

# SWASA

Professional Enlightenment

STAFF WELFARE ASSOCIATION OF SUNDARARAJAN ASSOCIATES (SWASA)

VOLUME 05

MONTHLY NEWSLETTER

MAY 2019

E-Format available in  
[www.sunca.in](http://www.sunca.in)

## PRESIDENT'S MESSAGE

Dear SWASA Members,

Greetings. I am indeed grateful to all for selecting me to hold the position of President of SWASA and with great pleasure I accept this position with responsibility and commitment. I assure, that with the support of all members, would provide the best of journey during the months to come in SWASA.



At the outset, I thank my predecessor S Samadharshini, who held this position prior to me and has engineered many programs during her tenure with the support of all members. It is now time to see fresh faces for taking over positions to steer SWASA further. Few names suggested earlier have taken over as ExCom Members in the place of exited members as they have completed their respective terms. We thankfully acknowledge their contributions to SWASA.

Welcome ExCom Members: New Faces **Shatruhan Khanna** and **Abirami**

You all know 'Ambidextrous' means one who can use both right hand and left hand simultaneously exhibiting one's own writing skills and this is God given gift. We could witness this 'live' in our last release of SWASA Newsletter (for April, 2019) with **CA DC Jain**, SIRC Vice Chairman for 2019-20 and is elected for second time into SIRC Committee for 2019-22. He was the Chief Guest on 24<sup>th</sup> April, 2019 for the release of our newsletter. After the speech, he wrote simultaneously in both hands **"When the Going gets Tough, the Tough gets Going"**. The synopsis of his address and the gist of the function are reflected elsewhere in this newsletter.

One more outlook is initiated during this month and that is **"SWASA Arts"** Group. The initiative was received from ExCom members during one of the meetings. This purports to provide members who were willing to be more expressive demonstrating their other talents and cross-skills possessed on such vocations like arts, music, painting, sketching, dancing, oratory skills, writing skills, indoor games and such other avenues that they are intensely passionate about. SWASA decided to incorporate such of these talents by forming a special dedicated group titled **"SWASA Arts"** Group. Those who are interested in practice sessions and competitions thereafter, may give their names in the format application given (which can be obtained from the Treasurer VIVEK SRINIVASAN).

We have been embarking upon presentations 'by-students-for-students'. The topic of interest for the season being BANK AUDIT, the same is being presented as a compendium through an article by those SWASA members who had practical experience on bank audits during the year.

With greetings once again to steer further for the growth of SWASA

Yours in Service  
Padmaja Sankaran  
**President, SWASA**

**APRIL 2019 SWASA NEWSLETTER RELEASED BY CA D C JAIN ON 24<sup>TH</sup> APRIL, 2019**



**CERTIFICATES ISSUED TO SWASA MEMBERS FOR THEIR SPECIAL CONTRIBUTIONS**



**M Chaitanya –International Financial Controls (IFC) Audit**



**S Abirami - Tax Deducted at Source (TDS)**



**M Akshaya - Tax Deducted at Source (TDS)**



**S Lalitha - Accounting Standards AS 11 (Effects of Changes in Forex Rates)**



**Vivek Srinivasan-Direct Taxation -A Practical Approach**



**Thilak Venkatesh-Hospitality Industry Contribution**



## EDITORIAL-SWASA MONTHLY NEWSLETTER-MAY 2019

SWASA Monthly Newsletter-May 2019 carries special features on the release function held on 24<sup>th</sup> April, 2019. The release of the Newsletter was done by **CA DC Jain, Vice Chairman**, SIRC 2019-20. The introduction of the rich profile of the Chief Guest was done by Padmaja Sankaran, President and the Chief Guest addressed the SWASA Members with his rich knowledge and experience regarding the career and the profession. He also suggested during his address for members, to cultivate the habit of both interest and passion to succeed in Life and demonstrated his ambidextrous skill by writing with his both hands simultaneously which mesmerised and members were awestruck. Later the members who made presentations were given a '**Certificate of Appreciation**' for their respective contributions by the Chief Guest with special emphasis on developing writing skills. This was initiated by the firm Sundararajan Associates LLP, Chartered Accountants as a special recognition and gesture of outstanding contributions by the Members.



