

**CERTIFICATE OF DISCUSSION WITH THE BM**

**Certified that Concurrent Audit Report for the month / Quarter ended ---- of the Branch----- has been discussed by the Concurrent Auditor with the undersigned before its finalization and submission and the undersigned agrees with the contents of the CCA report. I also confirm that irregularities pointed out by the CCA pointed out on day to day basis have been rectified. The irregularities which can not be rectified or removed during the Concurrent audit forms part of the report , the same will be removed / rectified and FRC will be submitted as per HO Inspection Department's Circular no. PSB/INSP/D/CIR No.23/2002 dated 08.04.2002.**

**Date**

**AUDITOR**

**BRANCH MANAGER**

**NAME**

**NAME & DESIGNATION**

**CONFIRMATION OF RECEIPT OF THE CONCURRENT AUDIT REPORT BY**

**THE BM**

**Date**

**Undersigned have received the copy of the Concurrent Audit report for the Month ended----- and have noted the contents for compliance and confirm as under:**

**i. The Audit comments have been thoroughly gone through and discussed in detail with the Concurrent Auditor. Counter comments have been given as & where required.**

**ii. Undersigned has noted to submit the replies of the Audit Report to ZO /HO(I) within 10 days from today, i.e. before-----**

**iii) While replying it will be ensured that the respective page number and subject matter as appearing in the report is quoted.**

**iv. The stereotype replies such as “will be done” , “will be attended to” , etc will be avoided.**

**v. Replies given will be specific and complete covering the full report (not in piecemeal) & will indicate the definite steps undertaken to set right the irregularities pointed out and to avoid recurrence thereof.**

**vi. The efforts will be made to set right all the irregularities (minor or major) as early as possible and compliance will be sent to ZO / HO(I) without waiting for reminders.**

**vii. We also confirm having received the Concurrent Audit-Daily Reports of the audit observations made by the Concurrent Auditors during the course of their audit and taken remedial steps immediately to rectify the irregularities pointed out therein.**

**BRANCH -----**

**BRANCH MANAGER**

**NAME**

**DESIGNATION**

**FLASH REPORT/ SPECIAL REPORT**

(CONCURRENT AUDIT REPORT)

**(To be submitted by the Concurrent Auditor, conducting the Concurrent Audit, directly to GM (I) with a copy to HO Inspection Deptt & concerned ZM/ZI)**

**Camp** \_\_\_\_\_ **Date** \_\_\_\_\_

**Name of the Concurrent Auditor** \_\_\_\_\_

**BRANCH PROFILE**

1.NAME OF THE BRANCH

2.NAME OF BRANCH MANAGER

3.DATE OF JOINING OF PRESENT BRANCH MANAGER

**4.GENERAL ROUTINE & HOUSE-KEEPING**

(a)Incidents of Shortage / Excess of Cash/ Fake Currency

(b)Missing telegraphic transfer (TT) Code Books.

©Loss of securities/ security items (e.g.Draft , MC, FDR, Cheque – books/ leaves, IBR pads, important keys etc.)

Nature of Security item	Serial Number/ Distinctive No.
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(d)Any serious Revenue Leakage / Service Charges, (Give details of a/c no., amount involved and recovery effected. In case of malafide intention of staff and/or Revenue Leakage taking place in the same accounts repeatedly, full details of the name(s) of the erring official(s),if any, to be indicated)

(e)Any serious irregularity in compliance of IT/TDS/Service Tax Rules

(f)Expenses incurred beyond discretionary Powers of the BM without taking prior approval/ seeking action confirmation from the competent authority. (Give details of such expenses incurred)

Particulars of expenditure incurred	amount	Remarks
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(g) Fresh arrears in Balancing of Books.

Name of the Head	Balances un-tallied since	Difference between PL& GL
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## 5. DEPOSIT PORTFOLIO

(a) Details of fictitious/ Benami account(s) opened

Nature of Account	Account Number	Remarks
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(b) Abnormal/ transactions of suspicious nature in any account

Nature of Account	Account Number	Reasons of reporting the a/c as of Suspicious nature
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## 6. CREDIT MANAGEMENT

(a) Abuse of Authority

Name of Party	A/c No.	Amount Sanctioned	Balance Outstanding	Specify the act constituting abuse of authority
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(b) Fresh slippage to NPA in the reporting period (Above Rs. 1.00 lac)

Name of Party	A/C No.	Amount	Whether the a/c was reported under SMA earlier
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© Accounts showing warning signals but not reported under Special Mention Accounts

Name of Account	A/C No.	Amount
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(d) Missing Title Deeds (*Furnish details pertaining to check-period*)

(e) Please furnish details in respect of the following:-

(i). Devolvement of fresh LCs/ Invocation of Bank Guarantees / Bills including Export Bills returned unpaid not reported to the ZO (Furnish Details)

(ii). Fresh LCs opened after devolvement of LCs without sanction/reporting to the competent authority.

(iii). Any demand on devolvement of LC/ invocation of BG, either not paid and/or reported to the competent authority

(f). Missing Security Documents / Documents not taken, relating to Advances (pertaining to the reporting period).

Name of Account	Account No.	Balance outstanding
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(g). Time Barred Documents ((pertaining to the reporting period).

Name Of Account	Amount	date of document	Reasons for Non-renewal of document
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(h)Any large account (over Rs.10 lac) over-due for Renewal/ Reviewal

Name of Account	Account No.	Balance outstanding
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(i) Details of missing stock/ securities.(Give brief details)

## **(7)MISCELLANEOUS**

(a)Details of Fraud/ forgeries/ foul play, if any, detected during the course of inspection

Brief Description	Amount involved	Recovery affected, if any.
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(b) Any other matter of very serious nature , which requires immediate/ urgent attention of higher authorities to avert any likelihood of loss.

