

**Appendices of Section A –
Statutory Central Audit of
Guidance Note on Audit of
Banks 2020 Edition**

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APPENDIX I

Illustrative Format of Report of the Auditor of a Nationalised Bank¹

Independent Auditor's Report

To the Members of _____ (Name of Bank)

Report on Audit of the Standalone Financial Statements

Opinion

1. We have audited the standalone financial statements of XYZ Bank ('the Bank'), which comprise the Balance Sheet as at 31 March 20XX, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of significant accounting policies and other explanatory information in which are included returns for the year ended on that date of _____ branches audited by us and _____ branches audited by statutory branch auditors. The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also included in the Balance Sheet, the Statement of Profit and Loss and Statement of Cash Flows are the returns from _____ branches which have not been subjected to audit. These unaudited branches account for _____ percent of advances, _____ per cent of deposits, _____ per cent of interest income and _____ per cent of interest expenses.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949 in the manner so required for bank and are in conformity with accounting principles generally accepted in India and:

- a. the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31st March, 20XX;
- b. the Profit and Loss Account, read with the notes thereon shows a true balance of profit/loss (as applicable); and
- c. the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

¹ Reporting on "Other Information" is also required to be made, wherever applicable, in accordance with reporting requirements in SA 720(Revised), "The Auditor's Responsibilities Relating to Other Information".

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(Description of each key audit matter in accordance with SA 701)

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The Bank's Board of Directors is responsible with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings,

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including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

7. We did not audit the financial statements / information of (number) branches included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of Rs.as at 31st March 20XX and total revenue of Rs.for the year ended on that date, as considered in the standalone financial statements. The financial statements / information of these branches have been audited by the branch auditors whose reports have been furnished to us, and in our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

8. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949;

9. Subject to the limitations of the audit indicated in paragraphs 5 to 7 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, and subject also to the limitations of disclosure required therein, we report that:

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;
- b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and

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- c) The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.
10. We further report that:
- a) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books *[and proper returns adequate for the purposes of our audit have been received from branches not visited by us]*²
- b) the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows dealt with by this report are in agreement with the books of account *[and with the returns received from the branches not visited by us]*²;
- c) the reports on the accounts of the branch offices audited by branch auditors of the Bank under section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report; and
- d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

For ABC and Co.
Chartered Accountants
Firm Registration No. _____
Signature
(Name of the Member Signing the Audit Report)
(Designation)³
Membership Number
UDIN

Place of Signature:
Date of Report:

²Where applicable.

³ Partner or proprietor as the case may be.

APPENDIX II

Illustrative Format of Report of the Auditor on the Standalone Financial Statements of Banking Company⁴

INDEPENDENT AUDITOR'S REPORT

To the Members of _____ Bank Limited (*name of the Bank*)

Report on audit of the Standalone Financial Statements

Opinion

1. We have audited the standalone financial statements of ____ Bank Limited ('the Bank'), which comprise the Balance Sheet as at 31st March 20XX, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information. [*in which are included the Returns⁵ for the year ended on that date audited by the branch auditors of the Bank's branches located at (location of branches)*]⁶

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 in the manner so required for banking Companies and are in conformity with accounting principles generally accepted in India and give a true and fair view of the state of affairs of the Bank as at 31st March 20XX, and its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent

⁴ Reporting on "Other Information" is also required to be made, wherever applicable, in accordance with reporting requirements in SA 720(Revised), "The Auditor's Responsibilities Relating to Other Information".

⁵ The auditors need to consider mentioning the coverage of branches based on directions, if any, provided by the RBI in their individual appointment letters issued to various Banks.

⁶ Where applicable.

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of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

[Description of each key audit matter in accordance with SA 701]

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

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accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

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the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

7. We did not audit the financial statements / information of (number) branches included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of Rs. as at 31st March 20XX and total revenue of Rs. for the year ended on that date, as considered in the standalone financial statements. The financial statements / information of these branches have been audited by the branch auditors whose reports have been furnished to us, and in our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

8. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act,

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1949 and Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

9. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:

- (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
- (c) the returns received from the offices; and branches of the Bank have been found adequate for the purposes of our audit.

10. Further, as required by section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books *[and proper returns adequate for the purposes of our audit have been received from branches not visited by us]*⁷;
- c) the reports on the accounts of the branch offices of the bank audited under section 143(8) of the Act by branch auditors of the Bank have been sent to us and have been properly dealt with by us in preparing this report⁷;
- d) the Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this report are in agreement with the books of account *[and with the returns received from the branches not visited by us]*⁷;
- e) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent they are not inconsistent with the accounting policies prescribed by RBI;
- f) on the basis of written representations received from the directors as on 31 March 20XX and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 20XX from being appointed as a director in terms of Section 164(2) of the Act; *(or the requirements of section 164(2) of the Act are not applicable considering the Bank is a branch of _____, which is incorporated in _____)*;

⁷ Where applicable.

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- g) with respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”;
- h) with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Bank has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Schedule XX / Note XX to the financial statements; *(or the Bank does not have any pending litigations which would impact its financial position⁸)*
 - ii. the Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Schedule XX / Note XX to the financial statements; *(or the Bank did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.⁸)* and
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank *(or, following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank or there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank⁸).*

For ABC and Co.
Chartered Accountants
(Firm’s Registration No.)

Signature
(Name of the Member Signing the Audit Report)
(Designation)⁹
Membership Number
UDIN

Place of Signature:

Date of Report

⁸ As may be applicable.

⁹ Partner or proprietor, as the case may be.

Annexure A to the independent auditor's report of even date on the standalone* financial statements of _____ Bank Limited

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

1. We have audited the internal financial controls over financial reporting of _____ Bank Limited ('the Bank') as at 31 March 20XX in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls over Financial Reporting

2. The Bank's Board of Directors is responsible for establishing and maintaining internal financial controls based on _____ [for example, "the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI').] These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established

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and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A bank's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A bank's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the bank are being made only in accordance with authorizations of management and directors of the bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the

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risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 20XX, based on _____ [for example, “the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by the ICAI”].

For ABC and Co.
Chartered Accountants
(Firm’s Registration No.)

Signature
(Name of the Member Signing the Audit Report)
(Designation)¹⁰
Membership Number
UDIN

Place of Signature

Date of Report

¹⁰ Partner or proprietor, as the case may be.

APPENDIX III

Illustrative Format of Engagement Letter in case of a Nationalised Bank

{The following letter is for use as a guide and will need to be varied according to individual requirements and circumstances relevant to the engagement.}

To the Board of Directors..... (name of the Bank).

(Address)

[Date]

Subject: Engagement Letter

Dear Sirs,

We refer to the letter No. datedreceived from(Name of the relevant authority) informing us about our (re)appointment/ as the statutory central auditor of the Bank to carry out the statutory audit of the balance sheet, statement of profit and loss and statement of cash flows ("financial statements) as per section 30 of Banking Regulation Act, 1949 ("the Act") for the financial year(s) beginning April 1, 20XX and ending 31st March 20YY, including Tax Audit, issuance of the Long Form Audit Report and, as a part of the audit, verification and/ or certification of certain specific aspects, as listed in your aforementioned letter. The aforesaid financial statements of the Bank include, where applicable, consolidated financial statements of the Bank and all of its subsidiaries, associate companies and joint ventures. We are pleased to confirm our acceptance and understating of this engagement by means of this letter.

1. Scope and Objective

Our audit of the financial statements will be conducted with the objective of our expressing an opinion if the aforesaid financial statements give the information required by the Act in the manner so required for bank and are in conformity with accounting principles generally accepted in India and:

- a. the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31st March, 20XX;
- b. the Profit and Loss Account, read with the notes thereon shows a true

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balance of profit/loss (as applicable), in conformity with accounting principles generally accepted in India, for the year covered by the account; and

- c. the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

We will conduct our audit in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India (ICAI) and also in accordance with any other applicable pronouncement of the Institute, as well as the requirements of the Banking Regulation Act, 1949, and the guidelines/directions issued by the Reserve Bank of India under the said statutes, from time to time. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, including the possibility of collusion or improper management override of controls, there is an unavoidable risk that some material misstatements due to fraud or error may occur and may not be detected, even though the audit is properly planned and performed in accordance with SAs.

In making our risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.