The SWASA Members who were awarded the Certificate of Appreciation: **S. Abirami, M Akshaya, M Chaitanya, S Lalitha, M Silambarasan, Vivek Srinivasan and M Veeramanikandan..**

A special Certificate of Appreciation was also awarded to **Sagaya Dhivagar** for his leading a team (for well over 9 months) and **Thilak Venkatesh** for their respective contributions in completion of an assignment for a hospitality industry of international repute. The photos during such release function are provided above. It was indeed a feature of an overwhelming rejoice for SWASA members to have been acknowledged and appreciated by the CA Firm Sundararajan Associates LLP.

SWASA thanks sincerely the said CA firm for their gesture and certificate of appreciation for the stated members recognising their respective contributions. Dhivagar, Silambu and Veera could not join for receiving the certificates due to client exigencies and the same were received on their behalf by their respective colleagues. We congratulate them all for their dedicated contributions in their respective fields.

On the continuation of the theme "Present Yourself-Professionally" Bank Audit is featuring as a separate article contributed by those members who have participated in such Bank Audits with practical applications during this season.

This contribution as a compendium of practical issues is by the bank audit team comprising Harshita Kothari, Vivek Srinivasan, Shatruhan Khanna, Thilak Venkatesh, Gnana Vignesh and Vidhya Sriram. SWASA thanks these members besides Padmaja Sankaran for having reviewed the article.

All our presentation materials already done are all available in the website [www.sunca.in](http://www.sunca.in). All contributions, feedback(s) and suggestions are welcome and can be emailed to [swasa@sunca.in](mailto:swasa@sunca.in)

**Editor - Chetan J Sharma**

## **THIS MAY 2019 ISSUE – AT A GLANCE**

### **BANK AUDITS ::: NON-TECHNICAL TO TECHNICAL ::: PRACTICAL EXPERIENCES**

At the outset, we wish to thank the Partners of Sundararajan Associates LLP, Chartered Accountants to have inducted us for getting a practical exposure to Bank Audits during this season. Bank Audit encompasses a different audit knowledge and experience providing further the flavour of very practical issues faced during such BANK AUDITS. The fragrance of such audits during the hot season of April is always a challenge for several reasons as are explained in our compendium below.

1. Bank Audits are time bound and hence to be stepped up daily covering all areas
2. Technical Knowledge of the clients software is an absolute MUST to gear-up with speed and accuracy. E-Data Filling formats introduced this time, has also made us to understand updates.
3. Art of dealing with the bank staff, regular follow up with the client for a purpose-all were learnt.
4. Knowledge of provisioning, rules for classification and preparation of various reports-made us to realise, how well we prepared in prior month, for such bank audits, through in-house sessions.

#### **A. Bank Audits are time bound**

Statutory audit of banks and branches can be defined as an audit to ensure that the financial statements and books of account presented to the regulators and the public are fair and proper as per legislations and rules already designed. It is an audit that is prescribed by various statutes more particularly by the Reserve Bank of India (RBI) Act and rules thereon. The Statutory Audit of Banks is mandatory and the RBI in association with ICAI appoints Statutory Auditors for the same every year.

Consequently, at the end of every financial year, a rigorous statutory audit is conducted in designated branches of every bank which becomes time bound as branches of banks are part of Indian Banking Sector which plays a pivotal role in Nations' Growth.

#### **B. Technical Knowledge of the Core Banking Software (CBS)**

Commercial or retail banks use what is known as core banking software (CBS) /solutions, which records and manages the transactions made by the banks' customers in their various accounts maintained with the branch. For example, it allows a customer to go to any branch of the bank and do its' banking from there. In essence, it frees the customer from their home branch and enables them to do banking anywhere.

Further, the bank's databases can be connected to other channels such as ATMs, Internet Banking, payment networks and SMS based banking etc., in this advanced technology driven regime of banking. These are normally governed under BASEL Norms.

This banking software is used by millions of users across hundreds or thousands of branches. This pre-supposes that the software must be robust all the time, devoid of bugs, ensuring necessary firewalls and security systems so that the same is managed simultaneously on many machines even in a small bank branch across. The core banking solutions is a major investment for retail banks and maintaining and managing the system can represent a large part of the cost of running a bank. Knowledge of core banking software is required for verification of controls placed by the banks and their effectiveness at the branch level.

