

Frequently Asked Question (FAQs)

PROCEDURE FOR APPOINTMENT OF BRANCH STATUTORY AUDITORS IN PUBLIC SECTOR BANKS (PSBs) FOR THE YEAR 2008-09

Que1: Is there any change in allotment Procedure for Appointment of Branch Statutory Auditors (SBAs) in Public Sector Banks for the year 2008-09?

Ans: Yes, the large PSBs having balance sheet size (assets + liabilities) of above Rs. 1 lac crore are required to exercise managerial autonomy for appointment of SBAs for the year 2008-09.

Que2:What are the names of bank have opted to exercise autonomy in the matter of appointment of SBAs ?

Ans: 14 Public Sector Banks namely State Bank of India, Allahabad Bank, Bank of India, Bank of Baroda, Canara Bank, Central Bank of India, Indian Overseas Bank, Oriental Bank of Commerce, Syndicate Bank, Punjab National Bank, UCO Bank and Union Bank of India, Andhra Bank and Punjab & Sind Bank have opted autonomy in the matter of appointment of SBAs.

Que 3: What about the other public Sector banks who have not opted to exercise autonomy in the matter of appointment of SBAs?

Ans: For the remaining PSBs, the existing practice of RBI providing the list of audit firms by RBI would continue during the year 2008-09.

Que 4: Will I receive a fresh offer even if I am existing auditor since 2004-05 or afterwards?

Ans: No, the Auditors/firms who got statutory audit of branches of PSBs in the year 04-05 and afterwards will not get a fresh offer instead they will receive an appointment letter from the same bank branch except in certain cases.

Que 5: I have received offer from two banks of asking my willingness to take up the audit of branches for the year ending 31st March 2009. Can I accept offer from both banks?

Ans: No, You can accept only one audit at your discretion. The consent once given by an audit firm will be treated as irrevocable. The concept of one audit firm for one PSB will continue.