2. Management's Responsibility

Our assignment will be conducted on the basis that the Management and, where appropriate, those charged with governance of the Bank (Audit Committee/Board) acknowledge and understand that they have the responsibility:

- (a) For the preparation of financial statements that give a true and fair view in accordance with the applicable Financial Reporting Framework. This

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includes:

- Compliance with the applicable provisions of the Act;
 - Proper maintenance of accounts and other matters connected therewith;
 - Preparation of financial statements on a going concern basis;
 - Preparation of annual accounts in accordance with third schedule to the Banking Regulation Act, 1949, the applicable Accounting Standards and providing proper explanation relating to any material departures from those Accounting Standards;
 - Selection of accounting policies and applying them consistently and making judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and true balance of profit or loss of the Bank for that period;
 - Taking proper care and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Bank and preventing and detecting frauds and other irregularities;
 - Laying down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and were operating effectively; and
 - Devising proper systems to ensure compliance with the provisions of all applicable laws including compliance with the relevant directions/ circulars of the Reserve Bank of India, including for those aspects which have been specifically listed for verification/ certification by us in your aforementioned letter and that such systems were adequate and operating effectively.
- (b) Informing me / us of facts that may affect the financial statements, of which Management may become aware during the period from the date of my / our report to the date the financial statements are issued.
- (c) to provide us with:
- i. access, at all times, to all information, including the books, account, vouchers, internal circulars and policies, and other records and documentation, of the Bank, whether kept at the Head office or elsewhere, of which the Management is aware, that are relevant to the preparation of the financial statements such as records, documentation and other matters. This will include books of account maintained in electronic mode;
 - ii. Access, at all times, to the records of all the subsidiaries (including associate companies and joint ventures;

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- iii. Access to reports, if any, relating to internal reporting on frauds (e.g., vigil mechanism reports etc.),
- iv. additional information that we may request from the management for the purpose of the audit, including any internal audit, concurrent audit, revenue audit, stock audit, Reserve Bank of India's Inspection report; and the latest updated compliance position therein.
- v. unrestricted access to persons within the entity, from whom we determine it necessary to obtain audit evidence. This includes our entitlement to require from the officers of the Bank such information and explanations, as we may think necessary for the performance of our duties as auditor of the Bank;
- vi. As part of our audit process, we will request from the Management, written confirmation concerning representations made to us in connection with the audit, including confirmations in respect of the balances held by the Branch with other banks, and such other items on the financial statements of the Branch, as may be considered necessary by us for the purpose of our assignment. It may also be noted that non-submission of a written confirmation containing representations asked for or non-provision of any information/confirmation, requested by us from the branch management, may result in limitation on the scope of our assignment and may possibly invite qualifications in the auditor's report

3. Other Matters

My / Our report prepared in accordance with relevant provisions of the Act would be addressed to the shareholders/members of the bank for adoption of the accounts at the Annual General Meeting. In respect of other services, my / our report would be addressed to the Board of Directors. The form and content of my / our report may need to be amended in the light of my / our audit findings.

We also wish to invite your attention to the fact that, our audit process is subject to 'peer review'/'quality review' under the Chartered Accountants Act, 1949 to be conducted by an independent reviewer. The reviewer may inspect, examine or take abstracts of our working papers, in the course of the peer review/quality review.

I / We may involve specialists and staff from my / our affiliated network firms to perform certain specific audit procedures during the course of my / our audit.

In terms of Standard on Auditing 720(Revised) – “The Auditor's Responsibilities Relating to Other Information” issued by the ICAI, I / we request you to provide to me / us a Draft of the Annual Report containing the audited financial statements so as to enable me / us to read the same and communicate material inconsistencies, if any, with the audited financial statements, before issuing the auditor's report on the financial statements.

{Other relevant information}

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{Insert Other information, such as fee arrangements, billings¹¹ and other specific terms, as appropriate.}

We look forward to full cooperation from your staff during our audit.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our aforementioned assignment/s including our respective responsibilities. (Kindly also mark a copy of such acknowledgement to the concerned official/s of the respective branch managements.)

Date: _____ (name of the firm)
Place: _____ Chartered Accountants
.....
(Signature)
(name of the member)
(Designation¹²)

Acknowledged on behalf of Bank

.....

(Signature)

Name and Designation

Date

Copy to: Chairman, Audit Committee

Attached: Letter of Acceptance duly signed by us.

¹¹For example, "My / Our fees and out-of-pocket expenses for the audit of the financial statements for the year have been fixed by the members at the Annual General Meeting at Rs. _____, plus out-of-pocket expenses and indirect taxes/ will be mutually agreed between the Board of Directors of the Company and me / ourselves.* I / We will bill as the work progresses. I / We will notify you promptly of any circumstances I / we encounter that could significantly affect my / our estimate of fees and discuss with you any additional fees, as necessary."

¹² Partner or proprietor, as the case may be.

APPENDIX IV

Illustrative Format of Engagement Letter to be sent to the Appointing Authority of the Banking Company¹³

{The following letter is for use as a guide and will need to be varied according to individual requirements and circumstances relevant to the engagement.}

To the Board of Directors..... (name of the Bank).

(Address)

[Date]

Subject: Engagement Letter

Dear Sirs,

We refer to the letter No.datedreceived from(Name of the relevant authority) informing us about our (re)appointment/ ratification as the auditors of(Name of the Bank) (hereinafter "the Bank") to carry out the statutory audit of the financial statements of the Bank as defined in section 2(40) of the Companies Act 2013 ("the Act") for the financial year(s) beginning April 1, 20XX and ending 31st March 20YY, including Tax Audit, issuance of the Long Form Audit Report and, as a part of the audit, verification and/ or certification of certain specific aspects, as listed in your aforementioned letter. The aforesaid financial statements of the Bank include, where applicable, consolidated financial statements of the Bank and all of its subsidiaries, associate companies and joint ventures. We are pleased to confirm our acceptance and understating of this engagement by means of this letter.

1. Scope and Objective

Our audit of the financial statements will be conducted with the objective of our expressing an opinion if the aforesaid financial statements give the information required by the 2013 Act in the manner so required, and give a true and fair view in conformity with the applicable accounting principles generally accepted in India, of the state of affairs of the Bank as at 31st March 20XX, and its profit/loss and its cash flows for the year ended on that date.

¹³ Presuming that there is/are no joint auditor/s and no separate branch auditors have been appointed.

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We will conduct our audit in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed by the Central Government in accordance with section 143(10) of the 2013 Act and also in accordance with any other applicable pronouncements of the Institute, as well as the requirements of the Banking Regulation Act, 1949, and the guidelines/ directions issued by the Reserve Bank of India under the said statutes, from time to time. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, including the possibility of collusion or improper management override controls, there is an unavoidable risk that some material misstatements due to fraud or error may occur and may not be detected, even though the audit is properly planned and performed in accordance with SAs.

In making our risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.

2. Management's Responsibility

Our assignment will be conducted on the basis that the Management and, where appropriate, those charged with governance of the Bank (Audit Committee/Board) acknowledge and understand that they have the responsibility:

- (a) For the preparation of financial statements that give a true and fair view in accordance with the applicable Financial Reporting Framework. This includes:
 - Compliance with the applicable provisions of the 2013 Act;
 - Proper maintenance of accounts and other matters connected therewith;

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- Preparation of financial statements on a going concern basis;
 - Preparation of annual accounts in accordance with the applicable Accounting Standards and providing proper explanation relating to any material departures from those Accounting Standards;
 - Selection of accounting policies and applying them consistently and making judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and profit or loss of the Bank for that period;
 - Taking proper care and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 2013 Act for safeguarding of assets of the Bank and preventing and detecting frauds and other irregularities;
 - Laying down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and were operating effectively; and
 - Devising proper systems to ensure compliance with the provisions of all applicable laws including compliance with the relevant directions/ circulars of the Reserve Bank of India, including for those aspects which have been specifically listed for verification/ certification by us in your aforementioned letter and that such systems were adequate and operating effectively.
- (b) Identifying and informing us of financial transactions or matters that may have an adverse effect on the functioning of the Bank.
- (c) Identifying, informing me / us and providing relevant records of:
- All the pending litigations and confirming that the impact of the pending litigations on the Company's financial position has been correctly disclosed in its financial statements;
 - All material foreseeable losses, if any, on long term contracts including derivative contracts and the accrual for such losses as required under any law or accounting standards; and
 - Any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (d) Informing me / us of facts that may affect the financial statements, of which Management may become aware during the period from the date of my / our report to the date the financial statements are issued.
- (e) Identifying and informing me / us as to whether any director is disqualified as on March 31, 20YY from being appointed as a director in terms of Section

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164(2) of the 2013 Act. This should be supported by written representations received from the directors as on March 31, 20YY and taken on record by the Board of Directors.

(f) to provide us with:

- access, at all times, to all information, including the books, account, vouchers, internal policies and circulars, other records and documentation, of the Bank, whether kept at the Head office or elsewhere, of which the Management is aware, that are relevant to the preparation of the financial statements such as records, documentation and other matters. This will include books of account maintained in electronic mode;
- Access, at all times, to the records of all the subsidiaries (including associate companies and joint ventures as per Explanation to Section 129(3) of the 2013 Act) of the Company in so far as it relates to the consolidation of its financial statements, as envisaged in the 2013 Act;
- Access to reports, if any, relating to internal reporting on frauds (e.g., vigil mechanism reports etc.), including those submitted by cost accountant or company secretary in practice to the extent it relates to their reporting on frauds in accordance with the requirements of Section 143(12) of the 2013 Act;
- additional information that we may request from the management for the purpose of the audit, including any internal audit, concurrent audit, revenue audit, stock audit, Reserve Bank of India's Inspection report and the latest updated compliance position therein;
- unrestricted access to persons within the entity, from whom we determine it necessary to obtain audit evidence. This includes our entitlement to require from the officers of the Bank such information and explanations, as we may think necessary for the performance of our duties as auditor of the Bank; and
- As part of our audit process, we will request from the Management, written confirmation concerning representations made to us in connection with the audit, including confirmations in respect of the balances held by the Branch with other banks, and such other items on the financial statements of the Branch, as may be considered necessary by us for the purpose of our assignment. It may also be noted that non-submission of written confirmation to the representations asked for or non-provision of any information/confirmation, requested by us from the branch management, may result in limitation on the scope of our assignment and may possibly invite necessary qualifications in the auditor's report.

Management's Responsibility on Internal Financial Controls over Financial Reporting

- a. The management is responsible for establishing and maintaining adequate and effective internal financial controls for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.
- b. The management will make available to the auditor their evaluation and assessment of the adequacy and effectiveness of the company's internal financial controls, based on the control criteria.
- c. The management is responsible to inform the auditor of any communications from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices and the response thereon.
- d. The management will provide its conclusion over the company's internal financial controls based on the control criteria set as of the balance sheet date.
- e. The management is responsible to provide the component auditor's report under section 143(3)(i) in case of components that are covered under Companies Act, 2013 that form part of consolidated financial statements of the parent company.