### **C. Art of dealing with the bank staff, follow up with the client**

Management is not just about “getting the work done”; it is also about getting work done through people. Obtaining the cooperation of bank staff at times could be a difficult job. The audit executives who work directly on the field may not be familiar with the jargons (banking terminologies) which might be a hindrance in communication, sometimes. Any minor slippage in understanding would cost time for the audit team, which with the supervisors’ indulgence, can be avoided.

Smaller branches which cannot afford to dedicate a person/ assistant solely for the purpose of assisting the audit team might tremble to finalise within the stipulated time. This could be because the staff need to juggle between the routine banking activities and the finalisation work.

### **D. Knowledge of the provisioning, rules for classification and the preparation of the financials**

Unlike the regular statutory audits of corporates that the audit staff are used to with a clear audit program, the banking finalisation is slightly complex, technical and constrained by time. Although the financials are system driven and generated by the system, the audit team is required to primarily ensure accuracy and validity of recordings in the books. The e-format of record maintenance has its’ own profile of risks to be addressed, memorandum of changes (MOC) if noticed as per requirements needs to be taken up properly with the management of the bank, verification of practical issues relating to various segments of loans, application, registration and discharge documentation verifications to be ensured, limits of authorisation to be verified (requiring approvals for any extra maintenance beyond prescribed limits), past inspection reports’ verification etc., . It is rather challenging to address all practical difficulties in executing such bank audit procedures and also in selecting samples primarily from an unfamiliar technical environment. One should gain the momentum as immediately as possible to combat such technical issues and proceed further with focus on completion of time-bound audit of banks.

### **E. Opportunities for Bank Audits are a Boon**

Our team clearly felt this while experiencing such Bank Audits in this season. It is certainly an opportunity to reckon with and reflect upon more particularly from the time lines fixed for completion of whole sets of procedures prescribed by the Legislators. It is indeed a great experience that we came across during this season of Bank Audit which we would like to share as a presentation with more technical and non-technical issues that we respectively came across during such audits.

## **CONTRIBUTIONS FROM ALUMNI**

**SWASA** takes an immense pride in bringing out the contribution of **CA REKHA (Dubai)** in this issue of **SWASA NEWSLETTER**, who has joined as Senior Manager Audit & Assurance Practice at MCA, Dubai (Manohar Chaudhry & Associates, Dubai) after her CA qualifications from Sundararajan Associates.

On the request from CA K Vijayaraghavan and from SWASA ExCom Member Chetan J Sharma (Editor), CA REKHA (Dubai) has kindly consented to provide an extract of her career growth which is shared herein below.

This would provide SWASA students to get a glimpse of success in career and would facilitate other dimensions of growth. ...**here goes Dubai CA Rekha’s contribution as an Alumni.**



## **Rekha Ramaswamy (Mainetti Rekha)**

### **My journey with Sundararajan Associates....**

As I start to pen down my journey, the memories well packed and kept at the bottom of my heart just gushes out with such speed that I am confused now as to where to start, which ones to share, will I miss out on any specific part and on and on and on... A small disclaimer. I cannot write poetic. But each word is from my heart.

**My day 1...** A fine day, January 28<sup>th</sup> in 2007, met Sundar Sir at No. 35, Veerabadran Street, Nungambakkam. A short interview. A sweet conversation (though I can't elaborate on it) I already knew I am in right hands. And Yes! I was in!. He said it's a good day. You can join. The journey started then and never after that did my career graph take a setback. My first seniors, though for few days only, (Sembian Sir and Vaishnavi) embraced me with so much compassion that I already started feeling I belong to this place much before I joined here. Then got to meet with my co articles or my buddies rather. Sanal, Rekha (Porur), Ramya.... And then the Boss (Captain) of our days, Vijayaraghavan. They are the people who are still part of my bestest memories and bring a smile whenever I think of them. We 5 had the privilege of not having a direct senior through out to guide us. Crazy right? Calling it a privilege.. But it sure was. We worked directly under the Sirs. The extent of learning and exposure (and little bit fun too) was huge. We never felt lost anywhere and we had to work more because the accountability is more. Then more friends were added.. to mention in specific Deepti and my very own little brother Vignesh (He is still a part in my family).

