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ICAI MANGALURU

1971 - 2021

Golden Jubilee



Incredible India



**MANGALURU BRANCH OF**  
**SOUTHERN INDIA REGIONAL COUNCIL OF**  
**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

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# FROM THE CHAIRMAN'S DESK

Greetings!

It brings an immense pleasure to convey to you as the newly elected chairman of Mangalore Branch of the SIRC of the ICAI for the year 2021-22.



At the very outset, I would like to extend gargantuan best wishes and my deepest gratitude to the Past chairman CA S.S Nayak and other committee members for their continuance support and guidance. I stand before you, with boundless gratitude for the confidence placed in me by the committee members. I am indeed glad to take over the 33rd chairman of Mangalore branch of the SIRC of the ICAI. It's a great honour and pride moment for me to be the chairman whilst it is also a unique opportunity to serve one of the best branches across India. I greatly look forward to supporting and working for the Mangalore branch.

I follow in a line of remarkable chairmen. They had also faced this moment. Like myself today, they must have pondered what the years ahead would hold at the helm of this dynamic institution. Each made important and lasting contributions for the betterment of this institution. And I would be overwhelmed to contribute the same in the upcoming year.

In my vision to serve the members and students, I would like to stress on the sayings by Benjamin Franklin who once said "an investment in knowledge pays the best interest". Knowledge plays a part in everything you do. He knew the value of constantly becoming more knowledgeable. In fact, just about every successful person in the world, there is one thing in common and that is they are constantly reading and educating themselves on a daily basis and we are no exception to it. It is of no use, if you hoard it and not do anything about it. You have to use it. Otherwise what good is it? Expand your knowledge and wisdom every day. During this upcoming year, I am continuing to arrange various webinars, study circles and other events to keep oneself updated and for the betterment of oneself. I would be grateful if I get support and cooperation from all the members and the CA fraternity to make this happen and ensure that one's knowledge does not go wasted.

I would be looking forward to take active part in all the activities conducted by the branch. With thanking, I want to assure you that along with the help and cooperation of such honest, hardworking and experienced members and CA fraternity, I'll work tirelessly to uplift the institute's progress. Furthermore, I wish all of you to come up with ingenious ideas, suggestions or guidance for the betterment of the institute and students fraternity at large.

Thank you for all the support and cooperation.

Regards

**CA K S KAMATH**

Chairman

Mangalore Branch of SIRC of ICAI

## A MESSAGE FROM THE IMMEDIATE PAST CHAIRMAN



Dear professional colleagues,

I heartily congratulate CA K S Kamath for assuming the charge of Chairmanship Mangaluru branch of SIRC of ICAI for the year 2021-22 and for shouldering the responsibility as chairman and representing the respected members of our fraternity. 2020 has been a year of challenges and of rewarding moments. The COVID-19 pandemic has been a human, health and economic crisis that has deeply affected the lives of many people around the world including our CA fraternity. When all were stuck in their homes due to pandemic we adopted various means to deal with an unprecedented situation like this. Using technology for conducting audit, tax and consulting services was a challenge then , but I am glad that we were able to successfully combat the situation and complete the things within time. I am proud of what we have done over the last one year and the way my colleagues and members of our branch adapted quickly to the massive change.

“Great things in business are never done by one person.

They’re done by a team of people.”

As the name itself says “TEAM”- “TOGETHER EVERYONE ACHIEVES MORE” .Each individual has different experiences and talents. When working together as a team enable us to learn from one another. Teamwork fosters creativity and learning, maximizing shared knowledge and expanding new skill sets. A single brain sometimes is not capable of taking critical decisions alone. An individual needs the support and guidance of others to come out with an effective solution. When individuals come together on a common platform with a unified objective of accomplishing a task, a team is formed. As they say “There is no I in Team Work”, each individual’s contribution plays a major role in accomplishing the ultimate goal. I am thankful to all my colleagues in the committee and all the past chairpersons and my CA pariwar for supporting me in my journey.

The role of a Chartered Accountant has distinctively gained importance over the past few years. Chartered Accountant’s role is significant in promoting the economic growth of our country. With expertise in the fields of finance, audit, taxation, stock market, forex, law etc... the Chartered Accountants provide vast services to the society. They make the public understand the rules and guidelines issued by the Government.

“CA’s in India are technically far superior, but accounting now, is not just about technicality. It is also about identifying and solving problems. Clients look and value those CAs who can be trusted as advisors and who understand the dynamics of business”. Therefore it is not just technical knowledge that is required, but also the ability and skill to convince your clients and make them tax and law compliant.



**“85% of your Financial Success is due to your personality,  
ability to communicate, negotiate & lead  
and only 15% is due to your technical knowledge:”**

No matter how much success one person is having, he can't continue working together if he can't communicate. Effective communication is a vital tool for any business. You should be able to clearly explain company policies to customers and clients and answer their questions about your products or services. It is crucial to communicate effectively in negotiations to ensure you achieve your goals. There is often a misconception among people that Accountants need to be only bothered about numbers. But the ability to communicate effectively with clients and offer sound financial information with absolute clarity is a very important skill for all CA professionals.

“Make your life a masterpiece,

Imagine no limitation on

What you can be, have or do.”

I am glad to inform that not only I could lead the Mangaluru Branch of ICAI with blissful activities but also I could bridge relationship with Income tax, GST, and other Government Authorities by conducting various programmes. Public image has been created by inviting all eminent personalities from various spectrums as chief guest in our programs both seminars and webinars. The existence, importance and vital contribution of CA's has been extensively publicized through wide coverage in media both electronic and print. Thanks to the Media friends for showing their love, affection and for upholding the dignity of our profession through extensive media coverage. Our Flagship event “Golden Jubilee Founding Day” Celebrations has attracted the attention of our CA's from industry and profession across the globe. Our SICASA team has also supported and encouraged us in an excellent way as “Haati Meri Saati”. I congratulate all the 29 Chartered Accountants who passed in November/December 2020 exams in spite of the stressful COVID situation. I wish them a bright and successful career ahead.

I am also pleased to inform that I have successfully completed 100 episodes of Business Tonic, an educative programme on current affairs like Income Tax, GST, RERA, MSME's, Finance, Compliances under various Statutes, Stress management, NEP, Fisheries, Union budget, TDS and its implications and many more in Namma Kudla 24\*7 channel where experts in respective sectors were invited and shared their views on particular topic. I am proud to inform that every Sunday the programme is getting featured in TV live where the response from the public is countless. This is a platform wherein reputed personalities like CA Gururaj Acharya, CA Ullas Kamath, Dr B M Hegde, Dr P S Yadapadithaya, Dr A P Achar, CA D B Mehta and many more have enlightened the viewers with their knowledge. People actively participate in it and also resolve their doubts regarding particular topic.

I am proud that in 28 programmes 25 CA's have participated and disseminated their expertise with the viewers. This has also enhanced the public image of CA's and I am thankful to all the resource persons for their wholehearted support and initiative. I am proud to have conducted one programme on “Role of Chartered Accountants in Nation Building” wherein myself as Chairman of ICAI Mangaluru and CA Giridhar Kamath, past chairman were the resource persons.

Previously people used to know ICAI Bhawan, Padil as being close to Kanchana Hyundai Showroom. But today I can proudly say that ICAI Bhawan, Padil has its pride existence and people refer Kanchana Hyundai Showroom as being close to ICAI Bhawan, Padil. I am stepping down on completion of my memorable Golden Jubilee Founding year as Chairman of State's second largest Mangaluru Branch of SIRC of ICAI with full satisfaction and contentment.

However continuing as Member in the committee one more year, I thank my colleagues in the Committee, Staff members of the Institute, all Resource persons who shared their rich knowledge in seminars and webinars to our members, beloved students and ex officio member CA Geetha for the support and encouragement during my term as Chairman.

**उद्यमेन हि सिध्यन्ति कार्याणि न मनोरथैः ।**

**न हि सुप्तस्य सिंहस्य प्रविशन्ति मुखे मृगाः ॥**

As the antelope does not enter the sleeping lion's mouth by itself, In the same way we can succeed in our work only if we work hard not from desires.

“Desire changes nothing

Decision changes something

Dedication changes everything”

Best Regards,

For Manglore Branch of SIRC of ICAI

CA S S Nayak

Immediate Past Chairman



## \*ಧನ್ಯವಾದ ಸಮರ್ಪಣೆ\*

\*ಹೊಸ ಚಿಗುರು ಹಳೇ ಬೇರು ಕೂಡಿರಲು ಮಂಗಳೂರು ಶಾಖೆ ಬಲು ಸೊಗಸು |\*

\*ಹೊಸಯುಕ್ತಿ ಹಳೆತತ್ವದೊಡಗೂಡೆ ಮುನ್ನಡೆಸು ನಮ್ಮ ಶಾಖೆ ಯನ್ನು ||\*

\*ಐದು ದಶಕಗಳಿಂದ ಜ್ಞಾನ ಜ್ಯೋತಿಯಾಗಿ ಬೆಳಗಿದೆ ನಮ್ಮ ಶಾಖೆ||\*

\*ಆರ್ಥಿಕ ಮತ್ತು ಸಾಮಾಜಿಕ ಕ್ಷೇತ್ರಕ್ಕೆ ಅನುಪಮ ಕೊಡುಗೆ ನಮ್ಮ ಶಾಖೆಯಿಂದ|\*

\*ಇದಕ್ಕಾಗಿ ಹಗಲು ರಾತ್ರಿ ಶ್ರಮಿಸಿರಿವರು ಹಿಂದಿನ ಅಧ್ಯಕ್ಷರುಗಳು||\*

\*ಅರ್ಧ ಶತಮಾನದ ಮೈಲಿಗಲ್ಲನ್ನು ಯಶಸ್ವಿಯಾಗಿ ತಲುಪಿದ ಸಂಭ್ರಮದಲ್ಲಿ ನಾವೆಲ್ಲ|\*

\*ಕೆಚ್ಚದೆಯ ನೆಚ್ಚಿನ ನಾಯಕ ನಮ್ಮ ಎಸ್ ಎಸ್ ನಾಯಕ್ ಮುನ್ನಡೆಸಿದರು ಈ ಶಾಖೆಯ  
ಸುವರ್ಣ ಮಹೋತ್ಸವವನ್ನು ಅದ್ದೂರಿಯಾಗಿ||\*

\*ಅವರಿಗೆ ಬೆನ್ನಲುಬಾಗಿ ನಿಂತಿದ್ದರು ಸಮಿತಿಯ ಸದಸ್ಯರು|\*

\*ಇವರೆಲ್ಲರಿಗೂ ನಮ್ಮ ಹೃದಯ ಪೂರ್ವಕ ಧನ್ಯವಾದಗಳು||\*

\*ಸಿ. ಎ. ಕೇಶವ ಎನ್ ಬಳ್ಳಕುರಾಯ\*



## BRANCH ACTIVITIES FOR THE MONTH OF FEBRUARY 2021

Sl. No	Date	Activity
1.	05.02.2021	<p>CPE Seminar on Analysis of Union Budeget</p> <p><b>Chief Guest:</b></p> <ol style="list-style-type: none"> <li>Advocate M V Kini Founder of M/s M V Kini Law firm, Mumbai</li> <li>CA. D B Mehta Chairman CREDAI, Mangalore</li> </ol> <p><b>Speakers:</b></p> <ol style="list-style-type: none"> <li>CA Murali Mohan Bhat Partner at Manohar Chowdhry &amp; Associates</li> <li>CA Sriram V Rao Partner at Nithin J Shetty &amp; Co</li> </ol>
2.	12.02.2021	<p>Seminar on Union Budget 2021 conducted by Mangalore Productivity Council in association with ICAI, Mangalore Branch</p> <p><b>Chief Guest:</b> Dr. Venkataramana Akkaraju Chairman, NMPT</p> <p><b>Presided By:</b> Shri. B Yogish Acharya General Manager and Circle head, Canara Bank, Circle office, Mangalore</p> <p><b>Speaker</b> : CA S S Nayak</p>
3.	24.02.2021	Committee Meeting Handing/ Taking Over



## BRANCH ACTIVITY GALLERY FOR THE MONTH OF FEB 2021



CPE Seminar on Analysis of Union Budget 2021-22



Felicitation ceremony of qualified CAs who showed their excellence in the November 2020 CA Final Examination



Seminar conducted by Mangalore Productivity Council in association with ICAI, Mangalore Branch





The new Chairman, CA K Subramanya Kamath taking over charge from immediate past Chairman CA S S Nayak.