The terms of reference for our audit of internal financial controls over financial reporting carried out in conjunction with our audit of the Company's financial statements will be as stated in the separate engagement letter for conducting such audit and should be read in conjunction with this letter.

3. Other Matters

My / Our report prepared in accordance with relevant provisions of the 2013 Act would be addressed to the shareholders of the Company for adoption of the accounts at the Annual General Meeting. In respect of other services, my / our report would be addressed to the Board of Directors. The form and content of my / our report may need to be amended in the light of my / our audit findings.

In accordance with the provisions of Section 143(12) and 143(13) of the 2013 Act, if in the course of performance of my / our duties as auditor, I / we have reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company, I/we will be required to report to the Central Government, in accordance with the rules prescribed in this regard which, *inter alia*, requires me/us to forward my / our report to the Board or Audit Committee, as the case may be, seeking their reply

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or observations, to enable me/us to forward the same to the Central Government. Such reporting will be made in good faith and, therefore, cannot be considered as breach of maintenance of client confidentiality requirements or be subject to any suit, prosecution or other legal proceeding since it is done in pursuance of the 2013 Act or of any rules or orders made thereunder.

We also wish to invite your attention to the fact that, our audit process is subject to 'peer review'/ 'quality review' under the Chartered Accountants Act, 1949 to be conducted by an independent reviewer. The reviewer may inspect, examine or take abstracts of our working papers, in the course of the peer review/quality review.

I / We may involve specialists and staff from my / our affiliated network firms to perform certain specific audit procedures during the course of my / our audit.

In terms of Standard on Auditing 720(Revised) – “The Auditor’s Responsibilities Relating to Other Information” issued by the ICAI and deemed to be prescribed by the Central Government in accordance with Section 143(10) of the 2013 Act, I / we request you to provide to me / us a Draft of the Annual Report containing the audited financial statements so as to enable me / us to read the same and communicate material inconsistencies, if any, with the audited financial statements, before issuing the auditor’s report on the financial statements.

{Other relevant information}

{Insert Other information, such as fee arrangements, billings¹⁴ and other specific terms, as appropriate.}

We look forward to full cooperation from your staff during our audit.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our aforementioned assignment/s including our respective responsibilities. (Kindly also mark a copy of such acknowledgement to the concerned official/s of the respective branch managements.)

Date: _____ (name of the firm)
Chartered Accountants
Place: _____
(Signature)
(name of the member)
(Designation¹⁵)

¹⁴For example, “My / Our fees and out-of-pocket expenses for the audit of the financial statements for the year have been fixed by the members at the Annual General Meeting at Rs. _____, plus out-of-pocket expenses and indirect taxes/ will be mutually agreed between the Board of Directors of the Company and me / ourselves.* I / We will bill as the work progresses. I / We will notify you promptly of any circumstances. I / we encounter that could significantly affect my / our estimate of fees and discuss with you any additional fees, as necessary.”

¹⁵ Partner or proprietor, as the case may be.

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Acknowledged on behalf ofBank

.....

(Signature)

Name and Designation

Date

Copy to: Chairman, Audit Committee

Attached: Letter of Acceptance duly signed by us.

APPENDIX V

Illustrative Format of Engagement Letter to be Sent to the Appointing Authority of the Banking Company (Separate only for Internal Financial Control u/s 143(3)(i) of Companies Act, 2013)

Date:

The Board of Directors
_____ Bank Limited
(Address)

Dear Sirs,

As per requirement of Section 143(3)(i) of the Companies Act, 2013 (“2013 Act”), we have to express our opinion on internal financial controls over financial reporting of (Name of Bank) (the ‘Bank’) as at March 31, XXXX in conjunction with our audit of the standalone and consolidated financial statements of the Bank for the year ended on that date.

We are pleased to confirm our understanding of the audit engagement by means of this letter.

Our audits will be conducted with the objective of expressing our opinion under Section 143(3)(i) of the Companies Act, 2013 (“2013 Act”) on the adequacy of the internal financial controls system over financial reporting and the operating effectiveness of such controls as at March 31, 20X1 based on the internal control criteria established by you.

Audit of Internal Financial Controls Over Financial Reporting

We will conduct our audit of the internal financial controls over financial reporting in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) and the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed by the Central Government in accordance with Section 143(10) of the 2013 Act as well as the requirements of the Banking Regulation Act, 1949, and the guidelines/ directions issued by the Reserve Bank of India under the said statutes, from time to time, to the extent applicable to an audit of internal financial controls over financial reporting. These Guidance Note and Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about the adequacy of the internal financial

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controls system over financial reporting and their operating effectiveness as at the balance sheet date.

An audit of internal financial controls over financial reporting involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Inherent Limitations in an Audit of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management's Responsibility

Our audit will be conducted on the basis that [management and, where appropriate, those charged with governance] acknowledge and understand that they have responsibility:

- (a) For establishing and maintaining adequate and effective internal financial controls over financial reporting based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.
- (b) To provide us with:
 - (i) Access, at all times, to all information, including the books, account, vouchers, internal policies and circulars and other records and documentation, of the Bank, whether kept at the head office of the Bank or elsewhere, of which management is aware that is relevant to

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- the preparation of the financial statements such as records, documentation and other matters;
- (ii) All information, such as internal policies and circulars, records and documentation, and other matters that are relevant to our assessment of internal financial controls;
 - (iii) Management's evaluation and assessment of the adequacy and effectiveness of the Bank's internal financial controls, based on the control criteria established by the management and all deficiencies, significant deficiencies and material weaknesses in the design or operations of internal financial controls identified as part of management's evaluation;
 - (iv) Additional information that we may request from [management] for the purpose of the audit;
 - (v) Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. This includes our entitlement to require from the officers of the Bank such information and explanations as we may think necessary for the performance of our duties as auditor;
 - (vi) Any communications from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices and the Bank's response thereon;
 - (vii) Management's conclusion over the Bank's internal financial controls based on the control criteria set above as at the balance sheet date [insert date];
 - (viii) Informing us of significant changes in the design or operation of the Bank's internal financial controls that occurred during or subsequent to the date being reported on, including proposed changes being considered;
 - (ix) Providing us with the component auditors' report under section 143(3)(i) in the case of components that are companies covered under the Companies Act 2013 for the purposes of our reporting in the case of the consolidated financial statements of the Bank.
- (c) As part of our audit process, we will request from (management and, where appropriate, those charged with governance), written confirmation concerning representations made to us in connection with the audit. Non submission of written confirmation to the representations asked for or Non-provision of any information asked for could possibly invite issuance of necessary disclaimers or qualifications in the auditor's report on Internal Financial controls over Financial Reporting.

We also wish to invite your attention to the fact that our audit process is subject to 'peer review' / 'quality review' under the Chartered Accountants Act, 1949 to be conducted by an Independent reviewer. The reviewer may inspect, examine

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or take abstract of my / our working papers during the course of the peer review / quality review.

Reporting

Our audit report will be issued pursuant to the requirements of Section 143(3)(i) of the Act. The form and content of our report may need to be amended in the light of our audit findings.

Our opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting in the case of the consolidated financial statements of the Bank, in so far as it relates to subsidiary companies, jointly controlled companies and associate companies incorporated in India, will be based solely on the reports of the auditors of such companies.

This letter should be read in conjunction with our letter dated ___ for the audit of the standalone and consolidated financial statements of the Bank under the Act.

We look forward to full co-operation from your staff during our audit.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the internal financial controls over financial reporting including our respective responsibilities.

Date: _____ (name of the firm)
Place: _____ Chartered Accountants
.....
(Signature)
(name of the member)
(Designation¹⁶)

Acknowledged on behalf of _____ {Insert Bank Name} Limited

Name and Designation:
Date:

¹⁶ Partner or proprietor, as the case may be.

APPENDIX VI

Illustrative Format of Management Representation Letter to be obtained from Bank Management in case of Statutory Central Audit

To,

Statutory Central Auditors

_____ Bank

This representation letter is provided in connection with your audit of financial statements of _____ BANK as at _____ and for the year ended on that date for the purpose of your expressing an opinion as to whether the financial statements give a true and fair view, under the historical cost convention on the accrual basis of accounting, of the state of affairs of the Bank as at _____ and of its profit/loss and its cash flows for the year then ended, in accordance with the accounting principles generally accepted in India.

We acknowledge our responsibility for the preparation and fair presentation of the financial statements in accordance with the requirements of the provisions of:

- The Banking Regulation Act 1949,
- Accounting Standards, as notified under Companies Act 2013,
- Directives, Circulars, Notifications issued by Reserve Bank of India
- Companies Act, 2013 [*not applicable in case of nationalized banks*]
- Listing requirements of SEBI
- Recognised Accounting Policies & practices

We acknowledge our responsibility for the implementation and operations of accounting and internal control systems that are designed to prevent and detect fraud and error.

We have assessed the ability of the Bank to continue as a going concern and are satisfied that it will so continue. We have no knowledge of events or conditions and related business risks beyond the period of this assessment that may cast significant doubt on the Bank's ability to continue as a going concern.

We confirm, to the best of our knowledge and belief, the following representations are true and correct:

1 ACCOUNTING POLICIES

- a) The accounting policies are in accordance with the accounting standards and other recognized accounting practices and policies generally accepted in India.
- b) The accounting policies and practices which are material or critical in determining the results of operations for the period or financial position are consistent with those adopted in the financial statements for the previous year. The financial statements are prepared on accrual basis.
- c) We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

2 REGISTERS, MINUTES AND CONTRACTS

- a) All matters required to be recorded in the registers and minute books of the Bank have been, and are, recorded correctly.
- b) We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance.
- c) We have submitted to your representatives, minutes covering the Audit Committee meetings, the Committee of Directors meetings and meetings of the Board of Directors. These minutes constitute a full and complete record of all meetings held and documented during the quarter.