Date

AUDITOR

COOMENTS OF BM

BRANCH MANAGER

## CONCURRENT AUDIT REPORT EXECUTIVE SUMMARY

CCA REPORT FOR THE MONTH ENDED \_\_\_\_\_

1. Name of Branch Office: \_\_\_\_\_
2. Name of Present Branch Manager: \_\_\_\_\_
3. Date of joining of present BM: \_\_\_\_\_
4. Name & Tenure Of previous BM: \_\_\_\_\_
5. Name of Staff Concurrent auditor/CA firm \_\_\_\_\_
6. 

	31.3.200	31.3.200	
	( Last to last financial year)	(Last financial year)	(amounts in Lacs) As on date
Month ending			last month ending present
Total Deposit			
Core Deposit			
SB deposit			
CA deposit			
Term Deposit			
Budget			
Variance (+) (-)			
- 7.A. Advances as on
  - Priority Sector
  - Non-Priority Sector
  - Total
  - Budget
  - Variance (+) (-)
- B. Contingent Liability
  - Bank Guarantes
  - Letter of Credit
8. Profit
  - Budget
  - Variance (+) (-)
9. Recovery
  - Budget
  - Variance (+) (-)
10. Cash Management                      Whether cash holding is within the retention limit and if not, steps taken by branch to dispose of the excess cash.
11. General House-keeping : Whether laid down System Procedures are followed  
  
Comments:
12. Whether staff being rotated periodically ?  
Date of last rotation of staff:

13. Nominal /Suspense Accounts outstanding for > 3 months

Head of A/C      No. of entries      Amt. Outstanding

14. Details of un-tallied balances:

Name of Head      Un-tallied since      Whether being tallied  
With common diff.

15. Any fraud/fraudulent/foul plat/Vigilance lapses reported by I.O.:

16. Deposit Section: Major irregularities persisting/pointed out

17. Renewal/Reviewal

Pending at      No. of a/cs pending      Amount      Remarks  
Branch  
Zonal Office  
Head Office

18. Non-fund business: BG invoked/LC devolved / , BG Invoked but not paid / BG Expired . Give present status:

	No.	Amount	
BG (outstanding)			
BG Invoked & paid			
BG invoked but not paid			(Confirm up-to date commission has been received)
BG Expired			(Confirm branch has sent letters to the beneficiary)
LC (devolved)			(Give present status of the account)

19. Unauthorised accommodations allowed, if any:

No.      Amount

Out of above, parties accommodated frequently:

Name of party      Nature of A/C      Amt. Of advance      Outstanding since when

20. Position of NPAs      No. of accounts      Amount

i.As on date of last quarter  
ii.Cash recovery in the reporting quarter  
iii.Write Off / TWO in the reporting quarter  
iv.Up gradation in the reporting quarter  
v.Transfer to ARB in the reporting quarter  
vi.BALANCE (i – ii –iii – iv –v )\_  
vii.Fresh slippage in the reporting quarter  
viii.Total NPA as at the end of the quarter

21. Position of Suit filed / decreed accounts

Suit Filed (civil courts)      Suit Filed (DRT)      Decreed (civil courts)      Decreed

(DRT)	RC Filed							
No.	Amount	No.	Amount	No.	Amount	No.	Amount	
No.	Amount							
22.	TWO Accounts (outstanding position)							
	Number of accounts under Technical write Off							
	Amount written Off in such accounts							
	Amount of Memoranda Interest on such accounts		No.	Amount				
23.	SMA Accounts		No.	Amount				
24.	Stock statement not received beyond 90 days							
	Total No. of CC accounts		Amount Outstanding					
	No. of accounts where Stock / Book debt statements not received .....				Amount			
	.....							
	as per periodicity specified.							
25.	Title Deeds:- Whether Title Deed Register is in force							
	No. of Title Deeds not entered in the register:							
	No. of Title Deeds missing							
26.	Bills Purchased/Discounted pending for > 3 months							
	No. of Bills .....	Amount .....	Remarks.					
27.	Past Due and Dishonoured Bills:							
	No. of Bills .....	Amount .....	Remarks.					
28.	Any major/serious irregularities reported by Inspecting Officials under Advances Portfolio:							
	(i) Document missing	No.	Amount					
	(ii) Insurance Expired	No.	Amount					
	(iii) Subsidy not claimed	No.	Amount					
	(iv) Any other irregularity							
29.	Irregularities in Foreign Exchange Business:							
		No.	Amount					
	ECGC claims not filed							
	ECGC claims rejected							
	Compliance level of	FEMA	HOFEX	FEDAI	ECGC	Control Returns		
	Satisfactory/unsatisfactory							
30.	Revenue Leakage and Locker rent in arrears (in the reporting quarter)							
	Amt. Of revenue	Amount recovered	Amt. Of Locker Rent received	Amount in				
	arrears		leakage detected	in the reporting quarter				
31.	Position of last FRCs/Rectification of old irregularities/repetition of earlier irregularities							

32. Level of Compliance of FRC

33. Time Barred Documents:

	Number	Amount
i. Outstanding as on the date of last report		
ii. Renewed		
iii. Fresh documents time barred		
iv. Total		

[Enclose list of documents time barred during the tenure of present BM]

34. Documents going to expire in next 6 months      No.                      Amount

**BUSINESS DEVELOPMENT REPORT**

Month/Quarter \_\_\_\_\_

Current Month	Remarks	Previous	Month.
1	DEPOSIT		
	out of 1 above-		
	DRI DEPOSIT	-----	
	INSTITUTIONAL DEPOSIT	-----	
2.	ADVANCES		
3.	Cost of Deposits		
4.	Yield on Advances		
5.	Total expenses		
6.	Total Income		
7.	Profit/Loss		
8.	Non-Fund Income		

No. of accounts opened / closed during the month/Quarter:                      (Rs. In thousands)

Amount paid	No. of accounts	Amount	No of accounts closed
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S.B.

C.A.

F.D.

R.D.

CCA's comments on Business Development  
( GIVE SPECIFIC COMMENTS/ REASONS IN CASE THE VARIANCE IN DEPOSIT / ADVANCES  
IS SUBSTANTIAL)

Branch Manager's comments:

**PUNJAB & SIND BANK**

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Concurrent Audit-Daily Report

Name of the Branch: \_\_\_\_\_

Auditor's/Inspector's Name: \_\_\_\_\_

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Date	Observations by CA/Inspector	Rectification by Manager	Remarks of CA/ Inspector after Rectification
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NOTE: Duplicate set of observations to be handed over to  
Branch Incharge for rectification under his Signature.