Newly formed committee for the year 2021.

(From the left: CA Gautham Pai, CA S S Nayak, CA Prasanna Shenoy, CA K S Kamath, CA Abdur Rahman Musba, CA Gautham Nayak, CA Anantha Padmanabha K)



## ಸಿವಿಗಳು ರಾಷ್ಟ್ರ ನಿರ್ಮಾಣದಲ್ಲಿ ಪಾಲುದಾರರು

ಪರಮಾತ್ಮ ಎಲ್ಲ ಜನರ ಯೋಗಕ್ಷೇಮವನ್ನು ರಕ್ಷಿಸಿ, ಪ್ರಬಲ ನಾಯಕರು ಕಾನೂನು ಮತ್ತು ನ್ಯಾಯದೊಂದಿಗೆ ಇರಲಿ. ಯಶಸ್ವಿ ಎಲ್ಲ ವಿಧಾನರೊಂದಿಗೆ ಇರಲಿ. ಎಲ್ಲ ಲೋಕಗಳು ಸಂತೋಷವಾಗಿರಲಿ. ಒಟ್ಟಿಗೆ ಸೇರುವುದು ಒಂದು ಆರಂಭ. ಒಟ್ಟಿಗೆ ಇರುವುದು ಒಂದು ಪ್ರಗತಿ ಮತ್ತು ಒಟ್ಟಿಗೆ ಕೆಲಸ ಮಾಡುವುದು ಯಶಸ್ಸು.

ಸಾಮಾಜಿಕ ನಂಬಿಕೆ ಮತ್ತು ಪ್ರಾಮುಖ್ಯತೆಯನ್ನು ನಾವು ದೃಢವಾಗಿ ಎತ್ತಿ ಹಿಡಿದಿದ್ದೇವೆ ಎಂಬುದಕ್ಕೆ ನಮ್ಮ ಇತಿಹಾಸ ಸಾಕ್ಷಿಯಾಗಿದೆ. ಇಂದಿನ ದಿನದಲ್ಲಿ ಸಿವಿಯನ್ನು ಕೇವಲ ಸಂಖ್ಯಾತ್ಮಕವಾಗಿ ನೋಡಲಾಗುವುದಿಲ್ಲ. ಆದರೆ ಬಹುಮುಖ ತಂತ್ರಗಾರ ಮತ್ತು ಮೌಲ್ಯ ಸೃಷ್ಟಕರ್ತ ಎಂಬಂತೆ ಪರಿಗಣಿಸಿದೆ. ಭಾರತೀಯ ಸಿವಿಗಳ ಪಾತ್ರ ಹಿಂದಿನ ಸಾಂಪ್ರದಾಯಿಕ ಲೆಕ್ಕ ಪುಸ್ತಕಗಳ ನಿರ್ವಾಹಕರಿಂದ ವಿಶ್ವಾಸಾರ್ಥ ವ್ಯವಹಾರ ಸಲಹೆಗಾರನಾಗಿ ರೂಪಾಂತರಗೊಂಡಿದೆ. ಕಳೆದ 70 ವರ್ಷಗಳಲ್ಲಿ ಸಿವಿ ಪಾತ್ರವು ಬ್ಯಾಂಕ್ ರೂಂನಿಂದ ಬೋರ್ಡ್ ರೂಂಗೆ ಬದಲಾಗಿದೆ.

### ಅತ್ಯದ್ಭುತ ಸೇವೆ

ಕಳೆದ 50 ವರ್ಷಗಳಲ್ಲಿ ಐಸಿಎಐ ಮಂಗಳೂರು ಹಲವಾರು ಸಿವಿಗಳನ್ನು ಜಗತ್ತಿಗೆ ಪರಿಚಯಿಸಿದ್ದು, ಅಕ್ಷರಶಃ ಜಾಗತಿಕ ಮಟ್ಟದಲ್ಲಿ ಎಲ್ಲರೂ ಅತ್ಯದ್ಭುತವಾಗಿ ಸೇವೆ ಸಲ್ಲಿಸುತ್ತಿದ್ದಾರೆ. ಯಾವುದೇ ಕಠಿಣ ದೇಶದಿಂದ ಸುವರ್ಣ ಮಹೋತ್ಸವದ ಆಚರಣೆಗಳು ಒಂದು ಸಂತೋಷದಾಯಕ ಸಂದರ್ಭವಾಗಿವೆ. ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ಕಳೆದ ವರ್ಷ ಸುವರ್ಣ ಮಹೋತ್ಸವದ ಆಚರಣೆಯಾಗಿ ಐಸಿಎಐ ವಿದ್ಯಾರ್ಥಿಗಳಿಂದ ಸಂತೋಷದ ಇಮ್ಮಡಿಗೊಂಡಿತ್ತು. ರಾಷ್ಟ್ರದ ಶ್ರೇಷ್ಠತೆ, ಸಮಗತಿ, ಸ್ವಾತಂತ್ರ್ಯ ಮತ್ತು ಸೇವೆಯನ್ನು ನಮ್ಮ ಕ್ರಿಯಾತ್ಮಕ ಪ್ರಯಾಣವು ಅನೇಕ ಮೈಲಿಗಟ್ಟುಗಳಿಂದ ಗುರುತಿಸಲ್ಪಟ್ಟಿದೆ. ಸಿವಿಗಳು ರಾಷ್ಟ್ರ ನಿರ್ಮಾಣದಲ್ಲಿ ಪಾಲುದಾರರು ಎಂದು ನಮ್ಮ ಅಂದಿನ ಅಧ್ಯಕ್ಷ ಡಾ.ಎ.ಪಿ.ಜಿ ಅಬ್ದುಲ್ ಕಲಾಂ ಹೇಳಿದ್ದರು. ಚಾರ್ಟರ್ಡ್ ಆಕೌಂಟೆಂಟ್‌ಗಳು ರಾಷ್ಟ್ರದ ಅರ್ಥಿಕ ಬೆಳವಣಿಗೆಯಲ್ಲಿ ಪ್ರಮುಖ ಆಧಾರಸ್ತಂಭವಾಗಿದ್ದಾರೆ ಎಂಬುದಕ್ಕೆ ಈ ಮಾತುಗಳು ಸಾಕ್ಷಿ.

### ಜ್ಞಾನ ಮತ್ತು ಪರಿಣತಿ

ಹಣಕಾಸಿನ ಸಮಸ್ಯೆ ಪರಿಹರಿಸಲು ಚಾರ್ಟರ್ಡ್ ಆಕೌಂಟೆಂಟ್‌ನ ದೃಷ್ಟಿಕೋನ ಇತರರಿಗಿಂತ ಭಿನ್ನವಾಗಿದೆ. ಎಕೆಂದರೆ ಹಣಕಾಸು ತಿರುಗಿ, ಹೇರು ಮಾಡುತ್ತಿಲ್ಲ ಮತ್ತು ಕಂಪನಿಯ ಕಾನೂನು ವಿಷಯಗಳು, ಪೋರಲ್ಸ್, ಇತ್ಯಾದಿಗಳಲ್ಲಿನ ಅವರ ಜ್ಞಾನ ಮತ್ತು ಪರಿಣತಿ. ಕಾಯ್ದೆ ಕಾನೂನುಗಳನ್ನು ಸಾಮಾನ್ಯ ಜನರಿಗೆ ಅರ್ಥವಾಗುವ ರೀತಿಯಲ್ಲಿ ಸಿವಿಗಳಿಗೆ ಸಹ ಅರ್ಥ ಮಾಡಿಕೊಳ್ಳಲು ಇದು ಸಹಾಯಕ. ಆದ್ದರಿಂದ ಲೆಕ್ಕಪರಿಶೋಧಕರು ರಾಷ್ಟ್ರ ನಿರ್ಮಾಣದಲ್ಲಿ ಪಾಲುದಾರರು ಎಂದು ಸರಿಯಾಗಿ ಹೇಳಲಾಗುತ್ತದೆ.

### ಅರ್ಥಿಕ ವ್ಯವಸ್ಥೆಯ ರಾಯಭಾರಿಗಳು

- ಸಿವಿ ಸಹಿ ವಿವರಿಸುವ ಹೆಚ್ಚು ಶಕ್ತಿಯುಳ್ಳವರಾಗಿದೆ - ನೋಂದಾಯಿಸಿದ, ಪ್ರಧಾನಮಂತ್ರಿ ಚಾರ್ಟರ್ಡ್ ಆಕೌಂಟೆಂಟ್‌ಗಳು ಯಾವುದೇ ದೇಶದ ಅರ್ಥಿಕ ವ್ಯವಸ್ಥೆಯ ರಾಯಭಾರಿಗಳು. ಅವರ ಕೆಲಸ ಸರ್ಕಾರ ಮತ್ತು ತೆರಿಗೆ ಪಾವತಿಯ ಸಂಬಂಧಗಳ ಹಾಗೂ ವ್ಯಕ್ತಿಗಳ ನಡುವಿನ ಸಂಪರ್ಕದಿಂದಿದೆ. ಅವರ ಸಹಿ ಪ್ರಧಾನಮಂತ್ರಿಗೆ ಹೆಚ್ಚು ಶಕ್ತಿಯುಳ್ಳವರಾಗಿದೆ. ಅವರ ಸಹಿ ಸತ್ಯದ ಮೇಲಿನ ನಂಬಿಕೆಗೆ ಸಾಕ್ಷಿಯಾಗಿದೆ. ಕಂಪನಿಗಳು ಸ್ಥಾಪಿಸಿದಾಗಲೇ ಅಥವಾ ದೊಡ್ಡದಾಗಿದ್ದಾಗಲೇ, ಸಿವಿ ಆ ಕಂಪನಿಯ ಪುರಸ್ಕಾರಗಳನ್ನು ಪ್ರಮಾಣೀಕರಿಸಿದರೆ ಸರ್ಕಾರ ಅವನ್ನು ನಂಬುತ್ತದೆ. ದೇಶದ ಜನರೂ ಅವನ್ನು ನಂಬುತ್ತಾರೆ. ಸಿವಿಗಳು ಯಾವುದೇ ವ್ಯವಹಾರದ ಲೆಕ್ಕಪರಿಶೋಧನೆ ನಡೆಸಿ ಸಹಿ ಹಾಕಿದ ನಂತರ ಯಾರೂ ಅಪ್ಪಲೈನ್ ಕ್ಲಿಕ್ ಬಗ್ಗೆ ಪ್ರಶ್ನಿಸುವುದಿಲ್ಲ ಎಂದು ಜನ ಯೋಚಿಸಿದ್ದಾರೆ. ಸಿವಿಗಳು ಅರ್ಥಿಕತೆಯ ಅಡಿಪಾಯ. ಅವರ ಪರಿಣತಿಯನ್ನು ಬಳಸಿಕೊಂಡು ರಾಷ್ಟ್ರವು ವಿವಿಧ ಹಣಕಾಸು ಮತ್ತು ಅರ್ಥಿಕ ಸಂಬಂಧಿತ ಕ್ರಮಗಳಲ್ಲಿ ಸರಿಯಾದ ನಿರ್ದೇಶನ ಪಡೆಯುತ್ತದೆ ಹಾಗೂ ಕೈಗಾರಿಕಾ ಬೆಳವಣಿಗೆ ಯೋಜನೆಗೆ ಭಾರತೀಯ ಅರ್ಥಿಕತೆಯನ್ನು ಅಭಿವೃದ್ಧಿಗೊಳಿಸುವ ಮಾರ್ಗವನ್ನು ದೊರೆಯುತ್ತದೆ.