3 OWNERSHIP AND PLEDGING OF ASSETS

The Bank has satisfactory title to all assets in its books, and there are no liens or encumbrances on such assets except the following:

- a) _____
- b) _____
- c) _____

(this section should include assets having encumbrances, for example, details of investments pledged for various facilities may be reported in this section)

4 COMPLIANCE WITH LEGISLATION AND OTHER REQUIREMENTS

We have no knowledge of any instances of non-compliance with laws and regulations, contracts or agreements involving management or employees who have significant roles in internal control.

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We have no knowledge of any breaches or possible breaches with laws and regulations, contracts or agreements whose effects should be considered when preparing the financial statements, or as a basis for recording an expense.

In respect to operations during the period, we have complied with:

- All Reserve Bank of India directives, including Circulars, Notifications issued under Banking Regulation Act
- Income Recognition, asset classification and prudential norms laid down by the Reserve Bank of India from time to time
- With the local laws and regulations and guidelines of the regulations of respective countries, in respect of operations of a foreign branch of the bank

Treasury function of the bank are carried out in accordance with the RBI Circulars / notification and bank's own policy in this behalf.

Income recognition, asset classification and prudential norms applied in relation to the foreign branch of the bank also comply with the guidelines of the RBI

There have been no communications from regulatory authorities concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements.

5 INTERNAL CONTROLS

We have established and maintained adequate internal controls to ensure that we:

- prepare a reliable financial statements
- maintain adequate financial records
- record all material transactions in the accounting records underlying the financial statements
- minimise the risk of fraud and error occurring and are able to detect them should they occur
- minimise the risk of significant breaches of legislation and other mandatory requirements occurring and detect significant breaches of legislation and other mandatory requirements should they occur.

6 FRAUD AND ERROR

We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect fraud and error.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

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The frauds detected during the period involving employees or otherwise have been provided for to the satisfaction of the auditors. The accountability is being reviewed and internal controls have been strengthened.

We have no knowledge of any allegations of fraud, or suspected fraud, affecting the Bank's financial statements committed by employees, former employees, analysts, regulators or others other than those disclosed to you.

7 INTERNAL AND CONCURRENT AUDIT

We operate an effective internal audit function and management promptly rectifies any shortcomings reported.

8 FIXED ASSETS

As at _____ the bank is having satisfactory title to all assets appearing in the balance sheet. All assets to which the Bank has satisfactory title appear in the balance sheet at the respective net book values.

The additions during the period are stated at cost and include all capital expenditure to fixed assets,(including capital work in progress) but do not include expenditure chargeable to revenue. No amount representing additions or improvements of a capital nature have been charged to revenue. Fixed Assets do not include cost and accumulated depreciation relating to items sold, scrapped, demolished or destroyed.

We depreciate assets over their useful lives and we have adjusted depreciation charges for all abandoned or otherwise unusable items of property.

Depreciation rates have been reviewed against asset usage and against the rate of technical and commercial obsolescence. Any adjustment to reflect the most recent assessment of the useful lives of all non-current assets has been recognised in the financial statements.

Any impairment resulting in lower realisable value than the written down value is estimated and provided for.

The Bank has revalued its Freehold Land & Residential/ Office building based on valuations made by independent valuers during the year _____. The net appreciation of Rs _____ arising on revaluation, being the difference between the net book value of Rs _____ and revalued amount of Rs _____ as on _____, was credited to Revaluation Reserve.

9 INVESTMENTS

All the investments portfolio which are produced at the time of Audit for your verification belong to the bank and do not include any investment held on behalf of any other person.

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All investments are held in the Subsidiary General Ledger account of the RBI or the Bank's depository participant account.

The Bank has not entered into any ready forward or buy-back transactions during the year in securities in which such transactions are prohibited.

Sales and transfers of securities to/from Held to Maturity (HTM) category

- a. During the year ended _____, the value of sales and transfers of securities to/from HTM category (excluding onetime transfer of securities to/from HTM category with the approval of Board of Directors permitted to be undertaken by banks at the beginning of the accounting year and sale to RBI under pre-announced Open Market Operation auctions) have not exceeded 5% of the book value of the investments held in HTM category at the beginning of the year.
- b. *[If any transfer from AFS/HFT to HTM is permitted by RBI or any deferral/spreading of provision for depreciation is permitted by RBI as a 'one time measure', the same should be appropriately covered in this section.]*

Appropriate provisions are made on Non-performing investments ('NPIs') based on the provisioning guidelines issued by the RBI. Provision of Rs. _____ was made on the Non-performing investments ('NPIs') of Rs. _____

As at _____, there are no ready forward transactions in securities outstanding in the books of the Bank.

As on _____ there was outstanding Reverse Repo transaction Rs. _____ with RBI.

All investments as at _____ have been valued as per Bank's accounting policy and as per applicable RBI regulations.

10 CREDIT

We have adequate provisions for possible uncollectible advances given to customers. There are no factors like the current economic climate or specific customer situations that would indicate that the loan loss provisions are not adequate at _____. Further, other than those disclosed to you, there are no standard assets that need to be classified as non-performing as at _____.

- a) Non-performing assets ('NPAs') are identified by periodic appraisals of the portfolio by management and appropriate provisions are made based on the provisioning guidelines issued by the RBI.
- b) There were no standard accounts restructured during the year other than the ones disclosed to you. Further, the list of restructured assets as at _____ provided to you is complete.

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- c) No material claims have arisen on guarantees issued by the Bank, other than those already invoked, which would require a provision or disclosure in the financial statements.
- d) All debit balances in Cash Credit/Overdraft accounts overdue for a period of 90 days or more have been adequately provided for by the Bank.
- e) All uncollected interest and other charges on non-performing assets have been de-recognized in accordance with RBI norms on income recognition on NPAs.
- f) All loans with overdue bills of more than 90 days as on _____ have been classified as non-performing assets in the books of the Bank.
- g) There are no accounts for which the Bank has entered into any settlement with customers, where there has been a principal sacrifice which is not provided for as at _____.
- h) Provision for delinquencies and servicing cost, created on advances securitised is adequate to cover the future loss and cost that may be incurred on these advances.
- i) The list of letters of credit devolved, guarantees invoked and bills overdue, provided to you, is complete and there are no omissions in the same.
- j) Mandatory provisioning requirements of the year on non performing advances of the Bank, as required under the RBI master circular on advance provisioning has been made under Provisions & Contingencies.
- k) Details of financial assets sold to Securitization/Reconstruction Company for Asset Reconstruction.

(Rs. in crore)

Sr.No.	Particulars	Amt (Rs.)
(i)	No. of Accounts	
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC	
(iii)	Aggregate Consideration	
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	
(v)	Aggregate gain(loss) over net book value	

- l) The financial statements for the period ended _____ have been arrived at after considering provision for Non Performing Assets, Standard Assets and depreciation/ provision for Investments on the basis of prudential

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norms issued by RBI. The Bank has made 100% provision towards erosion in the value of securities in case of doubtful assets.

- m) The bank has reviewed non fund based exposures outstanding on case to case basis and there is no chance of devolvement of such liabilities and accordingly no provision has been made against the same.
- n) The Bank has not made any floating provision. *[if a floating provision is made, the fact should be appropriately disclosed.]*
- o) In respect of all the advances against tangible securities, the bank holds evidence of existence and market value of the relevant securities as at the period-end.
- p) All the borrowers' account have been categorised according to the prevalent RBI norms applicable for the year, into Standard, Sub-standard, Doubtful or Loss assets, with special emphasis on Non-Performing Assets (NPA)
- q) We have examined the accounts and applied the norms borrower-wise and not account-wise for categorising the accounts
- r) No income has been adjusted/ recorded to revenue, contrary to the norms of income recognition notified by the Reserve Bank of India; and particularly where the chances of recovery/ realisability of the income are remote
- s) No income has been recorded on Non-Performing Accounts other than on actual realization
- t) Adequate provision has been done for erosion in value of sub-standard, doubtful and loss assets have been done as per RBI regulations
- u) In case of advance accounts where devolvement of Letters of Credits or invocation of Bank Guarantees is observed, the outstanding balance arising out of devolvement/invocation have been added to the main working capital facility for arriving at the overdue status with respect to Limit and Drawing Power available in the working capital accounts.
- v) The Bank has complied with all the applicable RBI guidelines for all advances restructured and accordingly classification of restructured advances done in compliance with RBI guidelines as at _____
- w) All failures of restructuring or non-compliance with terms of restructuring have been dealt with properly and asset classification is changed as per RBI regulations.
- x) In case the restructured accounts where material terms of restructuring have not been complied within the period prescribed as per RBI guidelines and as per schedule laid down in terms, the restructuring has been treated as "failed" and IRAC classification has been done as per the pre-restructuring repayment schedule.

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- y) For calculation of Provision on Standard Assets, the classification of standard advances has been made as per extant guidelines of RBI.

11 OTHER CURRENT ASSETS

In the opinion of the management, other current assets have a value on realization in the ordinary course of the bank's business which is at least equal to the amount at which they are stated in the balance sheet

12 CASH & BANK BALANCES

- (a) The Cash balance as on _____ is Rs. _____.
- (b) The Balance with RBI in Current Account as on _____ is Rs. _____.
- (c) The Balance with Banks and Money at Call and Short Notice as on _____ is Rs. _____.

The bank has made adequate provision for the items pending in the inter-bank reconciliation, which, in the view of the management are uncollectable.

13 LIABILITIES

We have recognised all liabilities including those arising under derivative financial instruments in the financial statements.