Original to be returned to the Auditor by the Branch after rectification.

Non rectified observations be reported in Monthly /Quarterly Reports by the  
Auditor/Inspector.

## **Annexure M I**

### **MONTHLY REPORT**

For the month ended: \_\_\_\_\_

#### **SERIOUS IRREGULARITIES RELATING TO GENERAL ROUTINE AND HOUSE KEEPING PART A**

Serious irregularities pointed out in PREVIOUS CCA Reports, which are still persisting and remain un-  
rectified.

**GROUP HEADING**  
(NATURE OF IRREGULARITY)

**DETAILS OF IRREGULARITIES**

- 
1. Serious irregularities should be grouped as per Group Headings of Serious Irregularities (GHSI)
- 

## **Annexure M II**

### **MONTHLY REPORT**

For the month ended: \_\_\_\_\_

#### **IRREGULARITIES RELATING TO GENERAL ROUTINE AND HOUSE KEEPING PART B**

**GROUP HEADING**  
(NATURE OF IRREGULARITY)

**DETAILS OF IRREGULARITIES**

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**Annexure M III**

**MONTHLY REPORT**

For the month ended: \_\_\_\_\_

**PART – A**

**SERIOUS IRREGULARITIES RELATING TO DEPOSIT PORTFOLIO INCLUDING NRI DEPOSITS**

Serious irregularities noticed during the PREVIOUS month(s) but are still outstanding

**GROUP HEADING**  
(NATURE OF IRREGULARITY)

**DETAILS OF IRREGULARITIES**

- 
1. Serious irregularities should be grouped as per Group Headings of Serious Irregularities (GHSI)
- 

**Annexure M IV**

**MONTHLY REPORT**

For the month ended: \_\_\_\_\_

**PART – B**

**IRREGULARITIES RELATING TO DEPOSIT PORTFOLIO INCLUDING NRI DEPOSITS**

**GROUP HEADING**  
(NATURE OF IRREGULARITY)

**DETAILS OF IRREGULARITIES**

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**Annexure M V**

**MONTHLY REPORT**

For the month ended: \_\_\_\_\_

## **PART – B**

### **SERIOUS IRREGULARITIES RELATING TO CREDIT MANAGEMENT (INCLUDING IMPORT/ EXPORT CREDIT)**

Serious irregularities pointed out in previous Audit Reports, which are still persisting and remain unrectified.

**GROUP HEADING**  
(NATURE OF IRREGULARITY)

**DETAILS OF IRREGULARITIES**

- 
1. Serious irregularities should be grouped as per Group Headings of Serious Irregularities (GHSI)

**Annexure M VI**

## **MONTHLY REPORT**

For the month ended: \_\_\_\_\_

## PART – B

### (I) IRREGULARITIES RELATING TO CREDIT MANAGEMENT INCLUDING IMPORT/ EXPORT CREDIT

Irregularities noticed during the month \_\_\_\_\_

**GROUP HEADING**  
(NATURE OF IRREGULARITY)

**DETAILS OF IRREGULARITIES**

### (II) SUBMIT DETAILS OF ALL TYPE OF LOANS/LIMITS DISBURSED DURING THE MONTH (INCLUDING STAFF LOANS) ON THE FOLLOWING FORMAT

Sl. No.	Name of the Party	Sanct. Authority with date of sanction	Amount sanctioned (in lac of Rs.)	Principal security with value	Collateral security with value	Whether valid Charge has been created on principal/collateral security	Whether all other terms and conditions of the sanction including vetting of documents is complied

**REPORT ON KYC /AML NORMS**

- 1 Whether proper identification of the person opening the accounts have been made? Prescribed documents and Photos taken?
  - 2 Whether address proof to the satisfaction of the Bank has been obtained? Prescribed documents taken?
  - 3 Whether the documents obtained have been verified with the original & certificate to that effect given on the photocopy of the document?
  - 4 whether Customer profile attached to the account opening form has been obtained
  - 5 Whether interaction/ meeting with the persons coming to open the a/c is being held to satisfy the genuineness & intention of transacting legal business ?
  - 6 Whether letter of thanks is being sent to customer/ introducer?
  - 7 Whether the account has been introduced by a KYC compliant account ?
  - 8 Whether the accounts opened are being categorized as per risk perception in to Low/ Medium/ High Risk accounts?
  - 9 Whether threshold limit is being fixed for the accounts opened?
  - 10 Whether abnormal/high value transactions ( transactions of Rs.5 lac and above ) are being monitored?
  - 11 Whether Trust accounts have been opened with permission from the ZO? Further, whether BO has verified the Identity of the trustees, settlers of trusts, beneficiaries and authorized signatories ?
  - 12 Whether any account is opened in anonymous or fictitious/ benami name?
- ( The Auditor should make an overall view of the working of the branch & report deviations )**
13. Whether branch has been reporting transactions of suspicious

nature to ZO (Attach a list of such entries with the report) . YES/NO

14. Whether branch has introduced register for recording Cash Transaction of Rs.10.00 lac and above and whether these transactions are being monitored

15. Whether Branch is sending monthly CTR/STR reports as per instructions contained in HO Inspection Cir NO. 175 dated 07.03.2006 AND

YES/NO

16. Whether data reported in monthly CTR/STR returns is recorded correctly and conforms to the prescribed guidelines YES/NO

(If answer to 16 above is NO give the following details)

S.NO. NAME OF PARTY NATURE OF A/C AND A/C NO DATE OF TRANSACTION

AMT OF CASH TRANSACTION AMT OF SUSPICIOUS ENTRY REMARKS

**INCOME TAX / SERVICE TAX DEDUCTED AT SOURCE- AUDITOR  
CERTIFICATE FOR THE MONTH ENDED**

**ANNEXURE**

**M VIII  
PUNJAB & SIND BANK  
BRANCH OFFICE:\_\_\_\_\_**

**CERTIFICATE  
INCOME TAX**

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**1.That in the following cases, eligible for deduction of Income Tax at source, the Income tax has not been deducted**

