all RBI regulated entities, irrespective of the asset size. A group of audit firms having common partners and/or under the same network, will be considered as one entity and they will be considered for allotment of SCA accordingly. Shared/Sub-contracted audit by any other/associate audit firm under the same network of audit firms is not permissible. The incoming audit firm shall not be eligible if such audit firm is associated with the outgoing auditor or audit firm under the same network of audit firms.
VI)	**Number of branches to be audited by each SCA**
	Bank will allot the Top 20 branches (to be selected strictly in order of the level of outstanding advances) of the bank for the purpose of statutory branch audit to SCAs (distributed among the SCAs), which they have not audited earlier in such a manner so as to cover a minimum of 15% of total gross advances of the bank. Before approaching RBI for approval to treat any of the branches earlier selected for audit as unaudited subsequently, Bank will consult with SCAs and obtain their written concurrence for such exclusion from audit. While seeking prior approval from the RBI, the Bank will state in its letter that the concurrence of the SCAs has been obtained. The fees payable to SCAs will be as per RBI guidelines and same will be shared by them equally.
VII)	**Independence of Auditors**
	ACB shall monitor and assess the independence of the audit firms and conflict of interest position in terms of relevant regulatory provisions, standards and best practices. ACB may raise any concern in this regard to the Board of Directors and Senior Supervisory Manager (SSM)/Regional Office (RO) of RBI. The SCA Firms shall approach to the ACB, under intimation to the concerned SSM/RO of RBI for any concern with the management such as non-availability of information/non-cooperation by the management, hampering the audit process.

VIII)	**Professional Standards of Auditors**
	ACB shall review the performance of SCAs on an annual basis. Any serious lapses/negligence in audit responsibilities or conduct issues on part of the SCAs or any other matter considered as relevant willl be reported to RBI within two months from completion of the annual audit. In the event of lapses in carrying out audit assignments resulting in misstatement of Bank's financial statements, and any violations/lapses vis-à-vis the RBI's directions/guidelines regarding the role and responsibilities of the SCAs in relation to the bank, the SCAs would be liable to be dealt with suitably under the relevant statutory/regulatory framework.
IX)	**Redressal of Grievances**
	Executive Director in charge of Accounts & Audit Department will dispose off grievances/ complaints (if any) with regard to the selection of Statutory Central Auditors.
X)	**Regulator's Guidelines**
	Guidelines issued by regulators viz. RBI/ MOF/ GOI/ SEBI/ NFRA etc. from time to time in connection with Statutory Central Auditors shall prevail over and above the provisions of the policy.
XI)	**Review of Policy**
	The Policy for appointment of Statutory Central Auditors will be reviewed every three years or as and when required or when any regulatory change takes place,whichever is earlier.

B.	**Appointment of Statutory Branch Auditors**
I)	**Business Coverage and Selection of Branches**
	The branches for annual audit will be selected in accordance with the following guidelines: • From FY **2026-27** and onwards, statutory branch audit shall be carried out so as to cover around 75% of all funded and 75% of all non-funded credit exposures of the bank. • The methodology to be adopted for Business Coverage and selection of branches in terms of various parameters specified by the RBI is as under: ➢ **Bank Specific Characteristics –** Since zonal offices of the bank are geographically spread across the country, in order to ensure uniform audit coverage throughout the geographical presence, a minimum of 50% of advances, as on last date of the previous quarter, from each Zonal Office of the bank should be covered under statutory audit. ➢ **Degree of Centralisation of Processes**- All the Centralised hubs like Cenmargs, Asset Recovery Branches (ARBs), Currency Chests, RCCs, Digital Banking Units (DBUs), SAMvert, etc should be included for statutory audit. ➢ **Addressing Fraud Risk and Credit Risk –** For addressing Fraud Risk, all the branches, where fraud has been detected during the last four completed Quarters should be included for statutory audit. Further, to address the Credit Risk, all the branches having advances more than Rs.50 crore as on the last date of the previous quarter should be included for statutory audit. ➢ **Adverse Reports from Internal / Concurrent Auditors -** The branches whose Internal / Concurrent Auditors have given Adverse Report during the last four completed Quarters should be included for statutory audit.