14 FOREX AND DERIVATIVE PRODUCTS

The Bank has recognized all its derivative instruments as assets or liabilities in the balance sheet and measured them at the market value as per the generally accepted practices prevalent in the industry. In respect of derivative contracts that are marked to market, changes in the market value have been recognized in the statement of profit and loss in the period of change.

The fair values of all derivatives have been determined based on prevailing market prices or by using financial models that we believe are the most appropriate models for valuing such instruments and that incorporate market data and other assumptions that we have determined to be reasonable and appropriate as at _____.

Derivative deals which are classified as hedged deals for hedge items at inception of the deal by the Bank, are effective hedges as at _____. Accordingly, there was no need to do mark-to-market on such deals.

15 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

We have properly recorded and/or disclosed in the financial statements:

- arrangements involving restrictions on cash balances, compensating balances and line-of-credit or similar arrangements
- agreements or options to repurchase assets previously sold

- Material or contingent liabilities or assets including those arising under derivative financial instruments.

16 EMPLOYEE BENEFITS

All post-employment benefits have been identified and accounted for based on estimates and all events impacting the plans have been taken into consideration while arriving at the estimates.

(i) **Defined Contribution Schemes**

[Bank to briefly describe the current arrangement]

(ii) **Defined Benefit Schemes**

(iii) *[Bank to briefly describe the current arrangement]*

(iv) **Other long term benefits**

Employees of the Bank are entitled to accumulate their earned/ privilege leave up to a maximum of ___ days for officers and ___ days for other staff. A maximum of ___ days leave is eligible for encashment in each year.

Employees of the Bank are eligible for Disability Assistance which is borne by the Bank as and when the disability events occur.

Some employees of the Bank are eligible for Voluntary Health Scheme which is borne by the Bank as and when the liability events occur.

17 TAXATION

We have calculated income tax expense, current tax liability according to the definitions of taxable income and allowable deductions contained Indian income tax.

We have calculated and recognized all other applicable taxes according to relevant tax legislation.

Timing difference for the purpose of calculation of deferred tax is correctly identified in accordance with Accounting Standard 22 notified under companies act, in respect of deferred tax assets recognized in the accounts and we confirm that there is reasonable certainty that sufficient taxable income would be available in future periods to realize such deferred tax assets.

The Bank creates Special Reserve through appropriations of profits, in order to avail tax deductions as per section 36(1)(viii) of the Income Tax Act, 1961. The Reserve Bank of India, through its circular dated December 20, 2013, had advised banks to create deferred tax liability (DTL) on the amount outstanding in Special Reserve, as a matter of prudence. Necessary Liability is created in accordance with these RBI guidelines.

18 STATEMENT OF PROFIT AND LOSS

All material transactions have been adequately disclosed and full provision has been made in the financial statements for all claims and losses of material amounts that have resulted or may be expected to result from events that occurred, or from commitments that were entered into on or before the date of balance sheet.

No personal expenses have been charged to the statement of profit and loss of the Bank.

Except as recorded in the financial statements, the results for the year were not materially affected by:

- transactions of a nature not usually undertaken by the Bank;
- circumstances of an exceptional or non-recurring nature;
- charges or credits relating to prior years;
- changes in accounting policies.

19 BALANCING OF BOOKS

The books of the account are computerized and hence the subsidiary records are automatically balanced with the relevant control records

20 RELATED PARTY TRANSACTIONS

The following are the related parties:

SN	Particulars
SUBSIDIARIES	
1	
2	
JOINT VENTURES	
1	
2	
KEY MANAGEMENT PERSONNEL OF THE BANK	
1	
2	

We confirm that the transactions with the related parties have been entered on a 'arm's length price'.

21 ACCOUNTING FOR INVESTMENTS IN ASSOCIATES

We have made available to you details and records relating to the existence and ownership of all equity interests held in associates.

22 CAPITAL ADEQUACY

All the assets have been considered for the risk weighted assets. The classification of these assets is done properly.

All the notional principles of outstanding derivatives portfolio have been considered to calculate credit risk and market risk.

The Capital fund and ratios relating to Capital Adequacy have been computed as per guidelines issued by RBI.

a) LITIGATION AND CLAIMS

We have provided to you all information regarding material outstanding legal matters.

We have properly recorded and/or disclosed in the financial statements unasserted claims or assessments that our lawyer(s) has advised us are probable of becoming a legal matter.

There is no pending litigation or unasserted claims against the Bank, other than disclosures made, which our legal advisors advise us, are probable of assertion and which require disclosure in the financial statements. Other than as provided to you, there are no cases pending with legal counsel either filed by the Bank or against the Bank at _____.

24 SEGMENT REPORTING

The Bank has disclosed business segment as the primary segment. The Bank primarily operates in India, hence the Bank has been considered that its operations are predominantly in the domestic segment and as such there are no reportable geographical segments.

The ratios adopted for the allocation of operating expenses for segment reporting purposes are based on the management's judgment and perception of how the business is carried on by the Bank. Further, inter-segment income and expense has been determined using an internally developed transfer pricing rate and is based on the average cost of funds.

25 GENERAL

The financial statements have been prepared in accordance with accounting standards and other recognised accounting practices and policies disclosing the information required to be disclosed in terms of Regulation 33 of the Listing Agreement including the manner in which it is to be disclosed.

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The Bank has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

Operating leases primarily comprise office premises, staff residences and ATMs, which are cancellable at the option of the Bank other than those disclosed in the notes to accounts.

The financial statements are free of material mis-statements, including omissions.

For capital adequacy, margins deducted from assets to arrive at the risk-weighted assets have been appropriately computed.

[Penalty, if any levied on the bank: the fact of penalty along with the reasons should be briefly described]

Reconciliation/ balancing of debit and credit outstanding entries in various heads of accounts, included in Inter Office Adjustments, NOSTRO, Drafts/ TTs payable, Clearing Adjustments, Dividend/ Interest/ Refund Orders Paid/ Payable, Other liabilities on account of foreign currency translation etc is in progress. The impact, if any, on the financial statements will not be material.

The format, breakup/grouping of sub-heads of accounts adopted during the year are based on the regroupings done in the current year as per the details provided to you. Figures of the previous year are regrouped / rearranged, so as to confirm with the presentation made for the current year

Non-banking assets acquired in satisfaction of claims have been valued at _____ [Basis of valuation should be provided].

Weighted average number of equity shares considered for Basic and Diluted EPS has been calculated as per the method prescribed in AS-20

Computation of values for disclosures related to the following have been done as per related guidelines issued by RBI and are in agreement with the books of accounts and other records maintained by the Bank:

- i. Capital*
- ii. Investments*
- iii. Repo transactions*
- iv. Non-SLR Investment portfolio*
- v. Non-performing Non-SLR investments*
- vi. Sales and transfers of securities to/from Held to Maturity (HTM) category*
- vii. Disclosure on instance of SGL bouncing*

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- viii. *Forwards Rate Agreement/Interest Rate Swap*
- ix. *Exchange Traded Interest Rate Derivatives*
- x. *Currency Futures – Proprietary*
- xi. *Disclosures on risk exposure in derivatives- Qualitative disclosures*
- xii. *Disclosures on risk exposure in derivatives- Quantitative disclosures*
- xiii. *Non-Performing Asset (Loans & Advances, interest accrued thereon)*
- xiv. *Details of financial assets sold to Securitisation/Reconstruction Company for Asset Reconstruction*
- xv. *Details of non-performing financial assets purchased*
- xvi. *Details of non-performing financial assets sold*
- xvii. *Provision on Standard Asset*
- xviii. *Business Ratios*
- xix. *Exposure to Real Estate Sector*
- xx. *Exposure to Capital Market*
- xxi. *Risk Category wise Country Exposure*
- xxii. *Prudential Exposure Limits*
- xxiii. *Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account*
- xxiv. *Unsecured Advances*
- xxv. *Floating Provisions*
- xxvi. *Draw Down from Reserves*
- xxvii. *Disclosure of Complaints/Awards*
- xxviii. *Awards passed by the Banking Ombudsman*
- xxix. *Customer Complaints on Account of ATM Transactions*
- xxx. *Securitisation*
- xxxi. *Fees and Remuneration Received in respect of Bancassurance Business*
- xxxii. *The bank has not issued any letter of comfort during the year*
- xxxiii. *Asset Liability Management*
- xxxiv. *Concentration of Deposits, Advances, Exposure and NPAs*
- xxxv. *Sector-wise NPAs*
- xxxvi. *Movement of NPAs*
- xxxvii. *Stock of technical write-offs and the recoveries made thereon as per the format below.*
- xxxviii. *Overseas Assets, NPAs and Revenue*
- xxxix. *Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)*

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- xl. Credit Default Swaps
- xli. *Sugar Undertakings*
- xlii. *Employees' Stock Option Scheme (ESOP)*
- xliii. *Status for Extending Financial Assistance to Sugar Undertakings, 2007*
- xliv. *Dues to micro, small & medium enterprises*
- xlv. *Estimated amount of contracts remaining to be executed on capital account*
- xlvi. *Proposed Dividend*

[If the bank has proposed dividend, details thereof need to be disclosed.]

26 EVENTS AFTER BALANCE SHEET DATE

No events have occurred between the financial reporting date to the date of this letter that would require adjustment to, or disclosure in, the financial statements.

We confirm the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

27 Capital Infusion

[Details of capital infusion (if any) made during the audit period needs to be provided]

We hereby agree to submit and make available copies of audited financials, auditors' reports, LFAR, Tax Audit Report, Annual Returns and other certifications by Branch Auditors to the SCAs, which are kept in our custody on behalf of SCA. We further confirm that we will be submitted the soft / scanned copies of the same for records of SCA to be retained as audit documents to ensure the compliance of SA 230 and SA 600.