### ಸಮರ್ಥ ಮಾರ್ಗದರ್ಶನ

ಒಮ್ಮೆ ರತನ್ ಟಾಟಾ ಒಂದು ಹೇಳಿಕೆ ನೀಡಿದ್ದರು - ನನ್ನ ವ್ಯವಹಾರ ನಡೆಸಲು ನನಗೆ ಎಂಬಿವರೂ ಬೇಕು. ಆದರೆ ವ್ಯವಹಾರ ಹೇಗೆ ನಡೆಸುವುದು ಎಂದು ಕಲಿಸಲು ಚಾರ್ಟರ್ಡ್ ಆಕೌಂಟೆಂಟ್‌ಗಳ ಅಗತ್ಯವಿದೆ. ಚಾರ್ಟರ್ಡ್ ಆಕೌಂಟೆಂಟ್‌ನ ಮಾರ್ಗದರ್ಶನ ವ್ಯವಹಾರವನ್ನು ಸಮರ್ಥವಾಗಿ ನಡೆಸಲು ಸಹಾಯ ಮಾಡುತ್ತದೆ. ಅವರು ಅನೇಕ ಕಂಪನಿಯ ಕಾನೂನು ವಿಷಯಗಳು, ತೆರಿಗೆಗೆ ಸಂಬಂಧಿಸಿದ ವಿಷಯಗಳು, ಅನ್ವಯವಾಗುವ ಹಣಕಾಸು ಪರದಿ ಚೌಕಟ್ಟಿನ ಶ್ರೇಣಿ ಲೆಕ್ಕ ಪುಸ್ತಕಗಳು ಹಾಗೂ ಇತರ ದಾಖಲೆಗಳನ್ನು ತಯಾರಿಸಲು ಮತ್ತು ನಿರ್ವಹಿಸಲು ಸಹಾಯ ಮಾಡುತ್ತಾರೆ.

### ಹಲವು ಮೈಲಿಗಟ್ಟು

ಮಂಗಳೂರು ಶಾಖೆಯ ಆರಂಭದ ದಿನಗಳಿಂದ ಶಾಖೆಯ ಬೆಳವಣಿಗೆಯ ಹಲವು ಮೈಲಿಗಟ್ಟುಗಳನ್ನು ಕಂಡು ಅನುಭವಿಸಿದ ಸಾವಿರಾರು ಅಧ್ಯಕ್ಷರಾಗಿದ್ದೇವೆ. ನಾವೆಲ್ಲರೂ ಈ ಗತವೈಭವ ಮತ್ತು ಸೋಬಗನ್ನು ಅನ್ವಾದಿಸಲು ಅರ್ಹರಾಗಿದ್ದೇವೆ. 50 ವರ್ಷಗಳ ಸುವರ್ಣ ಪ್ರಯಾಣ ಸ್ಮರಿಸಲು ಅಸಾಧ್ಯ. ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ಕರ್ನಾಟಕ ರಾಜ್ಯದ ಎರಡನೇ ಅತಿದೊಡ್ಡ ಶಾಖೆಯಾಗಿ ಗುರುತಿಸಲು ಪೂರ್ಣ ಪ್ರದಯದ ಕೊಡುಗೆ ನೀಡಿದ ನಮ್ಮ ಶಾಖೆಯ ಎಲ್ಲ ಅಧ್ಯಕ್ಷರು ಮತ್ತು ಸಮಿತಿ ಸದಸ್ಯರಿಗೆ ಧನ್ಯವಾದಗಳು. ಐಸಿಎಐ ಮಂಗಳೂರು ದೃಢವನ್ನು ಎತ್ತರಕ್ಕೆ ಎರಿಸಿದ್ದಕ್ಕಾಗಿ ಇಲ್ಲಿ ಸಿವಿ ಪರಿವಾರ ಮತ್ತು ಎಲ್ಲ ಪಾಲುದಾರರಿಗೆ ನನ್ನ ಹೃತ್ಪೂರ್ವಕ ಕುಠಾರಾಶಯಗಳು. ಎಲ್ಲ ದಿಕ್ಕುಗಳಿಂದಲೂ ಉದಾತ್ತ ಅಲೋಚನೆಗಳು ನನ್ನ ಬಳಿಗೆ ಬರಲಿ.

### ! ಸಿವಿ

### ಎಸ್.ಎಸ್. ನಾಯಕ್

### ಅಧ್ಯಕ್ಷರು ಐಸಿಎಐ

### ಮಂಗಳೂರು

### ಶಾಖೆ



## ಐಸಿಎಐ ಮಂಗಳೂರಿನ 50 ವರ್ಷಗಳ ಯಶೋಗಾಥೆ

1970 ರ ದಶಕದಲ್ಲಿ ಮಂಗಳೂರು ಆಗಿನಲ್ಲೂ ಪುರನೆಯಾಗಿದ್ದಾಗ ಅನೇಕ ಬ್ಯಾಂಕ್‌ಗಳಿಗೆ, ವಿಮಾ ಕಂಪನಿಗಳಿಗೆ, ಹೆಂಚು ಉದ್ಯಮಗಳಿಗೆ ಮತ್ತು ಮೀನುಗಾರಿಕಾ ಉದ್ಯಮಿಗೆ ನೆಲೆಯಾಗಿದ್ದಂತೆ ಕಾಲ. ಮಂಗಳೂರು ನಗರ ಗುಣಮಟ್ಟದ ಶಿಕ್ಷಣದ ಕೇಂದ್ರವಾಗಿ ಅನೇಕ ವಿದ್ಯಾವಂತ ಯುವಕರನ್ನು ಸೃಷ್ಟಿಸಿದೆ. ಇಲ್ಲಿನ ಯುವಕರು ದೇಶ-ವಿದೇಶಗಳಿಗೆ ಸೇವೆ ಒದಗಿಸುವ ಕಾರ್ಯ ಕೈಗೊಂಡಿದ್ದಾರೆ. ಈ ಪ್ರದೇಶದ ಸಮುದಾಯಗಳ ಬಲವಾದ ಹಿನ್ನೆಲೆ ಮತ್ತು ವ್ಯವಹಾರ ಹಣಕಾಸು ಕ್ಷೇತ್ರದ ಅತ್ಯುತ್ತಮ ವ್ಯಕ್ತಿಗಳ ಬೆಳವಣಿಗೆಯನ್ನು ಪೋಷಿಸಿದೆ. ಆದೇ ಚಾರ್ಟರ್ಡ್ ಆಕೌಂಟೆಂಟ್ಸ್, ಈ ಉದ್ಯಮಿಗಳು ಮತ್ತು ಪ್ರವರ್ತಕ ಮನೋಭಾವವನ್ನು ಐಸಿಎಐ ಮಂಗಳೂರಿನ ಇತಿಹಾಸನುದ್ದಕ್ಕೂ ನಾವು ಕಾಣಬಹುದು.

**ವಿಶಿಷ್ಟ ಛಾಪು:** ಹಲವು ವರ್ಷಗಳಿಂದ ಐಸಿಎಐನ ಎಸ್‌ಎಆರ್‌ಸಿಯ ಮಂಗಳೂರು ಶಾಖೆ ತನ್ನದೇ ಆದ ವಿಶಿಷ್ಟ ಛಾಪು ಮೂಡಿಸಿದೆ. 1971ರ ಆಗಸ್ಟ್ 18ರಂದು ಸ್ಥಾಪನೆಯಾದ ಐಸಿಎಐನ ಈ ಶಾಖೆ 50 ವರ್ಷ ಪೂರೈಸಿದೆ. 50 ವರ್ಷಗಳು ಎಂಬುದು ಒಂದು ಸಂಸ್ಥೆಯ ಇತಿಹಾಸದಲ್ಲಿ ಬಹಳ ಸಮಯವಲ್ಲ. ಆದರೆ ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆಯು ಈ ವರ್ಣರಂಜಿತ ತ್ರಿಮಂತ ಇತಿಹಾಸ ಮತ್ತು ಪರಂಪರೆಯಲ್ಲಿ ತಾನೇ ಒಂದು ಸ್ಥಾನವನ್ನು ಪಡೆದುಕೊಂಡಿದೆ.

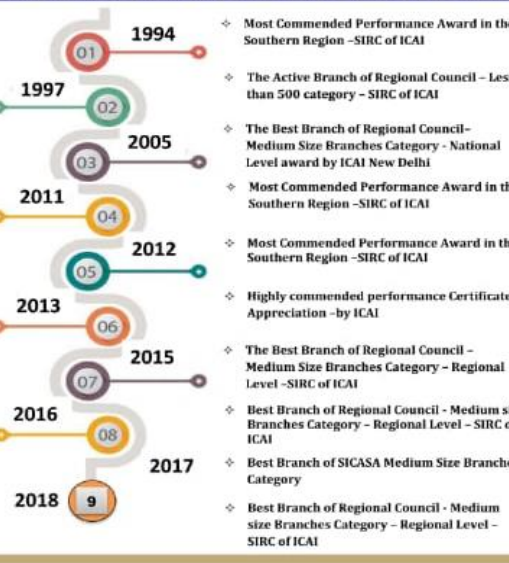
**ಜಾಗತಿಕ ದೃಷ್ಟಿಕೋನ:** ಐಸಿಎಐ ಯಾವಾಗಲೂ ಜಾಗತಿಕ ದೃಷ್ಟಿಕೋನ ಹೊಂದಿದೆ. ಹೆಸರಾಂತ ವ್ಯಕ್ತಿಗಳು, ಪ್ರಖ್ಯಾತ ಕೈಗಾರಿಕೋದ್ಯಮಿಗಳು, ಶಿಕ್ಷಣ ತಜ್ಞರು ಸಂಸ್ಥೆಯು ಆಯೋಜಿಸಿರುವ ವಿವಿಧ ಕಾರ್ಯಕ್ರಮ, ಸೆಮಿನಾರ್ ಮತ್ತು ಸಮಾವೇಶಗಳಲ್ಲಿ ಸಂಸ್ಥೆಯ ಭಾಗವಾಗಿದ್ದಾರೆ. ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ಕೇವಲ ಒಂದು ಪದವಿಯನ್ನು ನೀಡುವುದಲ್ಲದೆ, ಭವಿಷ್ಯದ ಉದ್ಯಮಿ ಮುಖಂಡರಿಗೆ ಸಮಾಜದ ಆಗತ್ಯಗಳಿಗೆ ಸ್ಪಂದಿಸಲು ಪ್ರೇರಣೆ ನೀಡುವಂಥ ಶಿಕ್ಷಣವನ್ನೂ ಒದಗಿಸುತ್ತದೆ. ಅತ್ಯುತ್ತಮ ಅನ್ವೇಷಣೆ, ಸಾಧಾರಣತೆಗಾಗಿ ಎಂದಿಗೂ ನೆಲೆಗೊಳ್ಳುವ ನಿಲುವು ಹಾಗೂ ಯಾವಾಗಲೂ ಉತ್ಕೃಷ್ಟತೆಯನ್ನು ಹೊಂದುವ ದೃಢ ಸಂಕಲ್ಪ, ಇವುಗಳೇ ಐಸಿಎಐಯನ್ನು ಇತರ ಸಂಸ್ಥೆಗಳಿಂದ ಪ್ರತ್ಯೇಕಿಸುವ ಪ್ರಮುಖ ಲಕ್ಷಣವಾಗಿದೆ ಎಂದರೆ ತಪ್ಪಾಗಲಾರದು.

