



“Review Policy - Selection and appointment of Statutory Central Auditors of Bank- F.Y. 2022-23”

Appointment of Statutory Central Auditors (SCAs) is being done on the basis of guidelines issued by Government of India (GOI)/ Reserve Bank of India (RBI) from time to time.

Our Policy on appointment of Statutory Auditors is based on the guidelines issued by Govt. of India and Reserve Bank of India and is subject to changes, if any, made by GOI and/or RBI from time to time. The recent guidelines for appointment of Statutory Central Auditors is based on RBI guidelines vide Ref. RBI/2021-22/25. Ref No DoS/CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April 2021. The policy is based on the same.

A. APPOINTMENT OF STATUTORY CENTRAL AUDITORS (SCAs):-

Govt. of India vide their letter No. F No. 1/14/2004-BOA dated 25/11/2014 issued by Ministry of Finance, Department of Financial Services, informed that the issue of appointment of Statutory Central Auditors (SCAs) in Public Sector Banks (PSBs) has been revisited. The Govt. has decided that the work of selection and appointment of SCAs will be delegated to individual PSBs for the year 2014-15 and onwards. Reserve Bank of India will provide criteria for selecting SCAs to PSBs, keeping in view the policy parameters in this regard. C & AG will provide the list of auditors available with them and PSBs can make selection out of the list with previous approval of RBI.

I. Number of Audit Firms

In terms of Reserve Bank of India revised guideline dated 27th April 2021, Banks are required to maximum no of Statutory Central Auditor based on Asset size as under:

| SN | Asset Size | Maximum no of SCAs |
|----|--|--------------------|
| 1 | Upto Rs 5,00,000 crore | 4 |
| 2 | Above Rs 5,00,000 crore and upto Rs 10,00,000 crore | 6 |
| 3 | Above Rs 10,00,000 crore and upto Rs 20,00,000 crore | 8 |
| 4 | Above Rs 20,00,000 crore | 12 |





Our Bank being assets size of Rs 2,67,784 cr as on 31st March 2022 is eligible to appoint maximum 4 number of Statutory Central Auditors

RBI allowed Banks to decide the number of auditors within the above ceiling based on size and spread of assets, accounting and administrative units, complexity of transactions, level of computerisation, availability of other independent audit inputs, identified risks in financial reporting etc

Considering that Bank has presence across all India with 43 Zonal offices and offering almost all Banking products to customer. Bank will appoint four statutory central Auditors for the financial year 2022-23 and onwards. However, the same will be reviewed based on scenario prevailing on that date

II. Eligibility of Audit Firms

In accordance with RBI guidelines, Bank is required to appoint Statutory Central Audit firms fulfilling the criteria mentioned hereunder which is based on asset size of Bank. Since our Bank is having asset size of above **Rs 15000 cr**, Our Statutory Central Auditors should fulfil following minimum criteria

| SN | Eligibility Criteria | Requirement |
|----|--|----------------|
| 1 | Minimum no of Full time partners (FTP) associated with the firm for a period of at least three years | 5 (Note A) |
| 2 | Out of Total full time partners, minimum no of fellow Chartered Account (FCA) partners associated with the firm for a period of at least three years | 4 |
| 3 | Minimum No of fulltime Partners/Paid CAs with CISA/ISA qualification | 2 |
| 4 | Minimum No of years of Audit Experience of the firm | 15 (Note B) |
| 5 | Minimum no of Professional Staff | 18 (Note C) |





Note A:

- a. For Partner to be classified as Full Time partner at least one year continuous association with the firms as on date of empanelment is mandatory
- b. Minimum 2 partners of the firm should have continuous association with the firm for at least 10 years
- c. Full-time partner's association with the firm would mean exclusive association. The definition of 'exclusive association' will be based on the following criteria:
 - 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 for appointment as auditors of Public Sector Undertakings.

Note B:

- Audit experience shall mean experience of the audit firm as Statutory Central/Branch Auditor of Commercial Banks (excluding RRBs)/ All India Financial Institution (AIFIs). In case of merger and demerger of audit firms, merger effect will be given after 2 years of merger while demerger will be effected immediately for this purpose

Note C:

- Professional staff includes audit and article clerks with knowledge of book-keeping and accountancy and who are engaged in on-site audits but excludes 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 for the purpose.