	➢ **Whistle Blower Complaints -** The branches for which Whistle Blower Complaints has been received during the last four completed Quarters should be included for statutory audit. ➢ **Unusual Pattern / activity shown by Internal MIS reports –** The branches having Advance / Deposit more than Rs.20 crore as on last date of the previous quarter where in variation of more than 50% has been found as on the last date of the previous quarter in comparison to the last day of the previous Financial Year, should be included for statutory audit. ➢ **Top 50 Deposit Branches –** The Top 50 Deposit Branches as on last date of the previous quarter should be included for statutory audit. • It should also be ensured that a representative cross section of rural, semi-urban, urban and metropolitan branches are covered under statutory audit, including branches that are not subject to concurrent audit. • The actual selection of branches as well as allocation of SBAs shall be done as per the Board approved methodology and approved by the Audit Committee of the Board (ACB). • It shall be ensured that selection and allocation of branches to SBAs is made in a transparent, fair and judicious manner. • In respect of those branches, which are subject to concurrent audit by chartered accountants and not selected for branch audit, LFARs and other certifications done by concurrent auditors will be consolidated and submitted by the bank to their SCAs. Any other certificate and reports prepared by the concurrent auditors for such branches shall also be submitted to the SCAs.
II)	**Eligible Audit Firms**
	1) Basic Eligibility Criteria for appointment of SBA: In order to be eligible for appointment / re-appointment as SBA, an audit entity (i.e., audit firms or sole proprietorship auditors) should meet all the following conditions:

	i. Eligible Audit Entity should satisfy all the criteria laid down in section 141 of the Companies Act, 2013. **ii.** Neither the eligible audit Entity nor any of its partners should have been barred from exercising duties as auditor by any regulatory body including the RBI, Securities and Exchange Board of India (SEBI), the Comptroller and Auditor General (C&AG), Government of India, the National Financial Reporting Authority (NFRA) and the Institute of Chartered Accountants of India (ICAI). **iii.** In case the Eligible Audit Entity has previously completed four consecutive years as SBA of the bank, at least four years have elapsed after the completion of the last audit engagement as SBA of the same bank. **iv.** In case the Eligible Audit Entity has been appointed as an SCA of the bank in the past, at least six years have elapsed after the completion of the last engagement as SCA of the same bank (irrespective of tenure of previous engagement). **v.** The Concurrent Auditor of Punjab & Sind Bank shall not be eligilble to be appointed as SBA of the bank. In case eligible audit firm has been appointed as Concurrent Auditor of the bank in the past, atleast two years should have elapsed from the completion of the assignment as on 31st March of the relevant year for which appointment is being made (for illustration Cut Off date for FY 2026-27 is 31.03.2027). **vi.** The time gap between any non-audit work (services mentioned at Section 144 of Companies Act, 2013, Internal assignment, special assignments, etc.) by the eligible audit firm should be at least one year before its appointment as SBA of the bank (i.e. as on 31st March of the relevant year for which appointment is being made). **vii.** None of the partners of the Eligible Audit Entity or the proprietor of the audit entity are Directors in the same bank. **viii.** Eligible Audit Entity should not have any common partner(s) with any other SBA of the same bank and they are not under the same network (as defined in Rule 6(3) of the Companies (Audit & Auditors) Rules, 2014) of audit firm.

ix. Eligible Audit Entity should meet the criteria for bank audit experience, number of partners, standing, etc for the year ending March 31, 2027 and onwards, as laid down as per the following table:

Category	No. of CAs exclusively associated* with the firm (Full time)	No. of partners exclusively associated* with the firm (full time) (Out of 2)	Professional staff#	Bank audit experience	Standing of the audit firm@
(1)	(2)	(3)	(4)	(5)	(6)
Category I	5	3	8	The firm or at least one of the partners should have a minimum of 8 years' experience of branch audit of a public sector bank (PSB) or of a private sector bank (PVB).	8 years
Category II	3	2	6	The firm or at least one of the partners should have conducted branch audit of a PSB/PVB for at least 5 years.	6 years (for the firm or at least one partner)
Category III	2	2	4	The firm or at least one of the CAs should have conducted branch audit of a PSB /PVB for at least 3 years	5 years (for the firm or at least one partner)
Category IV					
Partnership firm	2	2	2	Not necessary	3years
Proprietorship concern	2	1	2	Not necessary	6years
Proprietorship concern	1	1	2	The proprietor should have conducted branch audit of a PSB/PVB for at least 3 years	6years

***** *The definition of 'exclusive association' will be based on the following criteria:*

(a) The full-time partner should not be a partner in other firm/s

(b) She/He should not be employed full time I part time elsewhere

(c) She/He should not be practising in her or his own name or engaged in practice otherwise or engaged in other activity which would be deemed to be in practice under Section 2(2) of the Chartered Accountants Act, 1949.

 # Professional staff (excluding typists, stenographers, computer operators, secretary/ies and sub- ordinate staff, etc.) implies audit and articled clerks with knowledge in book-keeping and accountancy and are engaged in audit.

	@ The standing of an audit firm would be reckoned from the date of its establishment. For a proprietorship, the period for which the proprietor has been holding a Certificate of Practice issued by the ICAI shall be reckoned for standing. **2)** The ICAI shall forward a list of eligible audit entities as per the norms prescribed by RBI. The same shall be reviewed to identify continuing / non-continuing auditors, etc and forwarded by the RBI to the bank for selection. **3)** The bank shall satisfy the criteria specified in paragraph 1 of the Eligible Audit Firm before making any appointment / re-appointment as well as during the audit engagement. **4)** Irrevocable consent to take up the audit engagement shall be sought for the particular year and during the subsequent continuing years,respectively. **5)** Eligible Audit Entity should also undertake not to accept appointment as SBA of any other PSB, if appointed, during the period of appointment with Punjab and Sind Bank. However, the audit entity can accept appointment as SCA of any other PSB after its resignation as SBA of Punjab and Sind Bank. **6)** If any of the self-declaration given by the Eligible Audit Entity, is proved false then the bank shall report the same to the regulatory bodies including RBI, SEBI, C&AG, NFRA and ICAI for initiating appropriate proceedings.
III)	**Procedure for selection of Audit Firms for Branch Audit**
	The procedure that will be followed for selection of SBAs by the Bank is as under: i. RBI will forward the list of all eligible auditors/audit firms (Continuing and Non Continuing auditors/audit firms) to the Bank before Annual audit every year. ii. All the audit firms, whose names appear in the list of continuing auditors, will be considered for audit assignments during the concerned financial year subject to meeting the eligibility criteria laid down in paragraph 1 of Clause II above. iii. For the remaining vacancies if any, the audit firms will be selected from the list of non continuing firms provided by RBI. iv. The selection of the auditors will be made through software provided by Professional Development Committee (PDC), Institute of Chartered Accountants of India (ICAI) for appointment of Statutory Branch Auditors, out of the list

	provided by the RBI, by the Committee of Executives consisting of CRO, HIA and CCO with CFO as convener. v. The adequate number of fresh branch auditors (Category – wise) may be inducted to enable equitable distribution to each audit firm and also to take care of any eventuality on account of refusal or any other event, if any. vi. The list of continuing auditors/audit firms and new auditors/audit firms who have given irrevocable consent, selected for appointment as statutory branch auditors will be placed before ACB for its concurrence. Thereafter, the list will be uploaded on RBI's Auditor Allocation System (AAS) and subsequently forwarded to RBI for general permission. vii. On receipt of general permission from RBI, allocation of branches will be done as per the Clause V of the policy. viii. The list of continuing auditors/audit firms and new auditors/audit firms, selected for appointment as statutory branch auditors along with the allocation of branches to them will be placed before ACB for its approval. In case of time constraint, the approval may be obtained from Executive Director in charge of Accounts & Audit Department and may be placed before ACB in subsequent meeting, for confirmation of action of Executive Director. ix. Thereafter, Appointment Letters shall be issued to the auditors after approval / confirmation as mentioned above. x. Post appointment / re-appointment, the bank shall report to RBI (through AAS) the list of SBAs appointed, along with details of allocation of branches thereof.
IV)	**Tenure**
	The bank shall appoint the SBA for a period of one year at a time upto a period of four consecutive years, subject to the audit firm meeting the eligibility criteria laid down in paragraph 1 of Clause II above.
V)	**Allocation of branches**
	i) The allocation of branches for conducting statutory audit by SBAs is centralized at HO level. ii) No distinction will be made between the continuing auditors and the fresh auditors.