ಐಸಿಎಐಯನ್ನು ಇತರ ಸಂಸ್ಥೆಗಳಿಂದ ಪ್ರತ್ಯೇಕಿಸುವ ಪ್ರಮುಖ ಲಕ್ಷಣವಾಗಿದೆ ಎಂದರೆ ತಪ್ಪಾಗಲಾರದು. ಐಸಿಎಐನ ಎಸ್‌ಎಆರ್‌ಸಿಯ ಮಂಗಳೂರು ಶಾಖೆಯ ಸುವರ್ಣ ಮಹೋತ್ಸವ ಆಚರಿಸಿದ್ದು, ಅಧ್ಯಕ್ಷ ಸಿವಿ ಎಸ್.ಎಸ್. ನಾಯಕ್ ಮತ್ತು ಹಿಂದಿನ ಎಲ್ಲ ಅಧ್ಯಕ್ಷರ ಸಮರ್ಥ ನಾಯಕತ್ವದಲ್ಲಿ ರಾಷ್ಟ್ರ ಸೇವೆಯ ಕಾರ್ಯ ಮುಂದುವರಿಸಿದೆ.

### ಮಂಗಳೂರು ಐಸಿಎಐನ ಕೊಡುಗೆಗಳು

- 750 ಕ್ಲಸ್ಟರ್ ಸದಸ್ಯರು ಮತ್ತು 3500 ಕ್ಲಸ್ಟರ್ ವಿದ್ಯಾರ್ಥಿಗಳ ಮಂಗಳೂರು ಶಾಖೆಯೊಂದಿಗೆ ದಾಖಲಾಗಿದ್ದಾರೆ. ಕರ್ನಾಟಕ ರಾಜ್ಯದ ಎರಡನೇ ಅತಿದೊಡ್ಡ ಶಾಖೆಯಾಗಿದೆ.
- ಸಿವಿ, ಸಿವಿ ವಿದ್ಯಾರ್ಥಿಗಳು, ಕೈಗಾರಿಕೋದ್ಯಮಿಗಳು, ತೆರಿಗೆ ಪಾವತಿದಾರರು ಮತ್ತು ವಿವಿಧ ಪಾಲುದಾರರ ಭಾಗವಹಿಸುವಿಕೆ ಸೇರಿದಂತೆ ಪ್ರತಿವರ್ಷ ಬಜೆಟ್ ಅಧಿವೇಶನ ನಡೆಸಲಾಗುತ್ತದೆ.
- ಬಜೆಟ್‌ಪೂರ್ವ ಜ್ಞಾಪಕ ಪತ್ರ ನಿಧಿಪಡಿಸುವಲ್ಲಿ ರಾಜ್ಯ ಮತ್ತು ಕೇಂದ್ರ ಸರ್ಕಾರಕ್ಕೆ ಪ್ರಾತಿನಿಧ್ಯ.
- ತೆರಿಗೆ ಪಾವತಿದಾರರನ್ನು ತಲುಪಲು ಮತ್ತು ತೆರಿಗೆ ಸಂಗ್ರಹ ಹೆಚ್ಚಿಸುವಲ್ಲಿ ಆದಾಯ ತೆರಿಗೆ ಇಲಾಖೆ, ಜಿಎಸ್‌ಟಿ ಇಲಾಖೆಗಳೊಂದಿಗೆ ಜಂಟಿ ಕಾರ್ಯಕ್ರಮಗಳನ್ನು ನಡೆಸಿದೆ.
- ಜಿಎಸ್‌ಟಿ ಪರಿಚಯದ ಸಮಯದಲ್ಲಿ ವಿವಿಧ ಪೂರ್ವ ಮತ್ತು ನಂತರದ ಜಿಎಸ್‌ಟಿ ಸೆಮಿನಾರ್‌ಗಳನ್ನು ನಡೆಸಿದೆ.
- ಸಿವಿ, ಸಿವಿ ವಿದ್ಯಾರ್ಥಿಗಳು ಮತ್ತು ಸಾರ್ವಜನಿಕರಿಗಾಗಿ ರಾಷ್ಟ್ರೀಯ ಸಮ್ಮೇಳನಗಳು, ಶೈಕ್ಷಣಿಕ ಕಾರ್ಯಕ್ರಮಗಳಲ್ಲಿ ಇತರ ಸಂಸ್ಥೆಗಳೊಂದಿಗೆ ಸಮನ್ವಯ.
- ಭಾರತೀಯ ರೆಡ್‌ಕ್ರಾಸ್ ಸೋಸೈಟಿ ಸಹಯೋಗದಲ್ಲಿ ರಕ್ತದಾನ ಶಿಬಿರ ಸಹಿತ ವಿವಿಧ ಸಾರ್ವಜನಿಕ ಜಾಗತಿಕ ಕಾರ್ಯಕ್ರಮ ನಡೆಸಿದೆ.
- ವಿದ್ಯಾರ್ಥಿಗಳ ಭವಿಷ್ಯದ ಪ್ರಯತ್ನಗಳಿಗಾಗಿ ವಿವಿಧ ಆಯಾಮಗಳಲ್ಲಿ ತರಬೇತಿ ನೀಡುತ್ತಿದೆ.
- ಶಾಲೆಗಳು ಮತ್ತು ಕಾಲೇಜುಗಳಲ್ಲಿ ವೃತ್ತಿ ಸಮಾಲೋಚನೆ ಕಾರ್ಯಕ್ರಮಗಳು, ಸಾಮಾಜಿಕ ಅನುಕೂಲಕ್ಕಾಗಿ ಉಪಯುಕ್ತ ಕಾರ್ಯಕ್ರಮಗಳನ್ನು ನಡೆಸುತ್ತಿದೆ.
- ಶಾಸನಗಳು ಮತ್ತು ಹೊಸ ಕಾನೂನುಗಳಲ್ಲಿ ವಿವಿಧ ತಿದ್ದುಪಡಿಗಳನ್ನು ಪರಿಚಯಿಸಿದಾಗ ಸೆಮಿನಾರ್‌ಗಳು ಮತ್ತು ಕಾರ್ಯಾಗಾರಗಳನ್ನು ನಡೆಸುವುದು.
- ವಿವಿಧ ರಾಷ್ಟ್ರೀಯ ದಿನಗಳನ್ನು ಆಚರಿಸುವುದು. ಎಂಎಸ್‌ಎಂಇಗಳಿಗೆ ಸಂಬಂಧಿಸಿದ ವಿಷಯಗಳಿಗೆ ಸಹಾಯ ಮಾಡುವುದು.

### ICAI MANGALURU JOURNEY OVER 50 YEARS





## ಸಿಎ ಸಾಧಕ ವಿದ್ಯಾರ್ಥಿಗಳಿಗೆ ಐಸಿಎಐ ಸನ್ಮಾನ

ಮಂಗಳೂರು: ಭಾರತೀಯ ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ಸಂಘ ಚಾರ್ಟರ್ಡ್ ಅಕೌಂಟೆಂಟ್ಸ್ ಅಂತಿಮ ಫಲಿತಾಂಶ ಘೋಷಿಸಿದೆ. ಸುವರ್ಣ ಮಹೋತ್ಸವ ವರ್ಷ ಆಚರಿಸುತ್ತಿರುವ ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆಯಿಂದ 29 ಸಿಎ ವಿದ್ಯಾರ್ಥಿಗಳು ಉತ್ತೀರ್ಣರಾಗಿದ್ದಾರೆ ಎಂದು ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆಯ ಅಧ್ಯಕ್ಷ ಸಿಎ ಎಸ್. ಎಸ್. ನಾಯಕ್ ತಿಳಿಸಿದ್ದಾರೆ.

ಮಂಗಳೂರಿನ ಅಕ್ಷಯ ಕುಮಾರ್ ಅಖಿಲ ಭಾರತ ಮಟ್ಟದಲ್ಲಿ ಅರನೇ ರ್ಯಾಂಕ್ ಪಡೆದಿದ್ದಾರೆ. ಉತ್ತೀರ್ಣರಾದ ವಿದ್ಯಾರ್ಥಿಗಳಿಗೆ ಐಸಿಎಐ ವತಿಯಿಂದ

ಅಭಿನಂದನಾ ಸಮಾರಂಭ ಏರ್ಪಡಿಸಲಾಗಿತ್ತು. ಸುಪ್ರೀಂ ಕೋರ್ಟ್ ವಕೀಲ ಎಂ.ವಿ.ಕಿಣಿ, ಕ್ರೆಡೆನ್ಸ್ ಮಂಗಳೂರು ಅಧ್ಯಕ್ಷ ಡಿ.ಬಿ.ಮೆಹ್ತಾ ಉಪಸ್ಥಿತರಿದ್ದರು.

ಅಧ್ಯಕ್ಷತೆ ವಹಿಸಿದ್ದ ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ಅಧ್ಯಕ್ಷ ಸಿಎ ಎಸ್.ಎಸ್.ನಾಯಕ್ ಮಾತನಾಡಿ, ಅಸಾಧಾರಣ ಮಟ್ಟದ ಸಾಧನೆಗಳನ್ನು ಮಾಡಿದ ಮತ್ತು ಅವರ ಗುರಿಗಳಿಗೆ ಬದ್ಧರಾಗಿರುವ ಸದಸ್ಯರು ಮತ್ತು ವಿದ್ಯಾರ್ಥಿಗಳನ್ನು ಗೌರವಿಸಲಾಗಿದೆ. ಶಾಖೆಯು 2020-21ರಲ್ಲಿ ತನ್ನ ಸುವರ್ಣ ಮಹೋತ್ಸವ ವರ್ಷ ಆಚರಿಸುತ್ತಿದೆ ಎಂದರು.



ಚಾರ್ಟರ್ಡ್ ಅಕೌಂಟೆಂಟ್ಸ್ ಅಂತಿಮ ಪರೀಕ್ಷೆಯಲ್ಲಿ ಉತ್ತೀರ್ಣರಾದ ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆಯ ವಿದ್ಯಾರ್ಥಿಗಳನ್ನು ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ಅಧ್ಯಕ್ಷ ಸಿಎ ಎಸ್.ಎಸ್.ನಾಯಕ್ ಅಧ್ಯಕ್ಷತೆಯಲ್ಲಿ ಗೌರವಿಸಲಾಯಿತು.

## ವಿವಾದ್ ಸೆ ವಿಶ್ವಾಸ್ ಯೋಜನೆ ಸಭೆ



ಬೆಂಗಳೂರಿನ ಆದಾಯ ತೆರಿಗೆ ಆಯುಕ್ತ ಡಿ.ಸುಧಾಕರ ರಾವ್ ಅವರನ್ನು ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆ ಅಧ್ಯಕ್ಷ ಸಿಎ ಎಸ್.ಎಸ್.ನಾಯಕ್ ಸನ್ಮಾನಿಸಿದರು.

