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भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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DoS.CO.ARG.No. S8056 /08.92.001/ 2022-23 March 01, 2023

The Managing Director & Chief Executive Officer (MD & CEO)
All Nationalised Banks

Madam/Dear Sir,

Remuneration payable to the Statutory Central Auditors (SCAs) and Statutory Branch Auditors (SBAs) of Nationalised Banks (NBs) from FY 2022-23

Please refer to the instructions contained in our circular DBS.ARS.No.BC.08/ 08.92.001/ 2012-13 dated June 25, 2013, on 'Remuneration payable to the Statutory Central and Branch Auditors of Public Sector Banks from the year 2012-13'.

2. It has been decided to revise the instructions on remuneration payable to the SCAs and SBAs of NBs effective from the FY 2022-23, in terms of the provisions of Section 10 (2) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980. The revised instructions are given below:

2.1 Remuneration for Central Statutory Audit work of the bank

The fees admissible to the SCAs for Audit of the Head/Central Office as an accounting unit shall be as under:

Category of banks (based on Balance Sheet size)	Rate of audit fees (in ₹)
Upto ₹2,00,000 crore	8,42,600/-
Above ₹2,00,000 crore and upto ₹5,00,000 crore	9,02,000/-
Above ₹5,00,000 crore and upto ₹10,00,000 crore	9,61,400/-
Above ₹10,00,000 crore and upto ₹15,00,000 crore	10,20,800/-
Above ₹15,00,000 crore	10,80,200/-

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हिंदी आसान है, इसका प्रयोग बढाइए

Note: The total remuneration, as per above mentioned schedule, shall be divided equally among all the SCAs of the bank concerned. As hitherto, no separate fee will be payable to the SCAs in respect of audit of Regional, Zonal or Divisional Offices or other Controlling Offices by whatever name they are called. In case the bank intends to appoint a separate auditor for the above offices, fee paid for such auditor should be based on the quantum of advances.

2.2 Remuneration for Statutory Branch Audit work

(i) The fees admissible to the SBAs shall be as under:

Category of bank branch (on the basis of quantum of Advances)	**Audit fees per branch (in ₹)**
Upto ₹10 crore	44,250/-
Above ₹ 10 crore and upto ₹ 20 crore	63,250/-
Above ₹ 20 crore and upto ₹ 30 crore	87,300/-
Above ₹ 30 crore and upto ₹ 50 crore	1,32,800/-
Above ₹ 50 crore and upto ₹ 75 crore	1,51,800/-
Above ₹ 75 crore and upto ₹ 125 crore	2,01,150/-
Above ₹125 crore and upto ₹ 175 crore	2,51,750/-
Above ₹ 175 crore and upto ₹ 300 crore	3,16,250/-
Above ₹ 300 crore and upto ₹ 500 crore	3,56,750/-
Above ₹ 500 crore and upto ₹ 1000 crore	3,95,950/-
Above ₹ 1000 crore and upto ₹ 5000 crore	4,35,150/-
Above ₹ 5000 crore	4,74,350/-

(ii) The main operating office of the bank (irrespective of the fact whether it is attached to Head/ Central Office of the bank or functions as a separate unit), Centralised Processing Units (CPUs)/ Loan Processing Units (LPUs)/and other centralised hubs, by whatever nomenclature called, which are taken up for the purpose of statutory branch audit during

a particular year, will be treated as any other branch. Accordingly, the fees admissible for the audit work thereof will be on the basis of the above-mentioned schedule.

(iii) For branches operating as NPA recovery branches, or branches where there is no advances portfolio, such as service branches, specialised branches, etc., the banks, with the approval of their Board/Audit Committee of the Board (ACB), shall propose the audit fees (arrived on the basis of volume of business of the branch, existing fee, etc.) and seek approval of RBI on a case-to-case basis.

2.3 Fees for all other items of work done by Statutory Auditors

(i) The bank concerned shall, with the approval of their Board/ACB, decide fees for all other items of work [such as additional certifications required by Securities and Exchange Board of India (SEBI), preparation of Long Form Audit Report (LFAR), scrutiny and incorporation of returns of branches, auditing of consolidated financial statements, quarterly/half-yearly limited review, other additional certifications/reporting required by RBI, etc.] carried out by their Statutory Auditors (SCAs and SBAs).

(ii) For reimbursement of the lodging & boarding charges, traveling charges, halting allowance and daily conveyance payable to the Statutory Auditors, the banks are given the discretion to decide the same in a cost-effective manner, in mutual consent with the auditors.

(iii) In case of any dispute between the Statutory Auditors and the bank regarding settlement of their bills, the MD & CEO of the concerned bank shall be the final authority to decide the claims.

3. All other instructions issued in this connection (List given in the **Annex**) stand withdrawn.

4. Please acknowledge receipt.

Yours faithfully,

(Sivakumar Bose)
Chief General Manager
Annex: As above

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Annex

List of instructions withdrawn:

Sl. No	Circular/Letter No.	Date	Subject
1.	DBS.ARS.No.426/08.92.001/2004-05	January 08, 2005	Statutory Central Auditors – Performance review
2.	DBS.ARS.No.BC. 08/ 08.92.001/ 2012-13	June 25, 2013	Remuneration payable to the Statutory Central and Branch Auditors of Public Sector Banks from the year 2012-13