III. Additional Consideration

- The audit firm, proposed to be appointed as SCAs should be duly qualified for appointment as auditor of a company in terms of Section 141 of the Companies Act, 2013.
- The 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.
- Bank shall ensure that appointment of SCAs/SAs is in line with the ICAI's Code of Ethics/any other such standards adopted and does not give rise to any conflict of interest.
- If any partner of a Chartered Accountant firm is a director in any Public Sector Bank (PSB), the said firm shall not be appointed as SCA of any PSB.
- The auditors should preferably have capability and experience in deploying Computer Assisted Audit Tools and Techniques (CAATs) and Generalized Audit Software (GAS), commensurate with the degree/complexity of computer environment of the Entities where the accounting and business data reside in order to achieve audit objectives.

B. Allotment of Branches to Statutory Central Auditor

As per RBI guidelines vide circular ref no. RBI/2015-16/186/DBS.ARS.No.BC.5/08.91.001/2015-16 dated 23.09.2015, on Half yearly/Quarterly Review of accounts, Bank will allot top 20 branches in terms of advances outstanding, in such a manner as to cover balance portion of stipulated 50% of advances and NPAs for review by SCAs.

For annual review of accounts, bank will allot the Top 20 Branches selected strictly based of the level of outstanding advances to SCAs in such a manner so as to cover minimum 15% of total gross advances of the Bank by SCAs.





C. Compliance with basic eligibility criteria

In case any audit 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 may promptly approach the Bank with full details.

Further, the audit firm shall take all necessary steps to become eligible within a reasonable time and in any case, the audit firm 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 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.

D. Procedure for Appointment of SCAs

1. Empanelment of audit firms eligible for appointment as SCAs will be done by the Office of C&AG, based on the norms prescribed by RBI, as on January 1 of the relevant year
2. The list of firms as furnished by C&AG to RBI will be subjected to scrutiny by RBI for identifying the eligible firms and excluding audit firms who have been denied audit by C&AG/RBI. RBI will forward a single list of all audit firms eligible for appointment as SCAs to all PSBs on an annual basis. Bank shall shortlist audit firms from the said list of eligible audit firms as received from RBI, based on certain objective criteria as laid down in the bank's policy for appointment of statutory auditors. Further, Bank shall place the list of shortlisted firms, in order of preference, before the ACB for selection of SCAs in a transparent manner. Upon selection of SCAs Bank in consultation with ACB and verifying their compliance with the eligibility norms prescribed by RBI, the PSBs shall seek RBI's prior approval for appointment of SCAs.
3. 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.





4. Bank will shortlist minimum of 2 audit firms for every vacancy of SCAs so that even if firm at first preference is found to be ineligible/refuses appointment, the firm at second preference can be appointed and the process of appointment of SCAs does not get delayed. However, in case of reappointment of SCAs by banks till completion of tenure of continuous term of 3 years, there would not be any requirement of shortlisting and sending names of multiple audit firms to RBI while seeking approval to appointment.
5. The Bank shall obtain a certificate, along with relevant information as per Form B (Enclosed), from the audit firm(s) proposed to be appointed as SCAs by the Bank to the effect that the audit firm(s) complies with all the eligibility norms prescribed by RBI for the purpose. Such certificate should be signed by the main partner/s of the audit firm proposed for appointment of SCAs of the Entities, under the seal of the said audit firm.
6. Bank shall verify the compliance of audit firm(s) to the eligibility norms prescribed by RBI for the purpose and after being satisfied of their eligibility, recommend the names along with a certificate, in the format as per Form C (Enclosed), stating that the audit firm(s) proposed to be appointed as SCA by them comply with all eligibility norms prescribed by RBI for the purpose.
7. Bank while approaching to RBI for prior approval for appointment of SCAs will indicate total asset size as on March 31st of the previous year (audited figures) and forward a copy of Board/ACB Resolution recommending names of audit firms for appointment as SCAs in the order of preference and also furnish information as per Form B and Form C as mentioned above.
8. In view of the concentrated presence of Bank in East (31%), North (27%) and Central region (17%). Bank will prefer to have representation of SCAs from these regions.
9. Since no Ranking will be given by RBI in the list of SCA firms provided to PSBs , preference will be given audit firms who have satisfactory performance /experience in any PSBs/PSUs/Listed enterprise,





certification like CISA/DISA, approached Bank for appointment as SCAs in our Bank.