**2.That in the following cases, eligible for deduction of Income Tax at source, though the Income tax has been deducted but it is lesser than the prescribed rate under the income tax act 1961**

**3.That in the following cases, eligible for deduction of Income Tax at source, the Income tax has been deducted LATE and not on the Due Date of deduction under the income tax act 1961**

**4.That the Income Tax deducted , at source, in the following cases have not been PAID TO GOVERNMENT TREASURY or have been paid to the GOVERNMENT TREASURY late than the period prescribed under the income tax act 1961**

**5.Form 15G & 15H submitted by the depositors have been sent to the respective Income Tax authorities in time. (Deviations if any be reported.)**

6. That all the periodical returns in respect of the Income Tax have been submitted by the Branch to the Income Tax authorities in time. (Deviations if any be reported.)

7. That the branch has issued TDS Certificate in all the cases where Tax has been deducted within the schedule time. (Deviations if any be reported.)

#### **SERVICE TAX**

8. That the branch has sent the amount of Service Tax collected and available Cenvat Credit to the Zonal Office for all the months of the reporting quarter, in terms of HO Accounts & Audit CO Circulatory No.14/2008 dated 30.05.2008 (give the IBR no./ date / amount)

9. That the information regarding the details of the value of the exempted service, value of taxable services, amount of service tax collected and available cenvat credit for the reporting month has been submitted.

#### **OLTAS (On Line Tax Accounting System)**

10. That the branch has upload collection data RT-01 or NIL statement in RT-02 on daily basis so that no collection data remains unreported to TIN.

11. That the data for fund settlement matches with the data being transmitted to TIN on daily basis.

**AUDITOR.**

**Annexure M IX**

**LEGAL COMPLIANCE AUDIT**

**1. Whether KYC Control sheet is signed by both the officials ie authorized desk official & the Branch Manager at the time of opening of the account, in terms of P&D Circular No.2333 dt.07.09.2007**

**2. Provide the detail of Legal Compliance certificate issued in cases of Loans / limits disbursed during the reporting period having total exposure (Fund based + Fee based) over and above prescribed cut-off limit of Rs 25.00 Lac in the following format, in terms of HO advances Cir. Letter No.15/2003 dt.24.03.2003**

<b>S.No.</b>	<b>Name of Borrower</b>	<b>Date of Disbursement</b>	<b>Sanctioned Amount</b>	<b>Date of LCC</b>	<b>Remarks</b>
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(report deviations, if any)

4. That periodical visits of all the immovable properties are conducted by bank staff/ branch manager as per extant guidelines and reports kept on record.

(report deviations, if any)

5. That the undersigned (auditor) has checked documents of all the loans/ limits disbursed in the reporting period and the same are enforceable in law. This is further certified that all the terms and conditions / indispensable requirement of the sanction has been complied with before disbursement. This is further certified that in all cases where loan amount is of Rs. 10 lac and above, the documents were got vetted from bank approved legal counsel before disbursement and in cases of loan amount being more than Rs.25 lac, legal compliance certificate has been placed in record by the Bm and same has been sent to the sanctioning authority.

(report deviations, if any)

### **TECHNICALLY WRITE OFF ACCOUNTS**

6) That all the securities in T.W.O. Accounts are validly charged to the Bank.

(report deviations, if any)

7) That all the securities charged to the bank (movable and/ or immovable, principal and/or collateral) in different loan / limit accounts **including T.W.O accounts** are insured for full value.

(report deviations, if any)

8. Whether the security documents held in T.W.O accounts have been got renewed in time.

( report details of T.W.O .accounts where documents have expired, mentioning the amount written off (technically), case wise)

9. That proper record of all the Technically Written Off (T.W.O) accounts is maintained in a SUBSIDIARY ledger in the branch. We also confirm that the proper record of memoranda interest on these accounts is maintained and is being regularly updated by the branch.

(report deviations, if any)

10 That the recoveries made in T.W.O accounts is reflected in the SUBSIDIARY ledger and is accounted as per HO guidelines, and, the software prepared by HO for managing and monitoring T.W.O accounts is installed at the branch and is being effectively used.

(report deviations, if

any)

11. That proper record of all the Security instruments viz. Draft, FDR, Manager Cheque, CDR, MT, IBR, Cheque Books, etc., is maintained by the branch and the same

are held in joint custody. The daily consumption and the remaining balance of the security instruments is correctly recorded physically counted & checked.

(report deviations, if any)

12. That the Long Books, Day book, GL are being checked and signed by the bank officials/ branch manager.

(report deviations, if any)

13. That exceptional Reports relating to the various departments are being generated / printed / scrutinized and signed by the concerned officers and the branch manager.

(report deviations, if any)

14. That all the changes in the interest rates on loans & advances are immediately effected. Revenue leakage if any detected has been recovered.

(report deviations, if any)

15. That due compliance of KYC/AML guidelines have been ensured by the branch. That in all the accounts opened / loans disbursed in the reporting period the branch has ensured proper identification of the customer (i.e. depositor/ borrower/ guarantor) and independent verification of the address given by them.

(report deviations, if any)

16. That no un-authorized business has been conducted by the branch in the period under report.

(report deviations, if any)

17. That Computer environment is suitably protected viz. (i) secrecy of pass-word is maintained, (ii) Back ups are kept in fire proof safe and also at an outside location.

(report deviations, if any)

18. The following system / procedure lapse / serious irregularity has been noticed in the functioning of the branch which may result in loss to the bank (report such system / procedure lapse / serious irregularity noticed, if any)

## **DRAFT CHECK POINTS**

19. Whether the demand draft protection advice is prepared and dispatched on daily basis of each and every draft.

Yes/No

20. Whether all demand draft advices kept separately date wise / station wise are taken out from record in manual working branches and duly entered in the database in computerised working branches and its particulars are matched with the original draft on its presentation.

