

**Working Group to review the existing norms
for the empanelment of statutory auditors,
for public sector banks**

Keeping in view the changes in financial sector in general and banking in particular, the Reserve Bank of India has decided to revise the existing norms for empanelment of statutory auditors, appointment of statutory central auditors for public sector banks as well as other related matters thereto. For this purpose, a Working Group has been constituted with the following:

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| 1. | Shri C.R. Muralidharan,
Chief General Manager, Department of Banking &
Operations, Central Office, RBI, Mumbai. | Convener |
| 2. | Dr. K.B.L. Mathur
Economic Adviser, Banking Division, MoF, GoI, N Delhi | Member |
| 3. | Shri A.K. Awasthi,
Principal Director (Commercial) Office of the Comptroller
& Auditor General of India, New Delhi | Member |
| 4. | Shri S.L. Daga,
Chairman, Professional Development Committee,
Institute of Chartered Accountants of India, New Delhi | Member |
| 5. | Shri B.D. Sumitra,
Chief General Manager (Accounts & Compliance)
State Bank of India , Central Office, Mumbai | Member |
| 6. | Shri C.P. Swarankar,
General Manager, Punjab National Bank, Head Office,
New Delhi | Member |
| 7. | Shri V. Santhana Raman,
General Manager, Indian Bank, Head Office,
Chennai | Member |
| 8. | Shri K. Unni Krishnan
Executive - Banking Operations, Indian Banks'
Association, Mumbai | Member |
| 9. | Shri R.M. Thakkar,
DGM, Department of Banking Supervision, Central Office,
RBI, Mumbai. | Member-
Secretary |

The terms of reference of the Working Group are:

- (i) To review the existing norms for empanelment of statutory central auditors (SCAs) of public sector banks / 7 all India financial institutions and RBI.
- (ii) To review the number of audit firms that are presently allotted to each public sector bank in a team of statutory central auditors.
- (iii) To review existing marking system adopted by RBI for fixing inter se seniority of new audit firms (appearing in the panel received from the Office of C & AG every year) for the purpose of assigning statutory central audit.
- (iv) To review the existing ratio 9 :1 in which available vacancies of SCAs in public sector banks / 7 all India financial institutions and RBI are filled in, every year, out of experienced and new audit firms.
- (v) To review the existing categories / norms prescribed by RBI for determining inter se seniority of the audit firms applying to ICAI for the purpose of their empanelment as branch auditors for public sector banks.
- (vi) To review the existing position on reckoning the audit experience of Jammu & Kashmir Bank Ltd. gained by audit firms.
- (vii) Any other matters which the Working Group may consider relevant to the above issues.

The Working Group is expected to submit its report within a period of two months.

At present the list of statutory auditors for public sector banks is prepared out of the panel submitted by Comptroller & Auditor General of India and Institute of Chartered Accountants of India, every year, based on the norms prescribed by the Reserve Bank of India.

Alpana Killawala
General Manager

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