10. Committee Approach

Bank will follow a Committee approach for shortlisting Audit firms based on major objective criteria such as Experience and satisfactory association with PSUs/PSBs/Listed Company, Location of Audit firms, additional professional qualification etc. The shortlisted firms will be placed before Audit Committee of Board for recommendation for submission to RBI for their final approval.

Committee shall comprise of following members

- General Managers-Risk Management,
- General Manager -Credit,
- General Manager-Recovery
- General Manager-Finance

Quorum: Three members out of which GM-Finance is mandatory

Deputy General Manager/ Assistant General Manager Finance shall be convenor of the committee

11. Committee Shall shortlist audit firms equal to 2 times the number of vacancies of SCAs arising during the year out of the list eligible for SCAs provided by RBI. The Shortlisted firm names will be placed before ACBs for recommendation to RBI for selection of firm as SCAs in Bank
12. On receipt of list from RBI and based on number of vacancies of the Bank, Finance Department will contact to audit firms based on eligibility criteria of RBI, Bank objective criteria mentioned above like Experience/satisfactory performance in PSBs/PSUs/Listed Companies, Locations of Audit firm, Audit firms showing willingness for being appointed as SCAs in the Bank etc. Finance Department will prepare list of firm for each vacancies and place before Committee for their consideration.





13. Finance Department shall ensure that shortlisted firms meet the RBI eligibility criteria and necessary certificate/Consent letter is obtained before the list is placed before ACB.
14. In accordance with RBI guidelines, Bank will submit list of Audit firms for appointment as SCAs in the Bank within one month from the date of receipt of letter from RBI.
15. Upon receipt of approval of SCAs firm from RBI, the same shall be placed before ACB for their information.

E. Independence of Auditors

- I. Audit Committee of the Board (ACB) shall monitor and assess the independence of the auditors and conflict of interest position in terms of relevant regulatory provisions, standards and best practices. Any concerns in this regard may be flagged by the ACB to the Board of Directors and concerned Senior Supervisory Manager (SSM).
- II. In case of any concern with the Management of the Bank such as non-availability of information/non-cooperation by the Management, which may hamper the audit process, the SCAs shall approach the Board /ACB of Bank, under intimation to the concerned SSM
- III. Concurrent auditors of the Bank will not be considered for appointment as SCAs. The audit of the Bank and any entity with large exposure to the Bank for the same reference year should also be explicitly factored in while assessing independence of the auditor.
- IV. The time gap between any non-audit works (services mentioned at Section 144 of Companies Act, 2013, Internal assignments, special assignments, etc.) by the SCAs for the Entities or any audit/non-audit works for its group entities should be at least one year, before or after its appointment as SCAs. However, during the tenure as SCA, an audit firm may provide such services to the Bank which may not normally result in a conflict of interest, and Bank will take own decision in this regard, in consultation with the Board/ACB.
- V. The restrictions as detailed in para III and IV above, should also apply to an audit firm under the same network of audit firms or any other audit firm having common partners.





F. Professional Standards of SCAs

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 shall be reported to RBI within two months from completion of the annual audit. Such reports will be sent with the approval/recommendation of the ACB with the full details of the audit firm.

In the event of lapses in carrying out audit assignments resulting in misstatement of Bank 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 Bank, the SCAs would be liable to be dealt with suitably under the relevant statutory/regulatory framework.

G. Tenure and Rotation

In order to protect the independence of the auditors/audit firms, Bank will appoint the **SCAs for a continuous period of three years**, subject to the firms satisfying the eligibility norms each year.

Banks can remove the audit firms during the three year period only with the prior approval of the RBI, Department of Supervision. The Board of Directors of the Bank will be the competent authority to recommend removal of any SCA to RBI

An audit firm would not be eligible for re-appointment in the Bank for six years (two tenures) after completion of full or part of one term of the audit tenure.

