

SBI Cards and Payment Services Limited
Policy on Appointment of Statutory Auditors (SAs)

May 30, 2026

Public
SBI Cards and Payment Services Limited

Statutory Auditor Appointment Policy

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1. INTRODUCTION

Reserve Bank of India vide its Notification RBI/2021-22/25 Ref. No. DoS.CO. ARG /SEC.01/08.91.001/2021-22 dated April 27, 2021 (RBI Circular), has issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs, and NBFCs (including HFCs) requiring such entities to frame policy in this regard. In its compliance, SBI Cards and Payment Services Limited (“SBICPSL” or “Company”) has framed its Statutory Auditor Appointment Policy as under: -

2. SCOPE OF APPLICATION

The policy is applicable for the appointment of SAs for SBICPSL.

3. OBJECTIVES OF THE POLICY

The objective of the policy document is to provide guidance on the appointment of SAs for the SBICPSL.

4. OWNERSHIP AND APPROVALS

Owner Function – Finance
Approved by – Board of Directors

5. ANNUAL REVIEW

The Policy shall be reviewed once every two years or at earlier intervals, if necessary, by the Board of Directors.

6. APPOINTMENT, TENURE & ROTATION, AND APPOINTMENT PROCEDURE

The Comptroller & Auditor General of India (Office of C&AG) will appoint SAs for SBICPSL, as required under Section 139(5) of the Companies Act, 2013. It is also subject to supplementary/test audit by the Office of C&AG. Tenure and rotation will also be guided as per C&AG policies.

The Company will inform the Reserve Bank of India (RBI) about the appointment of SAs, on receipt of intimation from the Office of C&AG and the consent from auditor so appointed within one month of such appointment.

On receipt of appointment intimation from the office of C&AG, the Company will send intimation along with a request for consent to act as auditor, as required under the conditions for auditors and company specified in the C&AG letter and the Companies Act, 2013, to the auditor so appointed. On receipt of acknowledgment and consent from the auditor, the Company will intimate the Stock Exchanges within 12 hours of receipt of consent from auditor so appointed by CAG. Further, the Company will also intimate the Ministry of Corporate Affairs in the prescribed form within the specified time limit.

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The number of auditor firms to be appointed shall be governed by the RBI directions as applicable at the time of appointment of the SAs.

The eligibility criteria of the audit firms to be appointed as SAs shall be guided by the RBI directions applicable at the time of appointment of the SAs. The eligibility criteria is prescribed under Annexure 1 of the RBI Circular. The compliance with regard to the eligibility criteria shall be confirmed by the SAs on a continuing basis.

7. AUDIT FEES AND EXPENSES

The audit fees for the SAs shall be decided in terms of the relevant statutory/regulatory provisions. The audit fee shall be reasonable and commensurate with the scope and coverage of audit, size and spread of assets, accounting and administrative units, the complexity of transactions, level of computerization, identified risks in financial reporting, etc.

The ACB of the Company shall make a recommendation to the competent authority as per the relevant statutory/regulatory instructions for fixing audit fees of SAs. Shareholders may delegate the power of fixation of remuneration of SAs to the Board, if they deem fit.

8. INDEPENDENCE OF AUDITORS

The ACB shall monitor and assess the independence of the auditors. Any concerns in this regard may be flagged by the Board to the concerned Senior Supervisory Manager (SSM)/Regional Office (RO) of RBI.

In case of any concern with the management, such as non-availability of information/non-cooperation by the management, which may hamper the audit process, the SAs shall approach the ACB, under intimation to the concerned SSM/RO of RBI.

In case of resignation of the auditor, detailed reasons need to be disclosed by the Company to the Stock Exchanges as soon as possible but not later than 24hrs of receipt of such reasons from the auditor. In case of resignation, the Company shall ensure compliance with the conditions specified under section V-D of SEBI Master Circular no. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026 or as amended from time to time.

The time gap between any non-audit works (services mentioned at Section 144 of Companies Act, 2013, Internal assignments, special assignments, etc.) by the SAs for the Company or any audit/non-audit works for its group entities should be at least one year, before or after its appointment as SAs. However, during the tenure as SAs, the Company, in consultation with the Board/ACB may allow an audit firm to provide such services to the Company, which may not normally result in a conflict of interest.