ಮಂಗಳೂರು: ಆದಾಯ ತೆರಿಗೆ ಇಲಾಖೆ ವತಿಯಿಂದ ವಿವಾದ್ ಸೆ ವಿಶ್ವಾಸ್ ಯೋಜನೆ(ವಿಎಸ್‌ವಿಎಸ್) ಬಗ್ಗೆ ಮಂಗಳೂರಿನ ಚಾರ್ಟರ್ಡ್ ಅಕೌಂಟೆಂಟ್ಸ್ ಗಳೊಂದಿಗೆ ಬೆಂಗಳೂರಿನ ಆದಾಯ ತೆರಿಗೆ ಆಯುಕ್ತರು ಶುಕ್ರವಾರ ಜಂಟಿ ಸಭೆ ನಡೆಸಿದರು. ಬೆಂಗಳೂರಿನ ಆದಾಯ ತೆರಿಗೆ ಆಯುಕ್ತ ಡಿ.ಸುಧಾಕರ ರಾವ್ ಅವರು ಮಂಗಳೂರಿನ ಚಾರ್ಟರ್ಡ್ ಅಕೌಂಟೆಂಟ್ಸ್‌ಗಳೊಂದಿಗೆ ಸಂವಹನ ನಡೆಸಿ, ವಿಎಸ್‌ವಿಎಸ್ ಯೋಜನೆಯ ಯಶಸ್ಸಿಗೆ ಸಿಎ ಮತ್ತು ತೆರಿಗೆ ಪಾವತಿದಾರರ ಸಂಪೂರ್ಣ ಬೆಂಬಲ ಕೋರಿದರು. ಇದೇ ಸಂದರ್ಭ ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆಯ ಅಧ್ಯಕ್ಷ ಸಿಎ ಎಸ್.ಎಸ್.ನಾಯಕ್ ಮತ್ತು ಸಿಎ ಕೆ.ಎಸ್.ಕಾಮತ್ ಅವರು ಡಿ.ಸುಧಾಕರ ರಾವ್ ಅವರನ್ನು ಸನ್ಮಾನಿಸಿದರು. ಹೆಚ್ಚುವರಿ ಆದಾಯ ತೆರಿಗೆ ಆಯುಕ್ತ ಸುಮೇಶ್ ಸಿಂಗ್ ಮೀನಾ, ಅತಿಶ್ ಶುಕ್ಲಾ, ಸುಧೀಂದ್ರ ಕುಮಾರ್ ಮತ್ತು ಮಂಗಳೂರಿನ ಹಿರಿಯ ಲೆಕ್ಕ ಪರಿಶೋಧಕರು ಉಪಸ್ಥಿತರಿದ್ದರು.

## ಐಸಿಎಐ: ಡಿಸಿಎಂಗೆ ಪೂರ್ವ ಬಜೆಟ್ ಜ್ಞಾಪನ ಪತ್ರ ಸಲ್ಲಿಕೆ

ಮಹಾನಗರ, ಫೆ. 26: ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆಯ ವತಿಯಿಂದ ಪೂರ್ವ ಬಜೆಟ್ ಜ್ಞಾಪನ ಪತ್ರವನ್ನು ಉಪ ಮುಖ್ಯಮಂತ್ರಿ ಡಾ|| ಅಶ್ವತ್ಥ ನಾರಾಯಣ್ ಸಿ.ಎನ್. ಹಾಗೂ ಸಂಸದ ನಳನ್ ಕುಮಾರ್ ಕಟೀಲು ಅವರಿಗೆ ಫೆ. 24ರಂದು ಜರಗಿದ ಇನ್‌ಫೋರ್ಮೇಶನ್ ಕಾನ್‌ಕ್ಲೇವ್‌ನಲ್ಲಿ ಸಲ್ಲಿಸಲಾಯಿತು.

ನಿಕಟಪೂರ್ವ ಅಧ್ಯಕ್ಷ ಎಸ್.ಎಸ್. ನಾಯಕ್, ಅಧ್ಯಕ್ಷ ಕೆ.ಎಸ್. ಕಾಮತ್, ಉಪಾಧ್ಯಕ್ಷ ಅಬ್ದುಲ್ ರಹಮಾನ್ ಮುನ್ಯಾ ಕಾರ್ಯದರ್ಶಿ ಪ್ರಸನ್ನ ಶೆಟ್ಟಿ, ಖಜಾಂಚಿ ಗೌತಮ್ ನಾಯಕ್, ವಿದ್ಯಾರ್ಥಿ ಸಮಿತಿಯ ಅಧ್ಯಕ್ಷ ಗೌತಮ್ ಫೈ, ಮಾಜಿ ಅಧ್ಯಕ್ಷ ಅನಂತ ಪದ್ಮನಾಭ ಕೆ. ಮೊದಲಾದವರು



ಬಜೆಟ್ ಜ್ಞಾಪನ ಪತ್ರವನ್ನು ಸಲ್ಲಿಸಲಾಯಿತು.

ಉಪಸ್ಥಿತರಿದ್ದರು.

2021ರ ಬಜೆಟ್‌ಗೆ ಸಂಬಂಧಿಸಿದ 33 ಅಂಶಗಳು ಮತ್ತು ಸಲಹೆಗಳನ್ನು

ಒಳಗೊಂಡ ಪೂರ್ವ ಬಜೆಟ್ ಜ್ಞಾಪಕ ಪತ್ರವನ್ನು ಮಂಡಿಸಿದರು.

ಡಾ|| ಅಶ್ವತ್ಥ ನಾರಾಯಣ್ ಸಿ.ಎನ್.

ಅವರು ಐಸಿಎಐ ಮಂಗಳೂರು ಶಾಖೆಯ ಹೊಸ ಅಧ್ಯಕ್ಷ ಕೆ.ಎಸ್. ಕಾಮತ್ ಅವರನ್ನು ಅಭಿನಂದಿಸಿದರು.



# BANK AUDIT

- What is it?
- How to do?
- Procedure
- Strategies



## INTRODUCTION:

Banks are dealing in other people's money. Large number of people have deposited their hard earned money in Bank with faith and confidence that they will get their money back in times of their requirement. Hence, it is imperative on the part of the Bank's management, to ensure that the funds of the bank are properly deployed and there is no lapses while lending or investing, in documentation, which may ultimately affect the recovery of loan, post disbursement follow up and recovery and accounting for revenue. As a control method, almost all the banks appoint, either external or internal persons to carry out all or any one of the following audits:

- Risk Based Internal Audit
- Concurrent Audit
- Statutory Audit
- Credit Audit
- Stock Audit
- Snap Audit/ Special Audit
- RBI Inspection
- Revenue Audit
- Information Systems Audit
- Credit and legal Audit
- Forensic Audit/ Fraud Audit: It is a meticulous review of financial documents when a fraud is suspected. Some entities do them as precaution to prevent fraud from happening & to catch it before the loss magnifies.

In this article we have made an attempt to throw light on the various activities of the bank and what should be the approach of the statutory branch auditor while perform their attest functions:

## FUNCTIONS OF THE BANKS:

- Acceptance of deposits :  
Banks accepts deposits in the form of Savings Bank Deposits, Current Account Deposits & Term Deposits. Individuals are allowed to open savings bank account and any persons who is in business and trusts, AOPs are allowed to open and operate current accounts. Interest is paid within the range of 2 to 3% on SB, and 3 to 6% on Time Deposits. No interest is paid on current Deposits.
- Lending of Funds :  
Banks cannot afford to keep money idle. It has to lend the money to the needy and earn interest to service interest on Deposits and to meet its administrative cost. Generally the banks lend for the following purposes:
  - a) Housing Loans, Education Loans, Vehicle Loans
  - b) Loan against Fixed Deposits, LIC, Shares, NSC, KVP , Gold Loans etc.,
  - c) Unsecured personal Loans
  - d) Agricultural Loans
  - e) Industrial Loans
  - f) Loans under various government Schemes etc.,
  - g) Cash Credit and Overdrafts for working capital requirements

- Acts as **financial intermediary** (Financial Advisory, Broking, Insurance services, Merchant Banking). For the services rendered the Banks get fee based revenue.
- Some of the Banks are authorized to **deal in Foreign Exchange** and perform the role of money exchangers and such other activities as permitted by the RBI and FEMA.
- **Issue of non-fund based facilities** such as Bank Guarantee, Inland and Foreign LC, acceptance on behalf of customer which will generate again income in the form of commission.
- **Remittance of funds** through RTGS, NEFT etc.,
- **Other facilities** such as Safe Deposit Lockers, Safe custody services, on a yearly rental basis etc.,
- **Government business** such as acceptance of PPF, Receipt of Income Tax, GST, Stamp Duty etc.,
- **Other Services** as may be permitted by RBI from time to time.

### STATUTORY AUDIT OF BRANCHES:

#### INITIAL CONSIDERATIONS & UNDERSTANDING OF BANK'S BUSINESS

- ▶ Before accepting the Audit, the Branch Auditor has to ascertain that he is not indebted to the Bank, appointment for any other Internal Assignments if any with the same Bank, if already not completed, is terminated.
- ▶ He has to understand the Terms of Audit Engagements
- ▶ He has to communicate his appointment with the Previous Auditor and his objections if any be sought for.
- ▶ He has to Understand the various business transacted at the branch and Its Environment including Internal Control
- ▶ Understand the Bank's Accounting Process
- ▶ Understanding the Risk Management Process

#### PLANNING:

- ▶ **Once the audit is accepted, the auditor has to do the necessary planning.** The time at the disposal of the Auditor to complete the Statutory Branch audit is limited. Keeping this point in view he has to plan the audit procedure in such a way that, each and every aspect of the financial statements are verified and can form an opinion, that there is no material misstatement in the records / financial statements produced for the audit.
- ▶ **Audit Plan needs to be properly documented** with respect to its timing, extent of checking, audit procedures to be followed at assertion level and should be flexible and updated or changed, as and when necessary.
- ▶ **Establish Engagement Team:** The size and composition of the engagement team would depend on the size, nature, and complexity of the bank's operations. Qualified and experienced professionals need to be included in the team.
- ▶ **The auditor has to assess the risks** such as risk of money laundering, risk of misstatement, Risk associated with outsourcing services if any etc., and discuss the same with engagement Team and prepare response sheet for the associated risks.

### AUDIT PROCESS:

#### 1) VERIFICATION OF CASH AND SECURITY ITEMS :

Surprise verification of cash is to be done, if possible on the closing hours of 31<sup>st</sup> of March. However, for any reasons, if it is not possible to verify on 31<sup>st</sup> March, it is advisable for the auditor to carry out the cash verification on the date of commencement of audit either at the beginning or at the end of the day. High value security items such as unused DD & Pay Order stationery, Fixed Assets, Gold packets taken as security for gold loan etc., also needs to be physically verified. The number of gold packets to tally with number of live gold loan account and any differences needs to be properly reconciled by the Branch. Gold packets are normally sealed. If the auditor intend to verify the purity of the gold by opening the packet it is to be done in the presence of gold appraiser, who is not associated to the branch while lending gold loans.



## 2) VERIFICATION OF BORROWAL ACCOUNT :

- ▶ Select borrowal account with limits / outstanding more than 10% of total exposure which are sanctioned / disbursed during the audit period. Verification needs to be done with respect to the completeness of application, appraisal, sanction within delegated power, compliance of all sanction terms, documentation, and payment of stamp duty for the documents and end use of the funds lent. Any deviation needs to be reported in LFAR. The Banks appraise the borrower's ability to repay, based on his Capital, Character, Capacity, Cash Flow, Collaterals, Control, Conditions existing (economic) etc., Auditor to ensure that all these aspects are properly taken care of by the sanctioning authority before sanction of credit facility. He has to obtain delegation of power chart for his record and ensure that the limit sanctioned are within the powers of respective authority.
- ▶ Verify all cash credit account and overdraft account and check whether they are renewed and if not, it needs to be reported in LFAR. If not renewed within 180 days from the due date, it needs to be classified as NPA.
- ▶ Balance Confirmation / Acknowledgment of Debts needs to be obtained at periodical intervals and non-compliance of the same needs to be reported in LFAR. If AOD is obtained, it is to be ensured that it is properly stamped as per the State Stamp Act.
- ▶ With respect to non-corporate borrowal account with limit a particular limit fixed by the Bank, Audited Financial Statement is a must and the same needs to be verified and reported in LFAR. The variation in various figures stated in Audited FS with the stock and book debt statement, Turnover etc., to be reported.
- ▶ List of Special Mention Account (SMA) or loan overdue statement may be obtained and checked with borrower's statement of account on sample basis to satisfy himself that the SMA report generated is reliable. Comparing the SMA statement of previous months with the SMA statement of 31<sup>st</sup> March and verification of account which does not appear in the month of March will reflect manipulation, if any, committed.