Thanking you

Yours Faithfully

(_____)

_____ Bank

Date:

Place:

APPENDIX VII

Illustrative Format of Management Representation Letter to be obtained from Bank Management in connection with the Limited Review

[Date]

The Central Statutory Auditors

_____ Bank

Dear Sirs,

Sub: Management Representation in connection with the Limited Review for the period of _____ months ended on _____.

In connection with your limited review of the unaudited interim financial results of _____ ("the Bank") along with other information as prescribed under Regulation 33 of the Listing Agreement (hereinafter referred to as "interim financial information") for the period of _____ months ended as on _____, we recognise that making enquiries and obtaining representations from the management ("we", "us") in connection limited review is a significant procedure. Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by omission or misstatement. The references to Accounting Standards (ASs) in this letter are to the Standards issued by the Institute of Chartered Accountants of India (ICAI) and applicable to us in a manner prescribed by the Reserve Bank of India (RBI). Accordingly, we make the following representations, which are true to the best of our knowledge and belief.

1. We acknowledge our responsibility for the preparation and presentation of the interim financial information in accordance with the Banking Regulation Act, 1949 and the Reserve Bank of India Act, 1934 and the guidelines issued under the said statutes from time to time.
2. We acknowledge responsibility for the design and implementation of internal control to prevent and detect fraud and error.
3. We confirm that the accounting policies are in accordance with the accounting standards and other recognised accounting practices and policies generally accepted in India. The accounting policies and practices which are material or critical in determining the results of operations for the

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period or financial position are consistent with those adopted in the financial statements for the previous year. The financial results are prepared on accrual basis.

4. We have made available to you all books of account and supporting documentation, and all minutes of meetings of shareholders and the board of directors.
5. All matters required to be recorded in the registers and minute books of the Bank have been, and are, recorded correctly. We have complied with all aspects of contractual agreements that would have a material effect on the financial results in the event of non-compliance. We have submitted to your representatives, minutes covering the Audit Committee meetings, the Committee of Directors meetings and meetings of the Board of Directors. These minutes constitute a full and complete record of all meetings held and documented during the quarter.
6. We have established and maintained adequate internal controls to ensure that we:
 - prepare a reliable financial statements
 - maintain adequate financial records
 - record all material transactions in the accounting records underlying the financial statements
 - minimise the risk of fraud and error occurring and are able to detect them should they occur
 - minimise the risk of significant breaches of legislation and other mandatory requirements occurring and detect significant breaches of legislation and other mandatory requirements should they occur.
7. There are no material transactions including known liabilities and losses that have not been properly recorded in the accounting records underlying the interim financial information.
8. There has been no known actual or possible noncompliance with laws and regulations that could have a material effect on the interim financial information in the event of noncompliance.
9. To the best of our knowledge, there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance with laws or regulations in any jurisdiction, or deficiencies in financial reporting practices or other matters that could have a material effect on the financial statements.
10. We have disclosed to you all significant facts relating to any known frauds or suspected frauds that may have affected the Bank.

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11. We confirm the completeness of the information provided to you regarding the identification of related parties.
12. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the interim financial information.
13. We have satisfactory title to all assets and there are no liens or encumbrances on the Bank's assets, except those assets in respect of which appropriate disclosures are made in the interim financial information.
14. During the period, except as disclosed in the notes to the financial results for the period, there is no change in any accounting policies or practices as compared to the one followed for preparation of financial information of the previous year.
15. During the period, there are no material irregularities, such as thefts, frauds, or defalcations, involving management or employees who have significant roles in the internal control structure. Further, there are no unreported fraud involving others and all such reported frauds have been fully provided for except those informed to you.
16. During the period and till the date of this letter, there are no material events or transactions which need to be disclosed in the reviewed financial results.
17. During the period, except as disclosed in the notes to the financial results for the period, there are no material non-recurring/ extraordinary income/ gain, expenditure /loss having impact on the financial results. Further, during the period, no extraordinary/ exceptional event, as defined in AS 4 issued by the ICAI, have occurred.
18. During the period, there is no change in the composition of the Bank's ownership structure on account of business combinations, acquisitions or disposal of subsidiaries/ associates or increase/ decrease in our equity stake in them or restructuring of any business or discontinuance of any business other than those already informed to auditors.
19. As at the end of the period, there were no judgements/ decisions of any Court/ regulatory authority having adverse financial impact on the Bank and which remains un-provided other than those already informed to auditors.
20. During the period, the bank has complied with the prudential norms prescribed by the RBI on income recognition, asset classification and provisioning pertaining to advances.
21. We confirm that the relevant restructuring guidelines have been fully complied with in respect of advances restructured. We confirm that advances restructured during the period have been classified as NPAs unless the same is permitted as per extant RBI guidelines. We confirm that

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- all restructuring cases involving conversion of debt into Equity/ other investments, have been accounted for in accordance with RBI norms.
22. We confirm that there is no account requiring provision to be made on accelerated basis as stipulated by RBI in Master Circular on IRAC norms except those already provided for.
 23. We confirm that the parameters fixed for identification of NPAs by the system are in accordance with the various norms issued by RBI from time to time.
 24. We have computed unhedged foreign currency exposure of our borrowers by including all exposures including off balance sheet exposure and required provision has been made.
 25. We confirm that we have taken into consideration all the relevant circulars of RBI/SEBI guidelines/local regulations in respect of foreign branches in the preparation of the interim financial information.
 26. We confirm that as at _____, there were no accounts which were pending review/renewal for a period of more than 180 days including at foreign branches.
 27. During the course of compiling the accounts at the Head Office, we confirm that all MOC's passed at the Zones/Centre/HO have been duly incorporated.
 28. We have ensured reconciliation of inter office/ inter branch balances with related details as at _____. We confirm that there is no material impact of the same on the interim financial information.
 29. We have ensured that none of the securities in the nature of investments have been parked in the branches.
 30. The bank has made adequate provision for taxes as on _____. The provision for taxes has been after considering applicable ICDS and other regulatory pronouncements/ legal decisions. We have provided you with all communication/assessment orders/ demands/refunds made by Indian/ other revenue authorities. The effect of these has been fairly recorded in the results.
 31. Timing differences for the purpose of calculation of deferred tax have been correctly identified in accordance with AS 22 - 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India.
 32. For the purpose of accounting and disclosures, all master circulars and master directions issued by RBI as well as Disclosure norms prescribed by Listing Regulations are fully complied with.
 33. All material transactions have been adequately disclosed and full provision has been made in the interim financial information for all claims and losses

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of material amount that have resulted or may be expected to result from events that occurred or from commitments that were entered into on or before the date of balance sheet.

34. All transactions in financial instruments, including those with off-balance sheet risk (such as swaps and forward contracts), have been disclosed to you and properly recorded in the results. Further, they have been appropriately incorporated in the computation of the capital adequacy ratio.
35. We hereby agree to submit and make available copies of audited financials, auditors' reports, LFAR, Tax Audit Report, Annual Returns and other certifications by Branch Auditors to the SCAs, which are kept in our custody on behalf of SCA. We further confirm that we will be submitted the soft / scanned copies of the same for records of SCA to be retained as audit documents to ensure the compliance of SA 230 and SA 600.

Thanking You,

(_____)

Authorised Signatory

_____ Bank

APPENDIX VIII

Illustrative List of Special Purpose / Exception Reports in CBS

The following indicative list of reports will benefit SCAs and SBAs (if shared in advance) while undertaking the audit in fully computerised environment:

Advances

Sr. No.	Report
i.	Advances Snapshot covering all important parameters
ii.	Accounts with overdue in excess of 90 Days and are classified as Standard Assets
iii.	List of LCs devolved during the period / year and current status of account
iv.	List of BGs invoked during the period / year and current status of account
v.	Standalone Non Fund Based Limits granted to customers
vi.	List of SMA / Watchlist / Probable NPA/Weak account accounts as on the last date of Audit period
vii.	Backdated updation of stock and book debt statements (Difference between Date of updation in CBS and Date of Stock Statement updated)
viii.	List of Accounts wherein the facility is not renewed / reviewed
ix.	List of Accounts slipped to NPA during the current period
x.	List of Accounts wherein there is an amendment in Date of NPA
xi.	List of Accounts written off during the period / year
xii.	List of Accounts upgraded (alongwith date of upgrade and the overdues on the date of upgrade)
xiii.	Quick Mortality (NPA within 1 year of Advance)
xiv.	List of NPA Accounts with Security Valuation not carried out within the prescribed period
xv.	List of accounts wherein rephasing (Change in EMI, Tenor, Moratorium period) is carried out in CBS (excluding rephasing due to change in the reference rate)
xvi.	Loan / OD against FD with no linkage to FD (i.e. Security)
xvii.	Loan to Minor (Excluding Non individual accounts and excluding Education, Loan/OD against Deposit cases)
xviii.	Loans below the benchmark rate (as applicable in each bank)
xix.	Loans above the maximum lending rate (as applicable in each bank)
xx.	Loans where disbursement is made in Cash (Threshold limit may be prescribed)

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Sr. No.	Report
xxi.	Credit transactions in CC / OD / Loan Accounts with Value Date (Back Date) without Value Date (Back Date) at Debit Leg.
xxii.	Advance accounts where effective interest rate is Zero.
xxiii.	CC Accounts with primary security is "Nil"
xxiv.	Multiple TODs / Adhoc Sanctions for a customer.
xxv.	Non delinking of Adhoc facility sanctioned on expiry

Profit & Loss

Sr. No.	Report
i.	Manual debit to Interest Income and Other Income Account
ii.	Manual credits to Interest Income and Other Income Account
iii.	Manual debit to Interest Expense Account
iv.	Interest Pegging marked as "Y" for loans sanctioned at variable rate i.e. w.r.t. benchmark rates (Pegging may freeze the interest rate at the respective time.)