	iii) Bank will allot branches, to the extent possible, to the audit firms taking consideration of the category of the firm. iv) Local auditors will be preferred for branch audit. Among local auditors preference will be given category wise. In case local auditors are not available, auditors from the nearby districts within the State/adjoining States/other States will be considered for audit. v) Bank will give assignment to all the auditors approved/considered for appointment.
VI)	**Number of Audit Firms**
	Number of audit firms depends on number of branches to be covered under audit as per RBI policy and the allotment criteria advised by RBI from time to time. As per the extant guidelines of RBI, not more than two (2) branches (irrespective of the size) will be allotted to each of the branch auditors.
VII)	**Non-reappointment / removal of SBAs**
	i) In case of resignation by SBA(s) In case of resignation of Statutory Branch Auditor(s) before completion of their tenure, the same will be intimated to ACB and RBI. The work allocation of the outgoing Statutory Branch Auditor(s) will be distributed among the existing Statutory Branch Auditors. *ii) In case of Non-reappointment/removal of SBA(s)* In case of Non-reappointment/removal of Statutory Branch Auditor(s) before completion of their tenure, prior approval of ACB will be sought before recommending the name of such firms to RBI. However, in case of time constraint / emergent situation(s), approval may be obtained from Executive Director in charge of Accounts & Audit Department and the same may be placed before ACB in subsequent meeting, for confirmation of action of Executive Director. Further, the work allocation of the outgoing Statutory Branch Auditor(s) will be distributed among the existing Statutory Branch Auditors.

VIII)	**Professional Standards of Auditors**
	ACB shall review the performance of SBAs on an annual basis. Any serious lapses/negligence in audit responsibilities or conduct issues on part of the SBAs or any other matter considered as relevant willl be reported to RBI within two months from completion of the annual audit. In the event of lapses in carrying out audit assignments resulting in misstatement of an Bank's financial statements, and any violations/lapses vis-à-vis the RBI's directions/guidelines regarding the role and responsibilities of the SBAs in relation to the bank, the SBAs would be liable to be dealt with suitably under the relevant statutory/regulatory framework.
IX)	**Appointment of Statutory Auditors for Oversaes Branch(es)**
	Bank will appoint SAs for all overseas branches every year. While seeking approval for appointment of SAs for overseas branches, the bank will indicate the details of audit firms, being recommended for appointment (their experience, standing or any other detail) in the cases where the appointment is not subjected to the approval of the overseas regulator. However, if the approval of the overseas regulator is required, the same will be indicated in the application.
X)	**Redressal of Grievances**
	Executive Director in charge of Accounts & Audit Department will dispose off grievances/ complaints (if any) with regard to the selection of Statutory Branch Auditors.
XI)	**Regulator's Guidelines**
	Guidelines issued by regulators viz. RBI/ MOF/ GOI/ SEBI/ NFRA etc. from time to time in connection with Statutory Branch Auditors shall prevail over and above the provisions of the policy.
XII)	**Review of Policy**
	The Policy for appointment of Statutory Branch Auditors will be reviewed every three years or as and when required or when any regulatory change takes place,whichever is earlier.
XIII)	**Disclosure of Policy**
	The policy will be published on the Bank's website https://punjabandsind.bank.in/