### Post disbursement review / monitoring of Borrowal Account:

- ▶ Auditor has to verify the stock and book debt statements, Quarterly Information Report, Audited Financial Statements submitted by the borrower etc., at regular intervals and non-submission / irregularities needs to be reported.
- ▶ Unit Inspection Report by the Branch as per the extant guidelines and Stock Audit Report by the external Auditors is to be perused for any adverse remarks.
- ▶ The turnover in the account needs to be verified and underutilization or overdrawing of the Limit needs to be commented upon.
- ▶ Renewal of CC/OD account & review of other term loan accounts needs to be looked into.
- ▶ Branch to obtain valuation report on security linked to NPA account on yearly basis and for regular account at an interval of every three year and this aspect to be looked into.
- ▶ The validity and adequacy of Insurance on security given as main and collateral security to be verified and commented upon.
- ▶ Insurance policies to be verified for hypothecation of Bank's charge being noted on the policy.
- ▶ Auditor has to verify that registration with CERSAI, RTA, Mortgages and ROC (Companies) is done.

## 3) VERIFICATION OF MONEY AT CALL & SHORT NOTICE

Money at call & Short notice represents short term investment of surplus funds in the money market. Money lent for one day is money at 'call' while money lent for a period of more than one day and up to 14 days is money at 'short notice'. Investments are normally done by the treasury wing of the Bank and may not be reflected in Financial Statements of the Branch.

## AUDIT CONSIDERATIONS

- ▶ Proper authorization, general or specific for lending of the money at call or short notice.
- ▶ Call loans should be verified with the certificates of the borrowers and the call loan receipts held by the bank.
- ▶ Examine that the money market borrowing or lending for more than 14 days are not classified under this head, but are classified as “deposit” or “advances”, depending upon the nature of lending and the parties to whom the money has been lent.
- ▶ Examine whether the interest has been properly accrued and accounted for on year-end outstanding balances of money at call and short notice.

### 4) AUDIT CONSIDERATION WITH RESPECT TO DEPOSITS:

Auditor has to verify whether

- ▶ The branch has complied with the KYC guidelines such as obtaining of Photograph, ID Proof and address proof and account opening form is duly filled up.
- ▶ The copy of the PAN Card is obtained for newly opened account unless specifically exempted.
- ▶ The KYC documents are verified with the originals by the Branch Officials.
- ▶ The accounts are verified by the Branch from the view point of money laundering.
- ▶ TDS on interest on deposits wherever applicable is properly done and remitted to the government.
- ▶ The proceeds from Indian source are not credited to NRE account.
- ▶ With respect to Jointly held NRE account, both the account holders are NRIs
- ▶ TDS is done on NRO SB account also.

### 5) CLAIMS OUTSTANDING AGAINST THE BANK NOT ACKNOWLEDGED AS DEBT:

The auditor should ascertain from the management, the status of the claims outstanding as at the end of the year. Relevant evidences such as correspondence with lawyers, claimants, workers, officers, unions and also the minutes of the meetings of Board of Directors / committees may be looked into.

### 6) OTHER ACCEPTANCES AND ENDORSEMENTS.

The auditor should study the arrangements made by the Bank with its customer. He should test check the amount of the bill with the register maintained by the Bank for such bills. The auditor should also examine whether such bills are marked off in the register on payment at the time of the maturity.

### 7) BILLS FOR COLLECTION

Bills for Collection means the handling by banks of documents (financial and/or commercial documents) in accordance with instructions received, in order to: Obtain payment and/or acceptance; or Deliver documents against payment and/or against acceptance; or Deliver documents on other terms and conditions.

Auditor has to verify that the Bank is complying with the instruction of its customer and there are no long pending bills with the branches for want of payment or acceptance.

### 8) BANK GUARANTEE (NON FUND BASED)

A bank guarantee is when a bank offers surety and guarantees for different business obligation on behalf of their customers within certain regulations.

#### Bank Guarantee (BG) Eligibility and Process

The customer who wishes to avail the facility of BG must meet the following criteria:

- ▶ Good financial record
- ▶ Must have previous banking history





- ▶ Creditworthiness
- ▶ Liquidity
- ▶ CRISIL and CIBIL rating of the applicant must be satisfactory
- ▶ Beneficiary details must be provided

### Types of Bank Guarantee

<u>Financial Guarantee</u>	<u>Performance Guarantee</u>
Issued in lieu of security deposits	Issued for the performance or an obligation of a contract

#### AUDIT CONSIDERATIONS

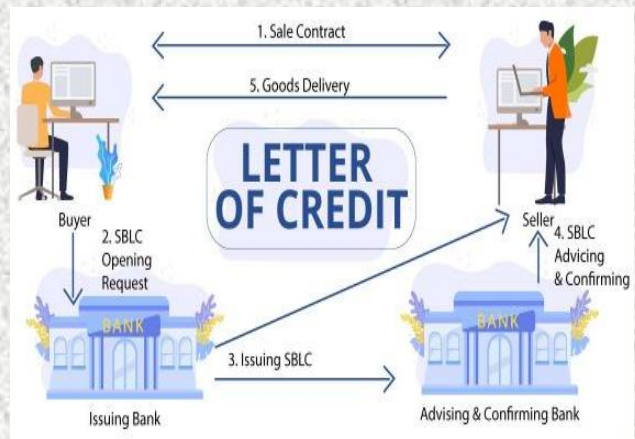
- ▶ Check the BG's issued, whether they have been properly worded and recorded in the register of the bank and is approved by the Bank's legal department.
- ▶ Check whether proper documents such as DPN if any applicable and counter guarantee by the customer is obtained.
- ▶ Check whether they have been promptly renewed on the due dates
- ▶ Check whether appropriate security has been obtained. (100% of fixed deposit or against collateral subject to assessment of customer's past performance).
- ▶ Bank guarantees register to be obtained and the total of the outstanding guarantee as per register to be verified with figures reflected in financial statements as off balance sheet item.
- ▶ The existence of internal control for issuance of guarantee needs to be verified.
- ▶ Accounting for commission on BG needs to be verified.
- ▶ Expired guarantees if not reversed, proper disclosure is to be made in LFAR and MOC may be drawn.
- ▶ Original BG on reversal of the entry to be held on record.

#### 9) LETTER OF CREDIT (NON FUND BASED)

A letter of credit, or "credit letter" is a letter from a bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. In the event that the buyer is unable to make a payment on the purchase, the bank will be required to cover the full or remaining amount of the purchase.

#### AUDIT CONSIDERATION:

The auditor should examine whether in case of LCs for import of goods, the payment to overseas supplier is made on the basis of shipping documents after ensuring that the said documents are in strict conformity with the terms of LC.



#### 10) VERIFICATION OF PROFIT AND LOSS ACCOUNT:

- ▶ Under CBS environment, there is no option for the Branch Officials to change the rate of interest on Fixed Deposits or on advances. The Interest Rates are fed into the system and based on the category of loan or deposit, the rate of interest get auto populated. However, auditors may check the rate of interest on random basis as a part of IS Audit.
- ▶ Similarly, the auditor has to randomly check penal charges deducted on premature closure of Fixed Deposits, penal charges for late submission of stock and book debt statements, charges for issue of Cheque books, folio charges, processing charges etc. on random basis.
- ▶ Auditor has to verify there is no large amount of seepage with respect to commission and fee based income such as on account of BG, LC, Insurance Business, MF Business, etc.,

- ▶ Salary computation to staffs and payment are centralized. Auditor has to ensure that if any debits other than those originating from respective department are done under proper authority / sanction.
- ▶ Auditor has to ensure that all other expenses such as Electricity, Rent, Printing and Stationery, maintenance etc., are within the powers of the Branch Manager.

## II) VERIFICATION OF RECONCILIATION:

- ▶ General Ledger and Subsidiary Ledger:  
Auditor has to comment upon whether the branch has a system of reconciling general ledger balances with subsidiary ledger in LFAR. Since the branches are 100% computerized, branch officials opine that it is not applicable. However, the auditor may on test check basis, verify & confirm the assertions given by the branch.
- ▶ Current Account balances with other Banks:  
Some of the banks especially those which have only limited branches and which do not have currency chest, normally maintain a current account with other bank for the purpose of deposit of excess cash, so that subsequently funds may be transferred to their Head. Auditor has to verify the need for maintenance of such accounts and ensure that the accounts are reconciled and some entries are test checked to understand the nature of transaction.
- ▶ Inter Branch Adjustment Account:  
Inter Branch reconciliation statement to be called for and long unadjusted entries if any may be commented upon.

## 12) VERIFICATION OF SUSPENSE ACCOUNT:

Auditor has to call for the list of suspense accounts (or accounts used as such), which are used to park the unadjusted entries and its clearance. The entries in these accounts needs to be scrutinized and long pending entries remaining unadjusted and unusual transactions if any are to be reported in LFAR.

## 13) REPORTING ON FRAUDS:

The Auditor has to call for the details of frauds if any reported at the branch. The correspondence in this respect with controlling authorities may be perused and needs to be reported in LFAR.

## 14) ASSET CLASSIFICATION:

Auditor has to ensure the following IRAC norms by the RBI are complied with:

### NON PERFORMING ASSETS:

An asset, including a leased asset, becomes Non-Performing when it ceases to generate income for the bank. A Non-Performing asset (NPA) is a loan or an advance where;

- i. Interest and/ or instalment of principal remain overdue for a period of more than 90 days in respect of a term loan,
- ii. The account remains 'out of order', in respect of an overdraft/cash credit (od/cc),
- iii. The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- iv. The instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
- v. The instalment of principal or interest thereon remains overdue for one crop season for long duration crops,
- vi. The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitisation transaction undertaken in terms of guidelines on securitisation dated February 1, 2006.



- vii. In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

In case of interest payments, banks should, classify an account as NPA only if the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter.

### 'OUT OF ORDER' STATUS

An account should be treated as 'out of order' if

- I) The outstanding balance remains continuously in excess of the sanctioned limit/drawing power for 90 days.
- II) In cases where the outstanding balance in the principal operating account is less than the sanctioned limit/drawing power, but there are no credits continuously for 90 days as on the date of Balance Sheet or credits are not enough to cover the interest debited during the same period, these accounts should be treated as 'out of order'.
- III) Drawing power is required to be arrived at based on the stock statement which is current. However, considering the difficulties of large borrowers, stock statements relied upon by the banks for determining drawing power should not be older than three months. The outstanding in the account based on drawing power calculated from stock statements older than three months, would be deemed as irregular. A working capital borrowal account will become NPA if such irregular drawings are permitted in the account for a continuous period of 90 days even though the unit may be working or the borrower's financial position is satisfactory.
- IV) Regular and ad hoc credit limits need to be reviewed/ regularised not later than three months from the due date/date of ad hoc sanction. In case of constraints such as non-availability of financial statements and other data from the borrowers, the branch should furnish evidence to show that renewal/ review of credit limits is already on and would be completed soon. In any case, delay beyond six months is not considered desirable as a general discipline. Hence, an account where the regular/ ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date/ date of ad hoc sanction will be treated as NPA.

**'Overdue':** Any amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank.

**Categories of NPAs:** Banks are required to classify non-performing assets further into the following three categories based on the period for which the asset has remained non-performing and the reliability of the dues:

Categories of Non-Performing Assets:	Provision required
<ul style="list-style-type: none"> <li>● <b>Substandard Assets:</b> Would be one, which has remained NPA for a period less than or equal to 12 months.</li> </ul>	15%
<ul style="list-style-type: none"> <li>● <b>Doubtful Assets:</b> Would be one, which has remained in the substandard category for a period of 12 months.</li> </ul>	(Secured + Unsecured)
<b>Sub-categories:</b> Doubtful up to 1 Year (D1) Doubtful 1 to 3 Years (D2) Doubtful more than 3 Years (D3)	25% + 100% 40% + 100% 100% + 100%
<ul style="list-style-type: none"> <li>● <b>Loss Assets:</b> Would be one, where loss has been identified by the bank or internal or external auditors or the RBI inspection but the amount has not been written off wholly.</li> </ul>	100%

Note: The 'unsecured exposures' which are identified as 'substandard' would attract additional provision of 10 per cent, i.e., a total of 25 per cent on the outstanding balance

## 15) INCOME RECOGNITION

### **Income Recognition Policy:**

The policy of income recognition has to be objective and based on the record of recovery. The banks should not charge and take to income account, interest on any NPA. **This will apply to Government guaranteed accounts also.**

However, interest on advances against Term Deposits, National Savings Certificates (NSCs), Indira VikasPatras (IVPs), KisanVikasPatras (KVPs) and Life policies may be taken to income account on the due date, provided adequate margin is available in the accounts.