Foreign Exchange, Internal Controls and Systems

Sr. No.	Report
i.	Bills under LC devolved and not crystallized. / Bills under LC devolved wherein the crystallization account is office account / not of customer.
ii.	Export Bills discounted / purchased and outstanding beyond due dates.
iii.	Packing Credits Accounts outstanding beyond due dates / Running Packing Credit accounts with age of un-utilized orders is more than 365 days.
iv.	Resident Customers having Non Resident Account (under same or multiple customer master)
v.	NRE Account Holder having Resident Savings Account (under same or multiple customer master)
vi.	FDs / RDs with aggregate balance at customer master level in excess of Rs. 20,000 and closed one / all FDs / RDs in cash
vii.	Cash Payments from Office Accounts in excess of Rs. 10,000
viii.	Non Senior Citizen customers (based on DOB) with Senior Citizen Interest Table code
ix.	Preferential Interest Rate applicable to Staff applied in non staff deposit (Refer the policy of bank w.r.t. extending facility to ex-staff and relatives of staff / ex-staff)
x.	List of Outstanding Office Accounts entries (Pointing type accounts)
xi.	Accounts with invalid PAN (No. of digits, structure, constitution code mapping with 4 th Digit)
xii.	List of Foreign Exchange transactions with Exchange Rates beyond the card rate / Maximum-Minimum Rate during the period

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Capital Adequacy

Sr. No.	Report
i.	Accounts above threshold limit wherein External Credit Rating is not obtained / updated
ii.	Bank Guarantees and LC Expired and not reversed.
iii.	Accounts with mismatch in Constitution code and BASEL Mapping

The above list of reports is indicative only. There are various other reports that can be generated. However, the generation of reports requires in-depth review of bank's systems, processes and gaps. The reports can be made more effective through continuation review and update mechanism.

APPENDIX IX

Illustrative Audit Checklist for Capital Adequacy

The checklist is only illustrative in nature. Members are expected to exercise their professional judgment while using the check list depending upon facts and circumstances of each case.

Audit Procedures	
CET 1, AT 1 and Tier II	
1. Tally the balances in the various elements of Capital from the trial balance/ groupings/ draft financial statements.	
2. Check whether various instruments comply with the guidelines as laid down in the Master Circular by referring to the Terms of Offer and whether the same are approved by the Board or other appropriate committee.	
3. Check whether appropriate discounting has been applied in the case of instruments issued.	
4. In case of foreign banks, examine whether the undertaking has been obtained that the bank would not remit abroad the funds received and shown as Capital Reserve or Remittable Surplus.	
5. Examine whether various limits upto which individual elements are to be included in CET1, AT1 and Tier II capital as laid down in the Master Circular are adhered to.	
6. Verify various deductions with the balances in the audited accounts and check the same for limits and eligibility (e.g. securitisation exposure) as laid down in the Master Circular.	
7. Verify the correctness of progressive discount based on the remaining maturity of instruments eligible for AT1 and Tier II.	
Capital Charge on Credit Risk	
The capital charge for credit risk is the sum total of	

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<p>the capital charge to be maintained in respect of the following:</p> <ul style="list-style-type: none"> ● On balance sheet items. ● Off balance sheet items. ● Failed transactions. ● NPAs. ● Securitisation transactions. <p>duly adjusted for haircuts based on the nature of the collateral.</p>	
<p><i>Risk Weights – On Balance Sheet Items</i></p>	
<p>The risk weights for all on balance sheet items need to be determined based on the credit ratings assigned by the rating agencies chosen by the RBI.</p>	
<p>1. Reconcile the balances of various advances and other operating receivables where there is a credit risk and which are considered for calculation with the following schedules in the financial statements to ensure completeness:</p> <ul style="list-style-type: none"> ● Schedule 6 – Cash and balances with Reserve Bank of India. ● Schedule 7- Balances with Banks and Money at Call and Short Notice. ● Schedule 9- Advances. ● Schedule 11(vi) – Other Assets – Others. 	
<p>2. Review and document the process of compilation and mapping of the various items on balance sheet based on the categories and their risk weights together with the appropriate ratings and / or other conditions, as applicable.</p>	
<p>3. For a sample of transactions verify the ratings with the letters issued by the rating agencies and accordingly check the correctness of the risk weights assigned.</p>	
<p>4. In cases where the risk weights are dependent on the fulfilment of certain conditions (other than ratings) verify the compliance therewith based on the appropriate documentary evidence. (e.g. claims on banks, regulatory retail portfolio, claims against residential property etc.)</p>	

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5. Verify the validity of guarantees issued by Central or State Government. Verify whether the bank has properly classified claims on State Government and claims guaranteed by State Government due to difference risk weight.	
6. Verify the correctness of claims on CGTSI and ECGC.	
7. Verify the classification of loans – restructured loans/ NPAs/ NBFC/ CRE/ CRE-RH etc.	
8. Verify LTV ratio on a test check basis in respect of housing loans.	
Risk Weights – Off Balance Sheet Items	
<p>The risk weight for all off balance sheet credit exposures is generally calculated as a two step process as under, separately for market and non-market related exposures:</p> <ul style="list-style-type: none"> • The notional amount is converted into a credit equivalent amount by multiplying the amount by the specified credit conversion factor (for non market transactions) or by applying the current exposure method (for market related transactions). • The resulting credit equivalent amount is multiplied by the risk weight applicable to the counterparty or the purpose for which finance is extended or the type of asset, whichever is higher. <p>Where the exposure is secured by eligible collateral or guarantee, the credit risk mitigation guidelines may be applied.</p>	
1. Reconcile the balances of the various off balance sheet exposures which are considered for calculation with the financial statements, especially the schedule of contingent liabilities.	
2. Review and document the process of compilation and mapping of the various off balance sheet item based on the nature of	

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the instruments.	
3. For a sample of non-market transactions, check the calculations of the credit equivalent amount with specified credit conversion factor based on the nature of the instrument. Check the necessary documentation to confirm the nature of the instrument.	
4. For a sample of market related transactions, check the necessary documentation to confirm the nature of the contract and accordingly check the calculations for the current credit exposure and the potential future exposure.	
5. Verify the classification of Financial and Performance Guarantee by perusing the sample guarantee issued by the branches.	
6. Verify whether bills accepted under Letter of Credit is assigned 100% risk weight as CCF.	
7. Verify whether the bank has proper control for accounting Buyer's credit/ Letter of Comfort.	
8. Verify the correctness of undrawn exposures.	
Capital Charge – Failed Transactions	
1. Review and document the procedures for tracking and monitoring the credit risk exposure arising from unsettled transactions, both on Delivery Versus Payment (DVP) and non DVP basis.	
2. For a sample of DVP transactions, examine whether the settlement has taken place on a timely basis. In case of delays, check the calculation of the capital charge by multiplying the positive current exposure by the prescribed factor depending upon the number of days delayed.	
3. For a sample of non-DVP transactions, examine whether the settlement has taken place as per the contracted maturity. In case of delays, ascertain whether any payment made is considered as a loan and the appropriate risk weight is considered. In case of settlement beyond five days ascertain whether the full amount is deducted from the	

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capital.	
Risk weights – NPAs	
1. Review and document the procedures for identifying the unsecured portion of NPAs separately for qualifying residential mortgages and others.	
2. For a sample of residential mortgages which are NPAs, examine whether they meet with the qualifying criteria with regard to the LTV ratio and other factors and accordingly check the assignment of the risk weight for the unsecured portion depending upon the level of provisioning.	
3. For a sample of NPAs other than residential mortgages check the assignment of the risk weight based on the level of provisioning.	
4. In respect of 3 above for identifying the secured portion examine whether only eligible collateral are considered and the same are properly documented and the bank has a clear and marketable title to realise the same.	
5. Verify whether bucketing in difference risk weight in respect of NPAs based on NPA provision is carried out by the system and verify the correctness of classification on a test check basis	
Capital Charge – Securitisation transactions	
Banks are required to hold regulatory capital after adjusting the prescribed deductions eligible against all securitisation exposures including those arising from provision of credit mitigants, investment in asset backed securities, retention of subordinated tranche and extension of liquidity facility or credit enhancement.	
Examine whether the securitisation transactions fulfil the requirements as prescribed in Master Circular on “Prudential Guidelines on Capital Adequacy and Market Discipline - New Capital Adequacy Framework” (extract of the ‘Revision to the Guidelines on Securitisation Transactions’, issued vide circular DBOD.No.BP.BC.103/21.04.177/ 2011-12 dated May 07, 2012on ‘Revision to the Guidelines on Securitisation	

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Transactions') to be eligible for deduction from capital.	
1. Based on the above, for a sample of transactions / deals examine whether the prescribed deduction from both CET 1, AT I and Tier II capital has been correctly done based on the rating and the level of provisions. Review the necessary documentation in support of the same.	
2. Based on the above ascertain whether the appropriate risk weights have been assigned.	
Collateral Risk Management and Credit Risk Mitigation	
The objective of collateral risk management is to ensure that only the eligible collateral are considered for netting off which are adjusted for volatility depending upon the nature of the capital and further subjected to various types of haircuts for different categories of mismatches like currency and tenor mismatches.	
1. Review and document the process for collateral risk management as appropriate and relevant including but not limited to: <ul style="list-style-type: none"> • Ageing reports. • Confirmation procedures. • Control of documents. • Compliance with covenants. • Audit of collateral by independent agencies. 	
2. Examine whether the bank has complete legal rights to enforce the security including specific lien and is subject to haircuts for residual tenor mismatch and currency mismatch. Check the necessary documentation in respect thereof.	
Capital Charge for Market Risk	
Capital charge for market risk involves computation of the capital charge on interest rate related instruments and equities in the trading book and foreign exchange risk, including gold and other precious metals. Accordingly, the	