One audit firm can concurrently take up statutory audit of a maximum of four Commercial Banks [including not more than one PSB or one All India Financial Institution (NABARD, SIDBI, NHB, EXIM Bank) or RBI], eight UCBs and eight NBFCs during a particular year, subject to compliance with required eligibility criteria and other conditions for each Entity and within overall ceiling prescribed by any other statutes or rules. For clarity, the limits prescribed for UCBs exclude audit of other co-operative societies by the same audit firm. For the purpose of this circular, 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/SA accordingly.





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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.

H. Audit Fees and Expenses

The audit fees for SCAs will continue to be guided by relevant RBI instructions in the matter. The latest circular for audit fees is DBS.ARS.No.BC.08/08.92.001/2012-13 dated 25th June 2013. Same is enclosed as annexure A





Eligibility Certificate form (Name and Firm Registration Number of the firm)

1. Particulars of the firm:

| Asset Size of Entity as on 31st March of Previous Year | Number of Full-Time partners (FTPs) associated* with the firm for a period of three (3) years | Out of total FTPs, Number of FCA Partners associated with the firm for a period of three (3) years | Number of Full Time Partners/ Paid CAs with CISA/ISA Qualification | Number of Years of Audit Experience# | Number of Professional staff |
|--|---|--|--|--------------------------------------|------------------------------|
| | | | | | |

*Exclusively associated in case of all Commercial Banks (excluding RRBs), and UCBs/NBFCs with asset size of more than ₹ 1,000 crore
#Details may be furnished separately for experience as SCAs/SAs and SBAs

2. Additional Information:

- Copy of Constitution Certificate.
- Whether the firm is a member of any network of audit firms or any partner of the firm is a partner in any other audit firm? If yes, details thereof.
- Whether the firm has been appointed as SCA/SA by any other Commercial Bank (excluding RRBs) and/or All India Financial Institution (AIFI)/RBI/NBFC/UCB in the present financial year? If yes, details thereof.
- Whether the firm has been debarred from taking up audit assignments by any regulator/Government agency? If yes, details thereof.
- Details of disciplinary proceedings etc. against firm by any Financial Regulator/Government agency during last three years, both closed and pending.

3. Declaration from the firm

The firm complies with all eligibility norms prescribed by RBI regarding appointment of SCAs/SAs of Commercial Banks (excluding RRBs)/UCBs/NBFCs (as applicable). It is certified that neither I nor any of our partners / members of my / their families (family will include besides spouse, only children, parents, brothers, sisters or any of them who are wholly or mainly dependent on the





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Chartered Accountants) or the firm / company in which I am / they are partners / directors¹⁵ have been declared as wilful defaulter by any bank / financial institution.

It is confirmed that the information provided above is true and correct.

Signature of the Partner

(Name of the Partner)

Date:





Certificate to be submitted by the Commercial Banks (excluding RRBs) and UCBs regarding eligibility of audit firm proposed to be appointed as SCA/SA

The bank/UCB is desirous of appointing M/s _____, Chartered Accountants (Firm Registration Number _____) as Statutory Central Auditor (SCA)/ Statutory Auditor (SA) for the financial year _____ for their 1st/2nd/3rd term and therefore has sought the prior approval of RBI as per the section 30(1A) of the Banking Regulation Act, 1949/ Section 10 (1) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980/ Section 41(1) of SBI Act, 1955.

2. The bank/UCB has obtained eligibility certificate (copy enclosed) from (name and Firm Registration Number of the audit firm) proposed to be appointed as Statutory Central Auditor (SCA)/Statutory Auditor of the bank/UCB for FY ____ along with relevant information (copy enclosed), in the format as prescribed by RBI.

3. The firm has no past association/association for ____ years with the bank/UCB as SCA/SA/SBA.

4. The bank/UCB has verified the said firm's compliance with all eligibility norms prescribed by RBI for appointment of SCAs/SAs of Commercial Banks (excluding RRBs)/UCBs.