Yes/No

21. Whenever there is any variation noticed on presentation of demand draft for payment from that of advice, the matter is taken up with the concerned branch for verification.

Yes/No

22. Whether the draft advice is called back from the paying branch on the cancellation of demand draft and the fact of cancellation is recorded in DD paid schedule.

Yes/No

23. Whether the branch maintains the DD Lost/Missing Register and Caution list is referred to while paying the DD.

Yes/No

24. Whether the Prefix numbers of lost demand draft are being mentioned at the time of stop payment / cancellation.

Yes/No

25. Whether telephonic confirmation is being taken for paying the drafts of higher denomination as per HO guidelines.

Yes/No

26. Whether cello tape on amount in figures column of demand draft is affixed.

Yes/No

27. Whether Branch is scanning demand draft through Ultra Violet Lamps to ascertain genuineness of drafts.

Yes/No

28. Whether the Branch is sending E-mail messages to paying branches/Zonal Offices of paying branches in case of demand draft above Rs.1lac.

Yes/No

29. Whether Authorised Signatories are putting rubber stamp on demand draft under their signatures.

Yes/No

30. Whether the branch is sending DD issued & paid schedule to ZO regularly as per HO guidelines.

Yes/No

Signature of the Auditor  
Name of the Auditor  
Seal

Date  
Place

## ANNEXURE MXI (A)

### MONTHLY REPORT

#### APPLICABLE ONLY FOR BRANCHES AUTHORISED TO TRANSACT FOREIGN EXCHANGE BUSINESS

OTHER OPERATIONAL ASPECTS FOR THE QUARTER ENDED-----

DESCRIPTION	REGARDING COMPLIANCE	REMARKS OVER ABERRATIONS, IF ANY
Crystallisation of Export bills	Within prescribed period Y/N	
Utilization of advance received for future exports	Shipments within prescribed period Y/N	
100% verification of bill of entry form	Whether Concurrent Auditors certificate placed on record Y/N	
100% verification of A1/A2 forms	Whether Concurrent Auditors certificate placed on record Y/N	
Realizations of Export bills	Whether any short realizations sans foreign bank charges) within permissible limits.	

	Y/N	
Unhedged Forex Exposures	Whether being monitored on fortnightly basis Y/N	
Cancellation of Forward Merchant Contracts	Whether automatic cancellation is on 7 <sup>th</sup> working day after maturity of contract. Y/N	
Foreign Direct investment (FDI) under automatic route for allotment of shares.	Whether equity instructions have been issued within stipulated time. If not, whether reporting of same has been done to the Regional Office of RBI through Authorised Branch as per norms. Y/N	

**ANNEXURE MXI (B)**

**MONTHLY REPORT**

**APPLICABLE ONLY FOR BRANCHES AUTHORISED TO TRANSACT FOREIGN EXCHANGE BUSINESS**

MONITORING OF FOREX STATEMENTS (FOR THE QUARTER ENDED----- )

DESCRIPTION	SENT IN TIME	ACCURACY IN COMPILATION	REMARKS OVER ABERRATION, IF ANY
R-Return for fortnight ending _____			
NRD-CSR for Month ending _____			
Utilisation of Merchant contracts based on past performance for month ending _____			
IBS for Quarter ending _____			
Under FCRA (Foreign Contribution Regulation Act) 1976 for half year ending _____			
XOS for half year ending _____			

BEF for half year ending _____			
EBW for half year ending _____			

**ANNEXURE M XI**

**(C)  
MONTHLY REPORT  
APPLICABLE ONLY FOR BRANCHES AUTHORISED TO  
TRANSACT FOREIGN EXCHANGE BUSINESS**

**PUNJAB & SIND BANK**

\_\_\_\_\_ BRANCH

For the Quarter ended: \_\_\_\_\_

**STATEMENT OF OVERDUE FOREIGN BILLS PURCHASED/  
DISCOUNTED OUTSTANDING AT THE END OF THE QUARTER**

Sl. No.	Name of the Party	Ref.to	Bill No.	Date	Amount	Due date	Whether ECGC post shipment comprehensive policy obtained /whether covered under bank's /WTPSC.
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1. 2. 3. 4. 5. 6. 7. 8.

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Whether exchange control Formalities are complied with	Overdue since when (date)	Remarks, if any
9.	10.	11.

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AUDITOR/INSPECTOR

ANN. M –XI (D)

(APPLICABLE ONLY IN CASE OF BRANCHES WHO ARE AUTHORISED TO TRASACT FOREX TRANSACTIONS)

CERTIFICATE WITH REGARD TO FOREX TRANSACTONS FOR THE MONTH OF-----

CERTIFICATE

This is to certify that 100% verification of the FOREX transactions undertaken by -----(name of the branch to be given) , authorized to handle FOREX business , were conducted by us, for the period----- . We certify that none of the transactions, except those mentioned below\*, had been in contravention or evasion of the FEMA Rules and Regulations or notification, directions or orders issued under that Act. It is further certified that Due Diligence Exercise has been carried out while dealings with these transactions and that contents of Forms A1 and A2 along with R>Returns submitted to Reserve Bank of India were completely checked and their correctness is certified by the auditors/ inspectors.

Document evidencing Import have also been 100% checked by us and these are available on record, but for the one mentioned below\*\*.

\*Details of Deviations, if any:

\*\*Document evidencing Import not available in record in the following cases:

Signatures  
Name of the Auditor with seal

Date  
Place

ANNEXURE M XII

## **CHECKLIST FOR CONDUCTING**

### **ENVIRONMENT REVIEW OF ALPMS AT BRANCHES**

#### **A. DUST FREE ENVIRONMENT**

- Are the ALPM machines daily dusted by the branch ?
- Whether sufficient space has been provided around ALPM to allow ventilation of air and maintenance ?
- Whether the ALMPs are covered overnight with covers ?
- Whether all the dust gathering items like registers, ledgers, curtains and carpets are

bared from the cabin ?