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<p>following would be covered:</p> <ul style="list-style-type: none"> • Securities under the HFT and AFS category. • Open gold and FX position limits. • Trading position in derivatives. • Derivatives entered into for hedging trading book exposures. 	
<i>Interest Rate – General Market Risk</i>	
<p>The capital requirement for general market risk is the sum of the following four components:</p> <ol style="list-style-type: none"> (i) Net short (only derivatives) or long position in the trading book. (ii) Small proportion of matched position for each time band. (vertical disallowance) (iii) A larger proportion of the matched positions across different time bands. (horizontal disallowance) (iv) Net change for positions in options where applicable. 	
<p>1. Reconcile the balances considered for calculation of the general interest rate risks trading book positions with the figures reported in the financial statements.</p>	
<p>2. Review and document the process for computation of the price sensitivity (modified duration) for each instrument and test check the calculations for a sample of instruments.</p>	
<p>3. Review the process of capturing the above data into different time bands based on the maturity and accordingly apply the prescribed change in yield and check the calculations for the resulting capital charge and the consequential vertical and horizontal disallowances.</p>	
<i>Interest Rate – Specific Risk</i>	
<p>The specific interest rate capital charge for different types of debt securities / issuers is prescribed separately for the following categories:</p> <ul style="list-style-type: none"> • Central, State and Foreign government bonds 	

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<p>under HFT and AFS category.</p> <ul style="list-style-type: none"> • Banks bonds under HFT and AFS category. • Corporate bonds and securitised debt under HFT and AFS category. 	
<p>1. Reconcile the balances of government securities under AFS and HFT considered for computation of specific interest rate capital charge with the financial statements.</p>	
<p>2. Review and document the process of compilation of data in respect of various types of government securities under AFS and HFT based on the type of investment and the residual maturity.</p>	
<p>3. For a sample of transactions in respect of the above, verify the allocation percentage of the specific risk capital based on the type of investment and residual maturity based on the verification of the relevant documentation.</p>	
<p>4. Reconcile the balances of bonds issued by banks under AFS and HFT considered for computation of specific interest rate capital charge with the financial statements.</p>	
<p>5. Review and document the process of compilation of data in respect of various types of bonds issued by banks held as investments under AFS and HFT based on the following parameters:</p> <ul style="list-style-type: none"> • Level of capital adequacy. • Nature of the bank (scheduled or non-scheduled). • Residual maturity. 	
<p>6. For a sample of transactions in respect of the above, verify the allocation percentage of the specific risk capital based on the various parameters based on the verification of the relevant documentation.</p>	
<p>7. Reconcile the balances of corporate bonds and securitised debt under AFS and HFT considered for computation of specific interest rate capital charge with the financial</p>	

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statements.	
8. Review and document the process of compilation of data in respect of corporate bonds and securitised debt instruments held as investments under AFS and HFT based on the following parameters: <ul style="list-style-type: none"> • Rating assigned. • Nature of the investment. • Residual maturity. 	
9. For a sample of transactions in respect of the above, verify the allocation percentage of the specific risk capital based on the various parameters based on the verification of the relevant documentation.	
Equity – General and Specific Market Risk	
A uniform percentage of 9% is currently attracted for the gross equity position for both specific and general risks.	
Foreign Exchange and Gold	
These currently attract a risk weight of 100% which is in addition to the capital charge for credit risk for on and off balance sheet items.	
1. Check the computation of the net open position in each currency as a summation of the following: <ul style="list-style-type: none"> • Net spot position. • Net forward position. • Guarantees and similar instruments. • Net future expenses / incomes not yet accrued but fully hedged. 	
2. Based on the calculations of the market risk for each of the above check the computation of the aggregate capital charge of market risks. <i>Interest rate risk</i> <ol style="list-style-type: none"> a) General market risk <ul style="list-style-type: none"> • Net position • Horizontal disallowance • Vertical disallowance b) Specific market risk 	

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<i>Specific and general market equity risk Foreign Exchange and gold.</i>		
Capital Charge for Exposure to Entities with Unhedged Foreign Exchange Exposures (UFCE)¹⁷		
<p>1. Ascertain the amount of the UFCE: UFCE may exclude items which are effective hedge against each other viz. financial hedge and natural hedge. (On Sample basis, the UFCE considered by the Bank can be verified with the certificates issued by the statutory auditor of the borrower entities, which is usually taken by the Bank from them on a quarterly/ half yearly basis.)</p> <p>2. Estimate the extent of likely loss.</p> <p>3. Estimate the riskiness of the unhedged position and provide appropriately:</p>		
Likely Loss/EBID (%)	Incremental Provisioning Requirement on the total credit exposures over and above extant standard asset provisioning	Incremental Capital Requirement
Upto 15 per cent	0	0
More than 15 per cent and upto 30 per cent	20bps	0
More than 30 per cent and upto 50 per cent	40bps	0
More than 50 per cent and upto 75 per cent	60bps	0
More than 75 per cent	80 bps	

¹⁷ RBI/2013-14/448 DBOD.No.BP.BC. 85 /21.06.200/2013-14 dated January 15, 2014.

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Banks should calculate the incremental provisioning and capital requirements at least on a quarterly basis . However, during the periods of high USD-INR volatility, the calculations may be done on a monthly basis.	
Capital Charge for Operational Risk	
Currently banks are required to maintain capital charge for operational risk at 15% of the average gross income for the last three financial years	
<ol style="list-style-type: none">1. Obtain the computation of the gross total income and verify the same from the respective years audited financial statements.2. Examine whether the various deductions from the net profit are appropriately considered.	

- For computing the gross income for determining the capital to be held against operational risk, there is a clarification that the same should be considered based on the average of the last three financial years. However, there is no clarity as to whether this includes the current financial year though the better practice would be to consider the average of the preceding three years.

APPENDIX X

Illustrative Checklist for the Verification of the Aspects of the Treasury/Investments of the Bank in Statutory Audit

SN	Area	Description
1.	Investment Policy	<p>Verify if the Bank has a Board Approved Investment Policy in place and the same has been reviewed on annual basis.</p> <p>Verify if the Investment policy has been framed in concurrence with RBI guidelines.</p>
2.	Prudential Limits	<p>Verify if the Bank has adhered to the prudential limits relating to investments as prescribed by RBI from time to time and Internal Policies.</p>
3.	Income Calculation & Accounting	<p>Verify if the Income on various Investments has been correctly calculated and recorded in the Books of Account taking into consideration RBI guidelines issued from time to time and Accounting Policies followed by Bank.</p>
4	Verification of Investments	<p>Verify the investments physically and/or with the available holding statements/confirmations.</p>
5.	Classification/ Valuation	<p>Refer RBI Master Circular No. RBI/2015-16/97 DBR No BP.BC.6/21.04.141/2015-16 dated July 01, 2015 on Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks</p> <p>Classification: Check entire investment portfolio is classified under three categories viz: AFS, HFT & HTM.</p> <p>Sale/Transfer/Shifting: Verify there are no securities held in the HFT for more than 90 days.</p> <p>Verify there has been no shifting of securities to/from HTM Portfolio without the approval of the Board beyond the allowed percentage as per the RBI i.e. 5% of the HTM Portfolio is allowed only</p>

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		<p>in the beginning of the year.</p> <p>Shifting in excess of 5% of the HTM Portfolio, the Bank should disclose in the Notes to Accounts the Market Value of Investments held in HTM and also indicate the Book Value in excess of Market Value to the extent not provided for.</p> <p>Profit & Loss from the HFT & AFS Category of Investments is taken to P&L Account.</p> <p>Valuation:</p> <p>Check the Valuation of various securities has been performed in line with the RBI Master Circular – Prudential Norms for Classification, Valuation & Operation of Investment Portfolio of Banks.</p> <ul style="list-style-type: none"> • HTM Portfolio is carried at acquisition cost unless it is more than the face value, in which case the premium should be amortised over the period remaining to. • AFS has to be marked to market on quarterly or frequent intervals. To arrive at Net Appreciation or Net Depreciation in the portfolio, The securities under same classification can be aggregated to arrive at the Net Appreciation or Net Depreciation No set off can be done for the Depreciation of one classification against the other. • Net Depreciation to be provided for and Net Appreciation to be ignored. • HFT also has to be marked to market or monthly or more frequent intervals.
6	Verification of Non-Performing Investments (NPI)	Verify that the investments are classified as NPI as per the extant guidelines issued by RBI from time to time.
7.	Regulatory Returns	Verify the accuracy of all the Regulatory Returns submitted to the RBI and also verify whether the same have been submitted within the deadlines.
8.	Computation of SLR & CRR	Verify the mechanism and accuracy of the Computation of NDLT and SLR & CRR and

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		compliance thereof
9.	Disclosure Requirements	<p>Verify the following disclosures required to be made to the Notes to Accounts have been made and made accurately.</p> <ol style="list-style-type: none">1. Details regarding Securities sold under Repo and Purchased against Reverse Repo.2. Details of the issuer composition of non-SLR investments and the non-performing non-SLR investments.3. Details of Transfer of Securities from HTM portfolio to AFS in excess of 5%, Banks should disclose the market value of the Investments and Book Value in excess of Market value for which provision is not been made.4. Details of corporate debt securities lent or acquired under repo or reverse repo transactions.5. In respect of the Non SLR Securities portfolio, the issuer details in the format prescribed vide RBI Master Circular on Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks.6. Penalty paid to Reserve Bank of India during the financial year.