Signature
(Name and Designation)

Date:





(i) **Audit Fees**

SCAs will be paid fees for audit as per extant RBI guidelines. The Schedule of audit fees admissible to the auditors for the audit work of the branch, depending upon the quantum of total advances **(a to l)** [as on the date with reference to which the audit is conducted] will be as under:

| Category of bank branches (on the basis of quantum of advances) | Rates of Audit fees (Amount in Rs.) |
|--|--|
| a) Upto Rs. 10 crore | 40,250/- |
| b) Above Rs. 10 crore upto Rs. 20 crore | 57,500/- |
| c) Above Rs. 20 crore upto Rs. 30 crore | 79,350/- |
| d) Above Rs. 30 crore upto Rs. 50 crore | 1,20,750/- |
| e) Above Rs. 50 crore upto Rs. 75 crore | 1,38,000/- |
| f) Above Rs. 75 crore upto Rs. 125 crore | 1,82,850/- |
| g) Above Rs. 125 crore upto Rs. 175 crore | 2,28,850/- |
| h) Above Rs. 175 crore up to Rs. 300 crore | 2,87,500/- |
| i) Above Rs. 300 crore up to Rs. 500 crore | 3,24,300/- |
| j) Above Rs. 500 crore up to Rs. 1000 crore | 3,59,950/- |
| k) Above Rs. 1000 crore upto Rs. 5000 crore | 3,95,600/- |
| l) Above Rs. 5000 crore | 4,31,250/- |
| m) Service Branches/Specialized branches i.e. City Back Offices and Central Pension Processing Cell branches will be paid audit fees of Rs. 25,000/- | 25,000/- |
| n) Asset Management Branches/Asset Recovery Branches | 25% of the Audit fees payable on the size of the advance portfolio (NPA) of that AMB/ Asset Recovery Branch. |

Total Advance shall be as appearing in Branch post Audit BS-1





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(ii) Fees for LFAR and Tax Audit

| Particulars | Fees for LFAR | Fees for Tax Audit |
|------------------------|-------------------------|-------------------------|
| HO/Controlling Offices | 25% of basic audit fees | 20% basic audit Fees |
| Branches | 10% of basic audit fees | 15% of basic audit Fees |

Note :

- No fee is payable to Branch Auditors for additional attestation
- No separate TA/HA shall be payable for LFAR/Tax Audit of Head/Controlling Office and branches.
- Basic Audit fee means fee payable to SCAs for Head/Central Office based on asset size of the Bank

(iii) Remuneration for Central Audit work of the bank

Remuneration for central audit work shall constitute of following

- Scrutiny and incorporation of returns of branches and
 - Audit of the Head/Central Office as an accounting unit.
- (a) Scrutiny and incorporation of returns of branches : The fees admissible to the statutory central auditors has been fixed at ₹750/- per branch in respect of all the branches of the bank in existence as on the date of reference for the audit, irrespective of the fact whether the branches have been taken up for audit or not.
- (b) Audit of the Head/Central Office as an accounting unit : the fees admissible will be as under :

| Category of banks (on the basis of balance sheet size) | Rate of audit fees (₹) |
|---|---------------------------|
| Up to ₹50000 crore | 706200/- |
| Above ₹50000 crore and up to ₹100000 crore | 783200/- |
| Above ₹100000 crore and up to ₹200000 crore | 842600/- |
| Above ₹200000 crore and up to ₹500000 crore | 902000/- |
| Above ₹500000 crore | 961400/- |



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Size of our Balance Sheet falls between ₹200000 crore and ₹ 500000 crore. Hence the fees for Audit of the Head/Central Office as an accounting unit shall stand at ₹ 902000/-.

(iv) Fees for additional certification:

As per extant guidelines of RBI an additional remuneration @ 12% of the basic audit fees shall be payable for the following certifications/validations required to be made in terms of various circulars/guidelines issued by RBI and any other certification/validation included from time to time as per RBI requirements.