- Whether the cabin/floor is mopped up daily?
- Whether smoking, drinking and eating inside the cabin are prohibited ?
- Whether equipments that generate magnetic fields are bared inside the cabin ?

**B. STABLE, NOISE-FREE & CONTINUOUS POWER SUPPLY**

- i)Is Standard & Independent earthing provided for ALPMs ?
- ii)Are all points properly grounded ?
- iii)Is only an extention board used and not on multiple plug ?
- iv)Has UPS been installed ?
- v)Whether the UPS (if provided) is used only for the ALPMs and no other power consuming equipment are connected to it.
- vi)Is the wiring for ALPM independent and direct from the UPS ?

**C. PREVENTIVE MAINTENANCE**

- i)Whether annual maintenance contract has been entered into for the maintenance of ALPMs.

ALPM NO.	Name of Vendor/Agency	Period of contract (From date/ to date)
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- ii)Does the vendor's representatives visit the installation periodically for preventive maintenance of :

1.ALPMs

2. UPS

- iii)Are the machines properly cleaned with vacuum cleaner ?
- iv)Whether the fire extinguishers are provided ?
- v)Is every staff member aware of their usage ?
- vi)Are these being serviced and tested periodically ?
- vii)Whether the ALPMs are insured as per bank's policy ?

viii) Are the machines numbered properly ?

ix) Is a standby ALMP provided ?

x) Is a standby UPS provided ?

## **AWARENESS AND TRAINING**

Is the vendor's manual available for ready reference ?

Whether the supervisory staff and operators and back up operators properly Trained for operation of ALPMs ?

## **USER ID AND PASSWORDS**

i) Whether each ALPM user – operator as well as supervisor has individual User ID and Password.

ii) Whether User Ids are meaningful and identifiable with the User ?

iii) Whether users have awareness about the importance of keeping the Password confidential and they are maintaining the secrecy of Password ?

iv) Whether Users are changing their Passwords periodically ?

v) Whether Cheque Book issued are recorded on system everyday ?

## **F. REGISTERS**

Whether following registers are being maintained at the branch ?

i) Floppy Register.

ii) Hardware & Other Equipment Maintenance Register ?

iii) Software Maintenance Register

iv) Back-up Register and

v) AMC and Insurance Register.

## **G. DISTRIBUTION AND CHECKING OF REPORTS**

i)Whether print outs of transaction/checklist are being checked by the Officer and are authenticated by the Officer after tallying with the source vouchers/ documents/registers ?

ii)Whether print-outs of reports are being checked authenticated by the concerned Officer and are being properly filed and maintained ?

iii)Whether print-out for month/quarter, half year and ledgers are being taken out and bound properly ?

iv)If so, whether these print-outs are labeled clearly as to the month/year contents and stacked neatly in fireproof cabinets ?

v)Whether exception statement is being seen and signed by the Manager ?

vi)Whether the ALPM Operator is putting Rubber Stamp and Transaction NO. generated by the system on the voucher alongwith his initials ?

## **H. BACK-UP**

i)Whether daily back-up is being taken on floppies labeled day-wise . Preferably same may be taken on CD or Pen Drive (wherever possible)?

ii)If so, whether the appropriate entry is being made in the Back-up Register?

iii)Whether monthly back-ups are being taken regularly on floppies and are being maintained permanently ?

iv)Whether daily and monthly back-up floppies have been clearly labeled and kept separately in the custody of the authorized officers.

v)Whether vendor's representative/EDP Officer is allowed access to the system only in the presence of a responsible officer of the branch ?

vi)Whether vendor's representative/EDP Officer is asked to record the purpose of his visit to the branch in the complaint/visit register and asked to give details of repairs/operations done on the ALPM system ?

vii)Whether software has been loaded on the stand-by machine and it has been tested for operations by restoration of data from the back-up floppies?

## **I. FLOPPY CARE**

i)Whether the floppies have been numbered and labeled properly with Branch

Stamp and the contents which they are supposed to carry ?

ii) Are the floppies being kept under lock and key with the concerned Supervising Officer ?

iii) Is care being taken to see that the floppies are not bent or placed under heavy load ?

iv) Whether issue of floppies is strictly controlled and precautions are taken to issue floppies only after entry and signatures in the floppy register ?

v) Whether the blank floppies and back-up floppies are being kept in custody of an authorized officer ?

**J. H.O. INSTRUCTIONS AND VENDOR'S MANUALS:**

Whether Head Office and Vendor manuals are available at the branch and have been read and understood by the concerned ALPM Operator and Supervising Officers/Managers ?

**K. BALANCING OF LEDGERS**

i) Whether the balances of the ledgers on ALPMs are being confirmed daily by tallying GL and PL generated by the ALPM ?

ii) Whether the GL shown by ALPM is verified and tallied with the GL heads maintained by the branch in the Manual/ALPM Day Book ?

iii) Whether proper record has been kept for the difference in the balances of various ledgers, which were frozen as such, while setting the package live?

iv) If any ledgers have been made live with a difference, if so, the details thereof.

v) Whether the branch is paying any attention to rectify the differences ?

**L. TALLYING OF GL AND PL FIGURES**

i) Is it ensured that the GL and PL balances as generated by the system are tallied with each other ?

ii) If the system was made live, with a difference, is it ensured that the difference has not increased/decreased after that ?

iii) Are the GL balances generated by the system tallied with those generated at the Day Book Counter/ALPM ? A register with the following details has to be maintained.

ALPM No.	Package	Date of Installation	GL figure (As given by ALPM)	GL figure (as per day book)
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- i) Whether all back-ups are available with the branch since installation of package ?
- ii) If not, back up for which period are not available at the branch ?
- iii) Are the back ups being documented properly in the register?
- iv) Are hard copies of Ledger print outs being properly maintained?

**MANDATORY REPORTS:**

- 1. Please confirm that following reports are being generated, checked and maintained properly ?

