

SN	Coverage Area	Scope of work expected from Service Provider /CA Firm	Quantum of Measurement	Penalty to be imposed (For Service Provider / CA Firm)
1.	Attendance at the Work Area.	Attending branch/unit on daily basis, by Representative of the Service Provider /CA Firm, and 2-3 times a week by the Partner of the Firm.	Days of Absence in a month in attending the branch/unit (i) by the representative of the Service provider / Firm or (ii) by the Partner of the Firm	Twice the proportionate remuneration of the month on a pro-rata basis for the days of absence. <i>Eg.30 days in a month; Remuneration of Rs.30000/-p.m. with an absence of 2days : Penalty to be charged : Rs.2000x2= Rs.4000.</i>
2.	Detection of Income Leakage	On a day to day basis income leakage, if any detected, to be reported.	Non-detection/ non-reporting / short recovery of income leakage from the date it becomes due within a period of 2 weeks. The penalty to be levied is on account of opportunity loss for the Bank.	For Non-detection/ non-reporting: 1% of the amount, in the area of income Leakage not detected/ reported. i.e. (i) Processing Fee (ii) Upfront Fee (iii) BG/LC Comm. (iv) Locker rent etc., (Overall cap for both not to exceed 20% of monthly remuneration). <i>Eg. Processing Fee of Rs. 1 lac. is identified by an Auditor other than CA. after 2 weeks of its becoming due. Penalty will be Rs.1000 for one instance. If such instances are more, then overall cap of 20% of remuneration i.e.Rs.6000 (20% of 30000) to be charged.</i>
3.	Detection of Major lacunae in the conduct of the account, systems & procedures etc.,	Timely detection of major lacunae.	Non detection of major lacunae as enumerated in the CRM Value Statements of WBCAS.	Rs.250/- per major lacunae in an account with a maximum penalty of 5% of monthly remuneration.

4.	Failure to comment on Frauds, which may cause loss to the Bank.	Detection/ Reporting of Fraud.	Non detection/ not reporting of Fraud arising on account of failure in implementation of systems & procedures and security lapses.	10% of monthly remuneration per instance, with a cap of 25% of monthly remuneration.
5.	Detailed Scrutiny of Accounts and submission of observations.	Detailed Scrutiny of Accounts within a reasonable time and submission of observations online on a daily basis.	Detailed scrutiny of accounts by commenting as per Value Statements mentioned in WBCAS, if not done: <i>Eg. All accounts within 3 months and thereafter once, at the time of renewal/ review/ new sanction;</i>	Rs.250/ per account with an overall cap of 5% of the monthly remuneration.
6.	Submission of Monthly / Qly. Concurrent Audit Reports (Annexure-V, VI& VII as available in SBleTHIC) to the BM/ Head of the Unit/AGM (Audit)/ GM(NW) etc. a	Monthly Reports to be submitted within a week of the succeeding month to the BM/Head of the Unit. Thereafter, with their remarks to RM/DGM (BO) within 2 nd week of the succeeding month of report.	Non submission as per schedule.	Non Submission: 10% of Audit Fee p.m. Non submission by over 3 months: Termination of the Contract giving one month's notice. Delayed Submission: Rs.250/ per day till submission. (With a overall cap of 10% of monthly remuneration p.m.)
7.	Unacceptable delay in the performance of obligations.	Should be done in accordance with the time schedule specified in the Agreement.	Identified areas of deficiency in performance: (i) Partner's not attending branch/ unit 2-3 times a week; (ii) Non-deputation of representative every day; (iii) Non-submission of Reports; (iv) Non-detection of Income leakage in time, resulting in opportunity loss; & (v) Non-detection/reporting of Frauds. (vi) Poor Quality of Reports.	Termination of Contract, by giving a month's notice, as per Service Level Agreement (SLA).