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Air India's Balance Sheet to be restructured and debt reduced

Air India's balance sheet has to be restructured and debt reduced as part of transformation of the national carrier, Union minister of state for civil aviation Jayant Sinha said at an ASSOCHAM event in New Delhi. "Air India's balance sheet has to be restructured and debt reduced ... the other issue is that corporate governance and professional management need to be put in place. Besides, it has to be seen how best use can be made of the non-core assets of Air India. Also work on route optimization is underway," said Sinha addressing ASSOCHAM's 96th annual session. The overall transformation of Air India is being done with a combination of steps which have started yielding results. The carrier which was running into losses has started giving operating profits. "This year again Air India would generate operating profits," he expressed confidence.

By Shahana Shaikh

Securities and Exchange Board of India tightens settlement regulations

SEBI will provide incentives to defaulters coming on their own to settle cases before start of enforcement action while excessive delays in filing of settlement applications would be liable for higher charges. In this regard, the board of SEBI (Securities and Exchange Board of India), during its meeting here today, approved various amendments to existing norms for settlement of administrative and civil proceedings. The markets watchdog said the amendments have been approved in order to streamline and strengthen the settlement process.

With the amendments, SEBI would have power to charge interest in case of excessive delays in filing of applications or payment of settlement amount apart from providing incentive for defaulters to come "voluntarily on their own, before initiation of investigation or enforcement action". The amended norms would also pave the way for settlement notice before issuance of a formal show cause notice, except those that are excluded from settlement. Among others, re-application of rejected or withdrawn applications in deserving cases, subject to payment of additional fees and interest would be permitted.

By Shahana Shaikh

Auditing

An audit is more than a formality, it is a necessity to protect your business and encourage it to thrive. Early warnings, open communication and pragmatic resolution of issues are the essential features. Audit testing procedures tailored to the specific audit, our firms maintain excellent relationships with their clients. This quality-led approach means members provide an intelligent, constructive and challenging audit to everyone.

Statutory Audits: It is a legally required review of the accuracy of a company's or governments financial records. The purpose of a statutory audit is the same as the purpose of any other audit – to determine whether an organization is providing a fair and accurate representation of its financial position by examining information such as bank balances, book keeping records and financial transactions of Public and Private Companies, Banks, Financial Institutions, PSU's, firms and Sole-Proprietors.

Internal Audit: Focus is to ensure strong internal control systems to minimize the risk of accidental or deliberate errors and omissions. Safeguarding of assets, adequate division of authority over key control areas and compliance with internal operating policies and guidelines are other focus areas.

Tax Audit: To prepare report in Form 3CA/3CB including annexure in Form 3CD as per div 44AB of the Income-Tax Act. We'll help with your IRS tax audit by:

- Reviewing the tax authority notice or inquiry and explain what it means
- Researching issues involved
- Assisting you in assembling documents and records for the tax audit
- Reviewing the tax audit findings and explaining them to you
- Explaining the appeal process and other options available to you in the event you disagree with the tax authority's findings

Process / Transaction Audit: A process audit is an examination of results to determine whether the activities, resources and behaviors that cause them are being managed efficiently and effectively.

Management Audit: To assess the systems, methods and policies followed by an entity's management in the administration and the use of resources, tactical and strategic planning, and employee and organizational improvement.

Stock Audit: It is carried out on behalf of banks and financial institutions. The objective is to ensure that the security against which funds are lent by the bank is safe and valued correctly.

Due Diligence: We assist clients in conducting financial, legal and accounting reviews in case of mergers, acquisitions and investments. A sound understanding of local laws, regulations and accounting practices enables us to vet all critical issues in detail.

Forensic / Risk Audit: Our forensic audit focuses on high risk areas and helps you strengthen your internal controls. Chartered accountant in Delhi

What is it: Forensic audit techniques seek to uncover corporate or other organization fraud? Results emanating from a forensic audit are typically used to support both civil litigation and criminal prosecutions. Forensic audit techniques can be broken down into five basic categories.

Testing Defences: Most businesses and other organizations have procedures and defences set up to prevent the occurrence of fraud. A good initial forensic audit technique is to attempt to circumvent these defences yourself. The weaknesses you find within the organization's controls will most probably guide you down the same path taken by suspected perpetrators. This technique requires you to attempt to put yourself in the shoes and think like your suspect.

Trend Analysis: Businesses have cycles and seasons much akin to nature itself. An expense or event within a business that would be analogous to a snowy day in the middle of summer is worth investigating. Careful review of your subject organization's historical norms is necessary in order for you to be able to discern the outlier event should it arise within your investigation.

Digital Forensic Examinations: Every transaction leaves a digital footprint in today's computer-driven society. Close scrutiny of relevant emails, accounting records, phone logs and target hard drives is a requisite facet of

any modern forensic audit. Digital investigations can become quite complex and require support from trained digital investigators. However, many open-source digital forensics tools are now available to assist you in this phase of the investigation.

Face to Face Interviews: Forensic auditing is akin to detective work, and every good detective desires to look his witnesses and suspects in the eye. Personal interviews with the staff of your target entity yield a better understanding of its operations and of the culture that exists within it. According to John J. Hall of the Journal of Accountancy, critical information can be gleaned from interviews with parties who have knowledge of the events without being directly connected to the fraud.

Full Financial Auditing: Detailed financial audits can be complex and most often require the assistance of a qualified forensic accountant. Basic financial audit techniques include bank statement reconciliations, scrutiny of all vendor contracts and payments, review of tax returns and analysis of public filings. Financial forensic audit techniques seek to identify suspicious transactions and trace them back to potential perpetrators.

How we can help

- Gather and analyze evidence
- Integrate interview information with queries from databases, emails, and hard drives
- Report our findings, review internal controls, and provide remediation options
- Expert testimony

Internal Audit: The scope of the audit is defined as per the internal controls and is carried out with specific emphasis on cost control. The main purpose of an internal control audit system is to ensure no mistakes, omission or accidental or deliberate errors. Our team is well trained in safeguarding of assets and operating with internal guidelines and policies to ensure smooth procedures.

By Lily Chwda

Hold camps on digital payments from April 1: RBI to banks

MUMBAI: RBI today asked banks to organize special camps from April 1 to educate public about digital payments through UPI and 99# (USSD) code platforms.

It said the policy on conduct of camps by FLCs (Financial Literacy Centers) and rural branches of the banks has been revised given the recent developments on withdrawal of legal tender status of old Rs 500/1,000 notes and the focus on going digital. "FLCs are advised to conduct special camps for a period of one year beginning April 1, 2017 on 'Going digital' through UPI and *99# (USSD)," the Reserve Bank of India said while revising the guidelines. Unified Payments Interface (UPI) is a system that powers multiple bank accounts into a single mobile application. The USSD service for fund transfer works without internet. Besides the special camps on going digital, RBI said FLCs will continue to conduct the tailored camps for the different target groups. "The tailored content for each target group is currently being prepared and is expected to be shared with banks/FLCs in due course of time," the RBI said.

Further, rural branches of banks are henceforth required to conduct only one camp per month on the third Friday of each month after branch hours. FLCs and rural branches of banks can get support for the financial literacy camps to the extent of 60 per cent of the expenditure with a cap at Rs 15,000/per camp. The RBI has also detailed reporting mechanism for banks and the financial literacy camps will be assessed/ evaluated on an ongoing basis by its Lead District Office (LDM) Offices.

By Sonal Saki