Report	Frequency
<b>Day Book GL Module</b>	
i) Day Book	Daily
ii) Exceptional Transaction report	Daily
iii) General Ledger	Daily
<b>Draft Module</b>	
i) Draft Issued Schedule	Daily
ii) Draft paid schedule	Daily
iii) Draft cancellation report	Daily
iv) H.O. Extract	Daily
<b>SB/CA/CC Module</b>	
1. Exceptional Txn. Report	Daily
2. Long Books	Daily
3. A/C wise closing balance	Daily
4. OD interest statement	Daily
5. Overdraft/Dr.balance in CC report	Daily
6. Cr. Balance in CC	Daily
7. Interest applied statement	Qtly/H. Yearly

Following Additional Check-points should also be taken into account by Inspecting Officials.

- Whether branch has on its record EDP Manual and Book on Do's and Don'ts for

- computerized branches issued by HO CPPD Department?
- Whether anti-virus software is loaded on the system and same is updated regularly?
  - Is any hardware purchased without approval from HO CPPD Department ?
  - Are visits of outside vendors being recorded specifying its purpose ?
  - Whether sample cross checking of auto calculation of interest etc. being done manually ?
  - Whether checksum register is maintained ?
  - Whether GL/PL differences are brought to the notice of BM promptly and corrective measures taken ?
  - Whether there is a standby ALPM in the branch and whether back-ups are being restored on it daily ?
  - Is job rotation being done periodically among ALPM operators ?
  - Whether any unauthorized software is loaded on ALPMs ?
  - Whether UPS is of sufficient capacity and is free of load such as coolers, tube lights, heaters etc. ?
  - Whether all computers are covered under electronic insurance policy and other related items under the policy for insuring F&F items for the intervening period?
  - Whether exceptional transactions are being checked to verify that no unauthorized use of discretionary power is being made ?
  - Whether transactions in Inoperative accounts and changes made in parameters being checked ?

**User ID/Password.**

- Whether use ID and Password of staff retired/transferred gone on long leave or otherwise taken off from computer duty is being deleted ?
- Whether some dummy passwords are in use at the branch?
- Whether sealed cover containing password of SA/BM/ROOT(System) is securely kept ?

## **BACK UP**

- Whether back up is stored in fireproof cabinet and one set kept offsite?
- Whether data fidelity of backup/usability of back up data is checked from time to time?
- Whether complete set of equipments configured for SWIFT Operations such as computer, modem, telephone line etc. are used exclusively for SWIFT ?
- Whether proper record of all messages received and sent as well as input and output sequence number is being maintained ?

## **REG: In House EDP Audit Report of TBA Branches**

1. Is system room door locked during and after working hours and access is controlled ?
2. Is updated usual manual for application package available in the branch ?
3. Are daily long book's/transaction sheets cross checked with the vouchers by authorized officials ?
4. Is SA authorizing any financial transactions in his capacity as SA ?
5. Is day end operation performed on same day ?
6. Is any user given more than one user ID ?
7. Are errors corrected by passing the menu option in the application package?
8. Is network supervisor password kept with Branch Manager ?
9. Is one set of daily back up kept in fireproof safe and one set is kept offsite?
10. Have all the modules agreed upon been implemented ?
11. Are instruction/guidelines contained in various H.O. CPPD Circulars regarding business continuity/disaster recovery being followed ?
12. Whether there is any GL/PL mismatch ? If so, what steps branch has taken to rectify the same ?

13. Whether the exceptional/control reports are generated daily and checked by the BM?

**REVENUE LEAKAGE REPORTING FORMAT  
(ANNEXURE ITO V)**

**ANNEXURE – M XIII (A)**

**BRANCH MANAGER’S CERTIFICATE**

**A. PARTICULARS OF AUDIT TEAM**

DATE OF COMMENCEMENT OF AUDIT \_\_\_\_\_  
DATE OF COMPLETION \_\_\_\_\_  
NUMBER OF DAYS TAKEN \_\_\_\_\_

NAME OF PERSON      DESIGNATION      NO. OF DAYS PRESENT

**A. REVENUE LEAKAGE DETECTED (EXCLUDING LOCKER RENT)**

1. TOTAL AMOUNT DETECTED      RS. \_\_\_\_\_  
2. AMOUNT RECOVERED DURING AUDIT      RS. \_\_\_\_\_  
3. BALANCE AMT. TO BE RECOVERED      RS. \_\_\_\_\_  
    REVENUE LEAKAGE DETECTED IN NPA/  
    PROTESTED ACCOUNTS      RS. \_\_\_\_\_

**B. PARTICULARS OF UNRECOVERED AMOUNT**

1. CLOSED ACCOUNT      RS. \_\_\_\_\_  
2. PENAL INTEREST      RS. \_\_\_\_\_  
3. WHERE WE DISAGREE WITH THE AUDITORS/      RS. \_\_\_\_\_

INSPECTORS.	
4. OTHERS	RS. _____
TOTAL (MUST AGRE WITH A3)	RS. _____
C. LOCKER RENT RECOVERED	RS. _____
D. LOCKER RENT IN ARREARS	RS. _____
(GIVE DETAILS)	
GRANT TOTAL – UNRECOVERED AMT (B+D)	RS. _____

This is to certify that all the records relating to Income and Expenditure have been made available to the Inspectors/Auditors. All account heads relating to the income/expenses for the period 1.1.2003 to 31.12.2003 have been checked by the Inspector/CA thoroughly as per guidelines.

The report has been discussed with the inspector/auditor.

We are taking immediate steps for recovery of unrecovered amount revenue.

