



Progressive Mercantile Co.op. Bank Ltd.

પ્રોગ્રેસીવ મર્કન્ટાઇલ કો. ઓપરેટીવ બેંક લિ.

“PROGRESSIVE BANK BHAVAN” 670/1, STATION ROAD, AHMEDABAD- 380 002

Resolution No.15 Dated 31.07.2021

Policy for Appointment of Statutory Auditor

1. In terms of RBI circular No.DoS.CO ARG/SEC.01/08.91.001/2021-22 dated 27 April 2021, our bank is required to select minimum two Audit firms which comply with the eligibility criteria prescribed in Annexure I of the above mentioned circular for Appointment of one of the audit firm as Statutory auditor of our Bank with prior approval of RBI
 - (a) Audit firm must have two full time partners associated with firm for period of at least three years.
 - (b) Out of total full time partners at least one partner must be Fellow Chartered Accountant (FCA) associated with firm for a period of at least three years.
 - (c) Audit firm must have six years' experience of Statutory Audit of SCB/UCBs/Branch audit of Commercial banks.
 - (d) It is preferable to have one of the full time partners or paid CAs with CISA/ISA qualification.
Audit firm must have professional staff of eight person having knowledge of book-keeping and accountancy and who does the work of Audit as article clerk.
2. Bank will invite applications from Audit firms for appointing one of them as Statutory Auditor for period of three years with a prior approval of RBI.
3. Audit firm which has done Concurrent audit of our Bank in the previous Financial Year will not be considered for Appointment as Statutory Auditor.
4. Concurrent audit and Statutory Audit will not be allotted to same Audit firm.
5. Board of Directors will monitor and assess the independence of the auditor and if there is any concern it will report to RBI.
6. Audit firm should not have been debarred by any of Govt. Agency, ICAI, RBI, or other financial regulator.
7. If any partner of the Audit firm, is a director in our Bank then such audit firm will not be considered for Appointment/reappointment as Statutory Auditor of our Bank.
8. The Appointment of Statutory Auditor will be for three years, however, it will be reappointed each year with the prior approval of RBI for which bank will apply to RBI before 31 July each year.
9. Audit firm which has complete its term of three years or part of the tenure and not reappointed, will not be eligible for reappointment for six years in our Bank's
10. Bank will submit name of two Audit firms in order of preference to RBI for its prior approval as Statutory Auditor of our Bank.
11. Bank will obtain certificate from the audit firm to the effect that it complies with all eligibility Norms prescribed by RBI for this purpose duly signed by senior partner of audit firm under the seal of Audit firm.
12. Bank will forward its proposal for prior approval of RBI along with Board resolution and Form B of Audit firm and Form C each year before 31 July for appointment/ reappointment of Statutory Auditor.
13. Audit fees will be decided by the Board, in terms of the relevant provisions.