**The First Client..** Mainetti India Pvt Ltd... People who know me and reading this will get a small smile at the end of their lips just like I have while writing this. They were not just my first clients, they added an identity to me as 'Mainetti Rekha' to avoid confusion with the other Rekha. Well that was not the only reason. It was a third home to me after my own, and Sundararajan Associates. The place where I learnt my basics from Vouching to Ledger scrutiny to stock valuation, to Excise reco to tax Audits to group reporting. All in one. Quite lucky right? So I was placed there majorly as I was the most comfortable option by both teams and hence the name. So they are the major source of KT (knowledge transfer). Of course with this experience I could handle few more of Audit clients independently.

**Bank Audits...**Yes and in between all these corporate Audits I was part of bank Audits also thrice. The first one at CBI Coimbatore in 3 months from joining articleship.. First outstation (or rather first and last too) Very comfortable, pampered and fun filled with my besties...Vaishnavi, Sanal and Vijay. The feel of being respected as Auditors when you actually do only vouching and opening balance verification is really funny and gives you the thought "Oh so that's it is to do a Bank Audit"?? WOW! But no... That was only in the first year. The second year or rather the third year was rather 'tough' along with Vignesh that at point it was like "**when will this report be signed**". But all **happens with a reason**.

The entire process of the bank audit came as a 16 marks question in my Final Auditing paper and boom... I cleared group 1 in attempt no.1. All credits to RS sir for the opportunity (and the sound 'grilling' ofcourse).

**Our return filing days..** The extended evenings, the late night works, the fight for a computer, coming early just to ensure you capture the computer first else you will lose it to your counterpart, Sunday works. These were never a complaint. It was fun and part of life. Ofcourse after every hectic return filing we have a royal lunch at a good restaurant and a latest movie guaranteed by RS sir. So why will we complain? Infact people actually volunteer to be part of the returns.

**Our Compensation...** Started with a now small amount but then big money. The waits for the salary credit to your account and small annual increment seems funny now. But gave so much pride when I bought the first gift to my mom and brother. My first salary after the hard work.

**Overall,** the first year went very much smooth with just vouching (though RS sir keeps saying that's the major and most important part of Audit, its always kept as basic job and given to new kids in office). Second and third year we were really hectic and huge responsibility and we could discover our multifold talents; the leader in us, the teacher in us, the listeners in us, the watchdogs in us, the writers in us (for internal Audit reports) and overall the budding Auditors in us.

**Alright..** So that was past.. memories.. Where did all that take me? Where am I now? Senior Manager Audit and Assurance at MCA (Manohar Chowdhry & Associates) Dubai. Again the starting point to this was a reference of Sundar sir. Implementation of my strong basics from Sundararajan Associates and continued hard work has given good growth and a set career in practice. Most interestingly, Mainetti Audit has come back to me for their Dubai entity... A very Small world. Keeping my relationship with my roots continuing.

**So team, articleship is fun,** gives you the pride of being an auditor at a young age, lots of favours and sumptuous lunch from clients. But keeping all that away, if we use this chance wisely this is the root for a successful practice career. I would say I always had the love to practice and that is developed at the articleship front only. As an added advantage, for many of you, it can help you clear your audit or tax papers even; like it did for me.

**Take this period serious** and also enjoy your work. All of you are in safe hands with respect to career at SA. You will definitely go places. My hearty best wishes to each one of you and heartfelt thanks to SWASA team for letting me relive my days at SA (though the above is only one tenth of my journey).

**Hearty Wishes and Good Luck**

### **"SWASA ARTS" GROUP**

SWASA Members are aware about commencement of this new Group titled **"SWASA Arts"** Group. The treasurer has already created and communicated a special **Whatsapp** Group for the same. This was initiated during the meeting of ExCom Members. The purpose of this new **SWASA Arts** initiative is to recognise members' passion and vocation such as music, painting, art in any form, talents in indoor games such as chess, carom etc.,

Members are requested to volunteer and fill up the format (available with the Treasurer Vivek Srinivasan) for organisers to initiate further course of action such as practice sessions, categorisation of members for a possible in-house competition to bring out their talents etc.,



## SECRETARY'S CORNER

The Secretary of SWASA Mr Balaji informed that all efforts are taken to request student members to make contributions in the form of writing articles so that the Editorial Advisory Board can have their recommendations for publication in these monthly Newsletters.