Date \_\_\_\_\_ Manager;s Signatures \_\_\_\_\_

Date \_\_\_\_\_ Auditor/Inspector’s Signatures \_\_\_\_\_

**ANNEXURE – M XIII (B)**

**AUDITOR’S CERTIFICATE**

Branch Office :  
Audit Period

Zonal Office

**CERTIFICATE**

It is certified that:

- a. Undercharges detected during the audit have been recovered during the course of the audit by debit to respective parties, accounts and only a sum of Rs. \_\_\_\_\_ remains to be recovered as per statement of undercharges enclosed.
- b. The recovery certificate has been obtained from the Branch Manager after debiting the undercharges to the parties’ account.
- c. Each and every head has been thoroughly checked by us as per guidelines given in check-list.
- d. The above detection does not include and detection/leakage whatsoever pertaining to

any NPA account.

e. All debits to income heads have been checked by us and these are properly authorized and reported to Zonal Office, wherever necessary.

f. Day-to-day expenses incurred by the branch are within the discretionary powers of the Branch Manager. Expenses incurred beyond the discretionary powers have been reported to the Zonal Office for confirmation of action.

g. In order to arrive at the correct rate of interest chargeable in advance accounts, individual rating sheets in respect of all accounts have been prepared by the branch and checked by us.

h. We have verified the provision made by the branch in respect of deposits and advances and found the same to be adequate.

i. The report has been discussed with the Section Incharge/Branch Manager.

DATE

AUDITOR'S SIGNATURES

**ANNEXURE – M XIII ©**

**SUMMARY OF UNDERCHARGES/REVENUE LEAKAGE.**

BRANCH OFFICE:

AUDIT PERIOD:

ZONAL OFFICE:

Heads of Accounts

Amount

-----		
Detected	Recovered	To be
	during audit	recovered
Rs.	Rs.	Rs.
-----		

**INCOME HEADS**

**INTEREST ON:**

- i. Cash Credit
- ii) Overdrafts
- iii) Term Loan/LAOS
- iv) Advance against Deposits
- v) LBP/OBP
- vi) Export Loans
- vii) F.I.B.N.L.C.
- viii) Any other head

Sub Total A

PENAL INTEREST

**SERVICE CHARGES:**

- i) Incidental Charges
- ii) Processing fee
- iii) Commission on Guarantees
- iv) Hundiana
- v) Commission & Exchange
- vi) Commission on L.C.
- vii) Inspection Charges
- viii) Any other charges

Sub Total C

**EXPENDITURE HEADS**

**D. INTEREST ON**

Detected	Recovered	To be
Rs.	during audit	recovered
Rs.	Rs.	Rs.

- i. Saving Deposits
- ii. Fixed Deposits
- iii. Any other deposits

Sub Total D

Grand Total

-----  
-----

Note: Overcharges are not to be compensated against undercharges and  
Details be given on a separate sheet.

Amount noted in  
Ledger (Rs.)

E. UNDERCHARGES IN NPA ACCOUNTS DETECTED

**F. Undercharges in Protested Accounts detected.**

i) Non-suit filed

ii) Suit filed.

AUDITOR'S SIGNATURES

**ANNEXURE – MXIII (D)**

**STATEMENT OF UNDERCHARGES/EXCESS CHARGES**

Sl. No.	Name of the party	Period	Brief discription of error	Amount as per branch record	our cal culation	Amount Short charged excess	Recovered during audit	To be reco- vered	Reasons for not effecting recovery	Remarks/ having the erring
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paid

during audit

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ANN. M XIII (E)

**CHECK LIST FOR REVENUE AUDIT**

<b>INCOME HEADS</b>	<b>EXTENT OF CHECKING TO BE DONE</b>
1. Interest charges on all advances (including penal interest wherever chargeable)	100%
2. Processing fee and interest in protested advances	100%
3. Commission, Discount, Hundiana	

DDs purchased	..... Rs.5000/- and above	100%
Bills discounted		100%
Commission on Bills		100%
Inward & Outward	..... below Rs. 5000/-	100%
Overdue interest on DDs		100%
DDs received back unpaid		100%
Commission on Inland & Foreign LCs		100%
Commission on Guarantee Issued		100%
Commission on Bills for collection		100%
Remuneration in lieu of FEX profit		100%
Commission on drafts/TTs/MTs		50%
Interest & Commission (Fex. Business)		50%
4.	Expenses in connection with inspection of securities	100%
	Recovery of telephone/telex/telegram/postage/overtime expenses from customers/employees wherever applicable.	50%
5.	Incidental charges on all Cash Credit.	
	Overdraft, Current/Saving Bank Account, Inoperative Saving and Current Accounts	100%
6.	Articles taken for safe custody	100%
7.	All Debits to various income heads	100%
8.	Interest on deposit with other Banks	100%
9.		

## **B. EXPENDITURE HEADS:**

### **1. Deposit Accounts:**

One time interest payment on Savings/RD A/Cs	
Below Rs. 500	NIL
Rs.500/- and above	100%

### **Term Deposits:**

	Below Rs. 25,000/-	NIL
	Rs.25,000/- and above	100%
	Term Deposits paid before maturity	100%
2.	To check whether capital and revenue expenditure incurred under various heads are within the prescribed limit as per discretionary powers and in case it exceeds, whether confirmation has been obtained from higher authorities or not? If the expenditure is within the limit, it should not be reported.	100%
3.	To ensure that all expenditure incurred under the head "Misc" Expenditure sanctions are supported by proper sanction From HO/ZO.	100%
4.	Expenditure incurred on telephone Postage and Telegram	Only wide variations with remarks to be Reported.
5.	Locker Rent in arrears	Recovery effected during audit be included in recovery certificate. Others be reported only.
6.	Commitment charges	100%
7.	Commission on Govt. Business	100%
8.	Interest charged by Bankers on Borrowing	100%

NOTE: 100% checking is to be done if large number of errors are detected under Any item irrespective of extent of checking mentioned against that item.

**ANNEXURE M XIV.**

**The Zonal Manager,  
Punjab & Sind Bank,  
Zonal Office,**

**Dear Sir,**

**Reg: Final Rectification Certificate-CCA Report for the Month  
ended \_\_\_\_\_**

It is certified that all the major as well as minor irregularities as pointed out in the concurrent audit report for the month of \_\_\_\_\_ have either been rectified or suitable action has been initiated, reference has been made to ZO/HO in all such cases where decision at higher level is to be taken. All such outstanding irregularities are being reported in the next Monthly reports in relevant formats pertaining to irregularities regarding general routine, deposit and credit portfolio besides systems & procedures.

Yours faithfully,

**BRANCH MANAGER  
BO**

**COUNTERSIGNED**

**CONCURRENT AUDITOR**