- a. Verification of SLR requirements under Section 24 of BR Act, 1949 on 12 odd dates in different months in a year, not being Fridays.
- b. A certificate to the effect that the bank has been following RBI guidelines regarding (a) asset classification, (b) income recognition (c) provisioning, and also to the effect that the bank has followed RBI guidelines in regard to the investment transactions/treasury operations.
- c. A certificate in respect of reconciliation of bank's investments (on own account as also under PMS).
- d. A certificate for compliance in key areas by the banks.
- e. A certificate in respect of custody of unused BR forms.
- f. Authentication of bank's assessment of Capital Adequacy Ratio in the 'Notes on Accounts' attached to the balance sheet and various other ratios / items to be disclosed in the 'Notes on Accounts'.
- g. Certificate regarding loan portfolio review if the bank seeks World Bank assistance (Capital Restructuring Loan).
- h. Certification regarding DICGC items.
- i. Verification of SLR and CRR returns submitted by the bank to RBI during the period under audit and confirming the same to RBI and the bank under audit.
- j. To comment upon the status of compliance by the bank as regards the implementation of the recommendations of the Ghosh Committee and the Working Group on internal controls.
- k. Commenting upon the credit deposit ratio in the rural areas as per the instructions of Government of India.





1. Reporting of instances of suspected fraud if any, noticed during the course of statutory audit as per Mitra Committee Recommendations. As hitherto, no fee is payable to branch auditors for additional attestations.

(V) Fees for Certification etc: Other than above

Bank need to obtain many certificates as per requirement of regulatory authorities/Govt agencies like previous years Interest subvention certificates under agriculture/MSMEs, Capital Infusion certificate, Certificate of Price calculation for allotment of shares etc for which fees is required to be paid to Statutory Auditor to whom the activity is allotted in the year in which certificate is being obtained.

In accordance with RBI guidelines, Bank can decide fees payable to Auditors for any additional certification required from Statutory Auditors with approval of Audit committee of Board. Bank will pay fees to statutory central Auditors as under:

| SN | Particulars | Fees Payable |
|----|---|--|
| 1 | Certificate-Interest Subvention (year wise) | Rs 20,000 Per year |
| 2 | Certificate –Related to Capital allotment/Price Calculation | Rs 50,000 per year |
| 3 | Any other Certificate | MD & CEO /Executive Director (in MD & CEO absence) shall determine fee payable |

(Vi) Reimbursement of Travelling and Halting Allowances and Daily Conveyance Charges

1. For reimbursement of the lodging & boarding charges, travelling allowance and daily conveyance to statutory auditors, the Banks has been given the discretion to decide the same in a cost effective manner in mutual consent with the auditors. Further, in no circumstances should the rate exceed the IBA prescription for the



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respective ceiling. The categories of officers linked for the purpose of deciding the ceiling limits are given below.

| Category of audit Officials | Equivalent scale of Bank Officials(as per IBA) |
|-----------------------------|--|
| Partners/Proprietors | VII – General Manager |
| Qualified Assistants | III – Senior Manager |
| Unqualified Assistants | I – Officers |

Accordingly, Bank will reimburse lodging/Boarding/Travelling Charges based on ceiling specified for Bank officials in the above Rank.

2. With regard to the reimbursement of travelling, halting allowance and daily conveyance charges, the Bank shall consider as under:
 - i) Wherever the Bank has Guest House or Visiting Officers' Flats, the same may be utilized to cater to the needs of the auditors.
 - ii) Bank will call for such details as are necessary for verification of bills in this regard and the statutory central auditors shall furnish such details for verification of the actual expenses.
 - iii) Where the statutory central auditors have their headquarters at a place different from that where the Head/Central Office of the bank is situated, but have an office at the same place as the Head/Central Office of the bank, the TA/HA, if any, should be nominal for the central audit. However, to ensure the quality of audit, there will be no objection to the partners of the firm visiting the Head/Central Office of the bank as and when they deem it necessary.
 - iv) Where the statutory central auditors or branch auditors have an office at the place where the branches/offices of the bank to be audited are situated, they will not be reimbursed TA/HA. However, local conveyance will be reimbursed.

Finance Department

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- v) **Whenever Auditor is using Taxi services for travelling beyond 100km same need to pre-approved by Head Office (Finance)/concern Zonal Office**
- vi) **All expense bills where GST is charged should have Bank GSTN mentioned on the Invoice. Expenses will be reimbursed on actual basis within the maximum ceiling.**
- vii) In case of dispute between the auditors and the bank regarding settlement of their bills, the MD& CEO of the Bank shall be the final authority to decide the claims satisfying himself that the actual expenses have been incurred by a particular auditor and the claims are settled keeping in view the aforesaid RBI guidelines.

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