All are invited for contributing articles to this monthly newsletter. Members are also requested to provide informations of special participations undertaken by any of the members which would be appropriately taken up for publication in our monthly newsletter.

## TREASURER'S CORNER

The treasurer of SWASA Mr Vivek has informed that allocations made out of available funds and contributions received from members and partners have been fully utilised for the purposes of this tour program as scheduled. Treasurer has also sought (on behalf of Organising Committee) suggestions for improvement if any for organising such other tour programs in future.

## OUR NEXT ISSUE-CALENDAR

- ✓ YOGA Session and FAQs (Interactive)
- ✓ 'Report Writing Skills'-Discussion & Deliberations
- ✓ Alumni Contribution-**CA Sitaraman, Hyd'bad**
- ✓ Presentation by Students

## PRESIDENT'S SPECIAL MESSAGE TO STUDENTS:

SWASA invites feedback from all students regarding any practical issue(s) that they may face during the course of audits. SWASA would help in respect of genuine issues if any such as a. on professional subjects–both direct and indirect taxes, company law, accounting, costing, auditing etc., and would support seamlessly and b. any other inhibitions that students may come across for effectively handling their subjects/ tasks-on-hand.

## QUOTABLE QUOTES

From this newsletter, we are introducing this session titled as '**Quotable Quotes**'. Those readers who wish to send their own ORIGINAL quotes (*not quoted already by anybody else anywhere*) which will have a holistic impact for the readers, may send their contributions (*unabridged*) to the email [swasa@sunca.in](mailto:swasa@sunca.in). The best quotes (after screening by the Advisory Board) would be published in the newsletter.

A declaration to the effect that the quotation is ORIGINAL should be given by the respective sender while sending by email. There would be surprises as well once in a quarter for the best selected quotation. Cheer Up and exhibit your talents in all focus.

Few examples: "Career is 99% dedicated effort and 1% luck"; "Success in Profession is decided by the practitioner not by the Examiner. Examiner does only the attest function of the Practitioner"; "Think like a Visionary and Perform like a Machinery"; "Memory Power is not due to remembrance but remembrance is due to memory power"; "Purpose is served when Silence is understood" "Drumming is needed when Ears are Closed", "Knowledge without Attitude is like Sea without Waves" etc.,

### **CCH UPDATION (CCHiFirm Software)**

“CCH updation” pertains to those who have been specifically allotted **CCH user id**. Those students to whom such user identification have been allotted would require to update CCH on an “on-line” and dynamic basis, specifically under billable and non-billable heads, **daily**. The jobs allotted by the respective Partners would require such updation by students and those that have not been allotted into CCH directly, **would also require** to be entered by respective students in the separate register maintained for the purpose that would be updated by the Executive Administration (‘Ex-Admin’). The Newsletters of SWASA can also be gone through under special column provided in **CCH** under **SWASA** wherein all these newsletters have been uploaded for CCH user comfort, additionally. Feedbacks are awaited after reading.

### **SWASA NEWSLETTER FEEDBACK REGISTER**

**SWASA** welcomes readers to provide their respective feedback and comments on **SWASA Newsletter (s)** kept at the reception in the specific **Feedback Register**. This **feedback register** can be filled by the students, staff, alumnis, clients and visitors. Readers’ feedback on SWASA Newsletter(s) would be of an immense facilitation for improvisation and improvement on its’ contents for future publications. The contents of this newsletter are also available in the website [www.sunca.in](http://www.sunca.in).

### **SWASA Executive Committee (ExCom)**

President	- Padmaja Sankaran	(97109 66601)
Secretary	- M Balaji	(86680 10880)
Treasurer	- S Vivek	(90422 58558)
ExCom Member	- Harshita Kothari	(99623 21967)
ExCom Member	- Chetan J Sharma	(90031 04859)
ExCom Member	- Shatruhan Khanna	(9962299881)
ExCom Member	- S Abirami	( 8610183207)

### **SWASA Advisory Board**

CA Sripriya Sundararajan  
CA K Vijayaraghavan  
CA ANL Madhavann