

Also Refer DBS.CO.IPC.No.10765/12.01.001/06-07 dt 09-02-07

DBS.CO.PP.BC.11/11.01.005/2001-2002

April 17, 2002

All Scheduled Commercial Banks
(Except RRBs)

Dear Sir,

Long Form Audit Report (LFAR) - Revision

As you are aware, the present format of LFAR has been in use since 1992-93. There have been far reaching changes in the regulatory / supervisory framework of banks since then. The role of statutory auditors too has been widened to include certain certifications / validations in their report. These developments necessitated a revision in the format of LFAR. The format has since been revised in consultation with the Institute of Chartered Accountants of India (ICAI) and a few select banks.

2. We enclose a copy of the revised format comprising the following documents which may please be put into operation for the year ending March 31, 2003 onwards :

- i. Questionnaire in connection with LFAR in respect of a branch

Also Refer DBS.CO.ARS.BC.8/08.91.001/2014-15 dt 04-06-15

- ii. Questionnaire applicable to specialised branches
- iii. Annexure to the LFAR for furnishing details of large/irregular/critical accounts and
- iv. LFAR by Central Statutory auditors of bank

3. In this connection, we also advise as under :

- i) Timely receipt of LFARs from the auditors should be ensured,
- ii) The LFAR on the bank, after due examination, should be placed before the Board of Directors / Local Advisory Board indicating the action taken / proposed to be taken for rectification of the irregularities, if any, mentioned therein, and
- iii) A copy each of the LFAR (i.e. for the bank / all Indian Offices of foreign bank as a whole) and the relative agenda note, together with the Board's views or directions, should be forwarded to the concerned Regional Office of Department of Banking Supervision within 60 days of submission of the LFAR by the statutory auditors.

4. Please acknowledge receipt.

Yours faithfully,

Sd/-

(P.K. Krishnan)
Deputy General Manager