### **Reversal of income**

If any advance, including bills purchased and discounted, becomes NPA, the entire interest accrued and credited to income account in the past periods, should be reversed if the same is not realised. **This will apply to Government guaranteed accounts also.**

## 16) REPORTING / CERTIFICATION:

The Branch Auditors have to report/certify on the following aspects:

- 1) True and Fair View on Financial Statement by way of Independent Auditor's Report
- 2) Long Form Audit Report (LFAR)- Findings based on the above verification process
- 3) Tax Audit Report – Most of the particulars are prefilled and the reporting includes information such as expenses in excess of Rs.10,000 in cash (Section 40A(3)), Expenditure of Capital Nature, Expenditure at Clubs, TDS provisions, filing of TDS Returns etc.,
- 4) Certification on interest subvention given by the Government through various schemes.

## 17) PRACTICAL DIFFICULTIES:

- 1) The Bank Expects the auditor to commence the audit immediately say on 1<sup>st</sup> or 2<sup>nd</sup> of April, but the reports get generated in the bank's software only after 5<sup>th</sup> or 6<sup>th</sup>.
- 2) Appointment letters are given in the last week of March sometimes on the night of 31<sup>st</sup> March, leaving no time for auditors to plan in advance.
- 3) Branch officials may not be ready with answers to various query raised by the auditors.
- 4) There may be transfer of key officials in the last month of the year. In such cases the new officials usually express their inability to answer the query of the auditors.
- 5) Branch officials approach the auditors to sign the certificates even after the conclusion of the audit. This is because the branch has no clarity on which format which certificate to obtain.
- 6) Lack of working knowledge of computer to the Manager and their subordinate staffs causing hardship to the auditors.
- 7) No hard copy of the reports such as cash receipt scroll, cash payment scrolls, exception report etc., and no proper back up of the report at the branch causing practical difficulty.



**Latest inclusion in the Indicative Format / Coverage in the Long Form Audit Report (LFAR) by the  
Statutory Branch Auditors (SCB)**

The Auditor has to report his observations on the following additional clauses which are incorporated in LFAR by RBI vide notification no.RBI/2020-21/33 dated 05.09.2020 shall be put into operation for the period covering F.Y.20-21 and onwards

**I. ASSETS**

**a) Cash**

- Does the figure of the balance in the branch books in respect of cash with its ATM(s) tally with the amounts of balances with the respective ATMs, based on the year end scrolls generated by the ATMs? If there is any difference, same should be reported. [1(C)(ii)]

**b) Balances with Reserve Bank of India, State Bank of India and other banks (For branches with Treasury Operations)**

- Where the branch maintains an account with RBI, the following additional matter may be reported: Entries originated prior to, but communicated / recorded after the year end in relation to currency chest operations at the branch/other link branches, involving deposits into/withdrawals from the currency chest attached to such branches (Give details) [2(B)(iv)]

**c) Advances**

**i. Credit Appraisal: [5(b)]**

- Have you come across cases of quick mortality in accounts, where the facility became non-performing within a period of 12 months from the date of first sanction? Details of such accounts may be provided in following manner:-
  - Account No.
  - Account Name
  - Balance as at year end
- Whether in borrowal accounts the applicable interest rate is correctly fed into the system?
- Whether the interest rate is reviewed periodically as per the guidelines applicable to floating rate loans linked to MCLR / EBLR (External Benchmark Lending Rate)?
- Have you come across cases of frequent renewal / rollover of short-term loans? If yes, give the details of such accounts.
- Whether correct and valid credit rating, if available, of the credit facilities of bank's borrowers from RBI accredited Credit Rating Agencies has been fed into the system?

**ii. Sanctioning / Disbursement [5(c)]**

- Did the bank provide loans to companies for buy-back of shares/securities?

**iii. Review/Monitoring/Supervision [5(e)]**

- Is the DP properly computed?
- Whether the latest audited financial statements are obtained for accounts reviewed / renewed during the year?
- Does the branch have on its record, a due diligence report in the form and manner required by the Reserve Bank of India in respect of advances under consortium and multiple banking arrangements. Give the list of accounts where such certificate/report is not obtained or not available on record. (In case, the branch is not the lead bank, copy of certificate/report should be obtained from lead bank for review and record): Whether there is a substantial deterioration in value of security during financial year as per latest valuation report in comparison with earlier valuation report on record?
- Whether the branch has any red-flagged account? If yes, whether any deviations were observed related to compliance of bank's policy related with Red Flag Accounts?
- Comment on adverse features considered significant in top 5 standard large advances and which need management's attention.

iv. Asset Classification, Provisioning of Advances and Resolution of Stressed Assets [5(f)]

- Whether the branch is following the system of classifying the account into SMA-0, SMA-1, and SMA-2. Whether the auditor disagrees with the branch classification of advances into standard (Including SMA-0, SMA-1, SMA-2) / sub-standard / doubtful / loss assets, the details of such advances with reasons should be given.
- Also indicate whether required changes have been incorporated/ suggested in the Memorandum of Changes.
- List the accounts (with outstanding in excess of Rs. 10.00 crore) which have either been downgraded or upgraded with regard to their classification as Non-Performing Asset or Standard Asset during the year and the reason thereof.
- Whether RBI guidelines on income recognition and provisioning have been followed.
- Whether the branch has reported accounts restructured or rephased during the year to Controlling Authority of the bank?
- Whether the RBI Guidelines for restructuring on all such cases have been followed.
- Whether the branch complies with the regulatory stance for resolution of stressed assets, including the compliance with board approved policies in this regard, tracking/reporting of defaults for resolution purposes among others?
- Whether the upgradation in non-performing advances is in line with the norms of Reserve Bank of India
- Where the auditor disagrees with upgradation of accounts? If yes, give reasons thereof.
- Whether there are any accounts wherein process under IBC is mandated but not initiated by the branch?
- Whether there are any borrowers at the branch against whom the process of IBC is initiated by any of the creditors including bank? If yes, provide the list of such accounts and comment on the adequacy of provision made thereto?
- Is the branch prompt in ensuring execution of decrees obtained for recovery from the defaulting borrowers? Give Age-wise analysis of decrees obtained and pending execution.
- Whether in the cases concluded the recoveries have been properly appropriated against the principal /interest as per the policy of the bank?
- In cases where documents are held at centralized processing centres / office, whether the auditor has received the relevant documents as asked by them on test check basis and satisfied themselves. Report the exceptions, if any

d) Other Assets

i. Suspense Accounts/Sundry Assets [6(a)]

- Does your test check indicate any unusual items in these accounts? If so, report their nature and the amounts involved. Are there any intangible items under this head e.g. losses not provided/ pending investigation?

## II. LIABILITIES

a) Deposits

- Whether the scheme of automatic renewal of deposits applies to FCNR(B) deposits? Where such deposits have been renewed, report whether the branch has satisfied itself as to the 'non-resident status' of the depositor and whether the renewal is made as per the applicable regulatory guidelines and the original receipts / soft copy have been dispatched. [II(1)(c)]
- Is the branch complying with the regulations on minimum balance requirement and levy of charges on non-maintenance of minimum balance in individual savings accounts? [II(1)(d)]



### III. GENERAL

#### a) GOLD/BULLION/SECURITY ITEMS [IV (1)]

- Does the system ensure that gold/bullion is in effective joint custody of two or more officials, as per the instructions of the controlling authorities of the bank?
- Does the branch maintain adequate records for receipt, issues and balances of gold/bullion and updated regularly? Does the periodic verification reveal any excess/shortage of stocks as compared to book records and if any discrepancies observed have been promptly reported to controlling authorities of the bank?
- Does the system of the Bank ensure adequate internal control over issue and custody of security items (Term Deposit Receipts, Drafts, Pay Orders, Cheque Books, Traveller's Cheques, Gift Cheques, etc.)? Whether the system is being followed by the branch? Have you come across cases of missing/lost items?

#### b) Books and Records [IV (2)(b)]

- In case the branch has been subjected to IS Audit whether there are any adverse features reported and have a direct or indirect bearing on the branch accounts and are pending compliance? If yes give details.
- Whether branch is generating, and verifying exception reports at the periodicity as prescribed by the bank
- Whether the system of bank warrants expeditious compliance of daily exception reports and whether there are any major observations pending such compliance at the year end.
- Whether the bank has laid down procedures for manual intervention to system generated data and proper authentication of the related transactions arising there from along with proper audit trail of manual intervention has been obtained.
- Furnish your comments on data integrity (including data entry, checking correctness/integrity of data, no back ended strategies etc.) which is used for MIS at HO / CO level.

#### c) Frauds [IV (4)]

Furnish particulars of:

- Frauds detected/classified but confirmation of reporting to RBI not available on record at branch.
- Whether any suspected or likely fraud cases are reported by branch to higher office during the year? If yes, provide the details thereof related to status of investigation.
- In respect of fraud, based on your overall observation, please provide your comments on the potential risk areas which might lead to perpetuation of fraud (e.g. falsification of accounts/false representation by the borrower; misappropriation of funds especially through related party/ shell company transactions; forgery and fabrication of financial documents like invoices, debtor lists, stock statements, trade credit documents, shipping bills, work orders and encumbrance certificates and avail credit; Use of current accounts outside consortium where Trust and Retention Account (TRA) is maintained, to divert funds; List of Debtors/ Creditors were being fabricated and receivables were not followed up/ write off of debt of related parties; Fake export/shipping bill, etc.; Over statement of invoice amounts, stock statements, shipping bills, turnover; fly by night operations -including the cases where vendors, related/ associate parties, manufacturing units etc. aren't available on the registered addresses; Round Tripping of funds, etc.)
- Whether the system of Early Warning Framework is working effectively and, as required, the early warning signals form the basis for classifying an account as RFA.

#### d) Implementation of KYC/AML guidelines [IV (5)]

- Whether the branch has adequate systems and processes, as required, to ensure adherence to KYC/AML guidelines towards prevention of money laundering and terrorist financing
- Whether the branch followed the KYC/AML guidelines based on the test check carried out by the branch auditors

e) **Management Information System [IV (6)]**

- Whether the branch has the proper systems and procedures to ensure data integrity relating to all data inputs which are to be used for MIS at corporate office level and for supervisory reporting purposes. Have you come across any instances where data integrity was compromised?

### **AMENDMENTS TO EXISTING CLAUSES**

Clause	Main Head	Revised clause	Previous clause
I [2(b)(3)]	Balances with Reserve Bank of India, State Bank of India and other banks (For branches with Treasury Operations)	Other credit and debit entries originated in the statements provided by RBI/other banks, remaining un-responded for more than 15 days:	Old o/s balances remaining unexplained/unadjusted. Give details for: o/s between 6m to 1 year; & o/s for 1 year and above.
I [5(i)]	Advances (General Instructions)	<p>The answers to the following questions may be based on the auditor's examination of all large advances.</p> <p>For this purpose, large advances are those in respect of which the outstanding amount is in excess of 10% of outstanding aggregate balance of fund based and non-fund based advances of the branch or Rs.10 crores, whichever is less.</p> <p>Care- For all accounts above the threshold, the transaction audit/account specific details to be seen and commented, whereas below the threshold, the process needs to be checked and commented upon. Comments of the branch auditor on advances with significant adverse features, which might need the attention of the management / Statutory Central Auditors, should be appended to the LFAR.</p>	For this purpose, large advances are those in respect of which the outstanding amount is in excess of 5% of the aggregate advances of the branch or Rs. 2 Crores, whichever is less
I [5(e)(i)]	Review/Monitoring/Supervision	<p>Is the procedure laid down by the controlling authorities of the bank, for periodic review of advances, including periodic balance confirmation / acknowledgement of debts, followed by the branch? Provide analysis of the accounts overdue for review/renewal. What, in your opinion, are major shortcomings in monitoring, etc.</p> <p>a) between 3 to 6 months, and</p> <p>b) over 6 months</p>	<p>Between 6 months &amp; 1 year</p> <p>Over 1 year</p>
I [5(e)(iv)]		Indicate the cases of advances to non-corporate entities with limits beyond that is set by the bank where the branch has not obtained the duly audited accounts of borrowers.	Indicate the cases of advances to non-corporate entities with limits beyond Rs. 10 Lakhs where the branch has not obtained the accounts of borrowers, duly audited under the RBI guidelines



			with regard to compulsory audit or under any other statute
I [5(f)(i)]	Asset Classification, Provisioning of Advances and Resolution of Stressed Assets	<p>a. Has the branch identified and classified advances into standard / substandard / doubtful / loss assets through the computer system, without manual intervention?</p> <p>b. Is this identification &amp; classification in line with the norms prescribed by the Reserve Bank of India</p>	Has the branch identified and classified advances into Standard/Sub-standard/Doubtful/ Loss Assets in line with the norms prescribed by the RBI? [The auditor may refer to the relevant H.O. instructions for identification of Non-performing Assets and classification of advances].
I [6(a)(i)]	Suspense Accounts/Sundry Assets	Does the system of the bank ensure expeditious clearance of items debited to Suspense Account? Details of outstanding entries in excess of 90 days may be obtained from the branch and the reasons for delay in adjusting the entries may be ascertained. Does your scrutiny of the accounts under various sub-heads reveal balances, which in your opinion are not recoverable and would require a Provision / write-off? If so, give details	No time limit was prescribed in previous format.
II [2(a)]	Other Liabilities - Bills Payable, Sundry Deposits, etc.	The number of items and the aggregate amount of old outstanding items pending for one years or more be obtained from the branch and reported under appropriate heads. Give details thereof.	Time limit was 3 years or more
IV (3)	Inter-Branch Accounts	Does the branch expeditiously comply with/respond to the communications from the designated cell/Head Office as regards unmatched transactions? As at the year-end are there any un-responded/un-complied queries or communications beyond 7 days? If so, give details?	<ul style="list-style-type: none"> <li>Does the branch forward on a daily basis to a designated cell/Head Office, a statement of debit/credit transactions in relation to other branches?</li> <li>Does a check of the balance in the Head Office Account as shown in the said statement during and as at the year-end reveal that the same is in agreement with the Head Office Account in the general ledger?</li> <li>Are there any outstanding debits in the Head Office Account in respect of Inter-branch transactions?</li> <li>Does the branch expeditiously comply with / respond to the communications from the designated cell /Head Office as regards unmatched transactions? As at the year-end are there any unresponded /uncomplied</li> </ul>

			<p>queries or communications? If so, give details?</p> <ul style="list-style-type: none"> <li>• Have you come across items of double responses in the Head Office Account? If so, give details.</li> <li>• Are there any old/large outstanding transaction/entries at debits as at year-end which remain unexplained in the accounts relatable to inter-branch adjustments?</li> </ul>
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**CONCLUSION:** Bank audit is a vast subject. We have made an attempt to cover some of the aspects which are normally required at Branch level. We have relied upon our own past experiences, the contents of Guidance on Audit of Banks issued by ICAI and RBI master circulars on Prudential Norms in coming up with this article. We hope this may be helpful while conducting the bank audit, and we wish all the Auditors a happy Bank Audit.



CA.PRASHANTH PAI K AND TEAM

M/S PPK & ASSOCIATES.

***Disclaimer: The opinions expressed within this article are the personal opinions of the author. The facts and opinions appearing in the article do not reflect the views of the Managing Committee and ICAI does not assume any responsibility or liability for the same***



## JUDICIAL UPDATES

### DIRECT TAX:

1. **Business expenditure Allowability- Loss on account of fluctuation in foreign exchange currency rate on reinstatement of ECB loan (Case Law: Aesseal India Pvt. Ltd. v. ITO)**

Facts: Assessee availed ECB loan for acquisition of assets in India. It incurred a loss on account of fluctuation in foreign exchange currency rate on the reinstatement of ECB loan and claimed the same as revenue expenditure. AO rejected the contention of assessee holding that loss so claimed was notional.

Held: The principal objection for allowance of claim being notional loss was no longer tenable in law in the light of the case of Woodward Governor India Pvt. Ltd. [(2009) 312 ITR 254 (SC) : 2009 TaxPub(DT) 1628 (SC)] wherein Apex Court had quoted with approval the decision of M.P. Financial Corporation [(1987) 165 ITR 765 (MP) : 1987 TaxPub(DT) 425 (MP-HC)] as approved by Madras Industrial Investment Corporation Ltd. [(1997) 225 ITR 802 (SC) : 1997 TaxPub(DT) 1209 (SC)] wherein it was held that the term expenditure covers even a case of loss even though the said amount has not gone out from the pocket of the assessee.

Following the same, loss on account of fluctuation in foreign exchange currency rate on the reinstatement of ECB loan was allowed as revenue expenditure.

2. **Residential status of certain individuals under Income-tax Act, 1961 ([https://taxpublishers.in/showpdf?circular\\_2\\_2021](https://taxpublishers.in/showpdf?circular_2_2021))**

The Board has received various representations requesting for relaxation in determination of residential status for previous year 2020-21 from individuals who had come on a visit to India during the previous year 2019-20 and intended to leave India but could not do so due to suspension of international flights. The matter has been examined by the Board and following facts have emerged:

**Short stay will not result in Indian residency:** There may be a situation where a person, who was a non-resident during the previous year 2019-20, gets stranded in India by reason of the COVID-19 pandemic for some time during the previous year 2020-21 ('PY 2020-21'). In such situations, there are less chances that the person would acquire residence status in India during the PY 2020-21 only for this reason as explained below: –

A citizen of India or a person of Indian origin may become resident in India only in one of the following situations:

(i) if his total income from Indian sources (i.e., other than the income from foreign sources) **does not exceed fifteen lakh rupees in PY 2020-21** and he stays in India for 182 days or more during the PY 2020-21; or

(ii) If his total income from Indian sources (i.e., other than the income from foreign sources) exceed fifteen lakh rupees in PY 2020-21

(a) He stays during PY 2020-21 for 182 days or more; or

(b) He stays during the **PY 2020-21 for 120, days or more** and also stays for 365 days or more in preceding four previous years.

An Individual who is not citizen of India or a person of Indian origin may become resident in India only in one of the following situations:

(I) if he stays during PY 2020-21 for 182 days or more; or

(ii) if he stays during the PY 2020-21 for 60 days or more and also stays for 365 days or more in preceding four previous years.

Thus, generally, a person will become resident in India for the PY 2020-21 only if he stayed in India for 182 days or more unless he is covered by the exceptions discussed above.

### **INDIRECT TAXES:**

**E-invoicing under GST:** The CBIC vide Notification No. 05/2021- Central Tax dated 08th March 2021 has further amended Notification No. 13/2020-CT dated 21st March, 2020 to implement e-invoicing for B2B transactions from 1st April 2021 for the taxpayers having aggregate turnover exceeding Rs. 50 crores. Earlier, e-invoicing for B2B transactions was to be made mandatory for taxpayers having aggregate turnover exceeding Rs. 100 crores.



## TEST YOUR KNOWLEDGE

### CORPORATE LAW:

- Every listed Public Company shall have at least \_\_\_\_\_ 'Independent Directors' of the total number of Directors
- A company is having 20 directors out of which 7 are Independent Directors, in addition to this there are 3 Nominal Directors and 1 director appointed by small shareholders. How many directors are liable to retire by rotation at the AGM?
- Ms. Sheetal was a woman director in X Pvt Ltd (with 4 directors). Due to her sudden death on 17<sup>th</sup> February, 20XX, an intermittent vacancy was created. The immediate next board meeting will be held on 10<sup>th</sup> of May. Is there any compulsion to fill this vacancy - YES/NO and if yes, date by which it needs to be filled \_\_\_\_\_

### TAXATION:

- The place which is used for unloading of imported goods and loading of exported goods, is called \_\_\_\_\_
- Mr. C of Chennai supplied goods to M/s Smart Jet Airlines of Chennai flying between Delhi-Mumbai. The goods are loaded in the aircraft in Delhi. Assuming that both the parties are registered under GST, the place of supply of goods will be \_\_\_\_\_
- Mr. A orders goods from China and gets it directly delivered to USA, without the goods entering into India. His exclusive turnover from this business exceeds Rs. 40 Lacs. Is he liable to be registered under the GST Law?

### GENERAL KNOWLEDGE:

- What is the other name of Radheya in Mahabharata?
- Who is the avatar of Indra in Ramayana?
- The Uprising of 1857 was described as the first Indian war of Independence by \_\_\_\_\_
- Which planet is called Earth's Twin?
- Which country is known as the land of lilies?
- Which place is called the Sugar bowl of the world?

**Answers may be sent to [icaiebulletin@gmail.com](mailto:icaiebulletin@gmail.com)**

**Correct answers will be out in the next edition.**

**The names of the first five persons who give correct answers to all the questions, will also be published.**

## WORDS OF WISDOM:



- ✧ Time is more valuable than money. You can get more money, but you cannot get more time.
- ✧ Right Attitude never takes you to wrong direction.
- ✧ Kind words can be short and easy to speak, but their echoes are truly endless.
- ✧ Confidence does not come when you have all the answers. But it comes when you are ready to face all the questions.
- ✧ Mind is a flexible mirror, adjust it to see a Better World.
- ✧ Respect is the most important element of your personality. It is like an investment. Whatever we give to others, it will return to us with profit.
- ✧ Life is too ironic. It takes sadness to know what happiness is, noise to appreciate silence and absence to value presence.
- ✧ Take care of your thoughts when you are alone and take care of your words when you are with people.
- ✧ You can't make the right decisions all the time, but you can learn from the wrong ones every time.
- ✧ Dreams are renewable no matter what our age is.



## WORDS FROM THE HOLY BOOK

कर्मण्येवाधिकारस्ते मा फलेषु कदाचन।  
मा कर्मफलहेतुर्भूर्मा ते सङ्गोऽस्त्वकर्मणि॥

We have the right to do our duty, but the results are not dependent only upon our efforts. A number of factors come into play in determining the results—our efforts, destiny (our past karmas), the will of God, the efforts of others, the cumulative karmas of the people involved, the place and situation (a matter of luck), etc. Now if we become anxious for results, we will experience anxiety whenever they are not according to our expectations. So Shree Krishna advises Arjun to give up concern for the results and instead focus solely on doing a good job. The fact is that when we are unconcerned about the results, we are able to focus entirely on our efforts, and the result is even better than before.

Shree Krishna wants Arjun to give up the ego of being the doer. He instructs Arjun never to chase after preconceived motives attached to his actions nor consider himself as the cause of the results of his actions. However, when we perform actions, then why should we not consider ourselves as the doers of those actions? The reason is that our senses, mind, and intellect are inert; God energizes them with his power and puts them at our disposal. As a result, only with the help of the power we receive from him, are we able to work.

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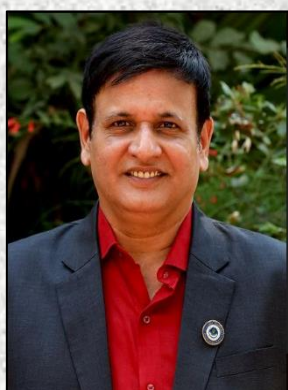
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