



ANANTAPUR BRANCH OF SIRC OF ICAI

The Institute of Chartered Accountants of India

(Setup by an Act of Parliament)

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## **NEWS LETTER**

# **THE ANANTAPUR BRANCH OF SIRC OF ICAI**

### **CONTENTS**

1.	Editorial
2.	New committee members for the year 2015-16
3.	Union budget-2015
4.	Bank audits-2015
5.	Scrutiny assessment u/s 143(3) before the year ending 31-03-2015
6.	Quotations for the month



**ANANTAPUR BRANCH OF SIRC OF ICAI****NEW COMMITTEE MEMBERS FOR THE YEAR 2015-16**

It is glad to inform all the members of Anantapur branch that the following members constitute the committee for the year 2015-16

<b>Sl No.</b>	<b>Name of the Member</b>	<b>Designation</b>
1.	CA.B.Srinivasa kumar	Chairman
2.	CA.A.G.Venugopal Reddy	Vice-chairman
3.	CA.D.Harischandra Rama	Secretary
4.	CA.R.Gangadhar Gupta	Treasurer
5.	CA.K.Sreedhar	Chairman, SICASA
6.	CA.P.Varadarajulu	Executive Committee member

**Details of various sub-committees for the year 2015-16.**

S.No	Name of the Member	Membership No	Mobile No		Name of the Committee
1	CA.B.Sreenivasa Kumar	019189	9849046317	Chairman	Continuing Professional Education Committee
2	S.V.G.Ratna Gupta	014381	9440683258	Member	
3	Y.Gopinath Reddy	025902	9989964777	Member	
4	R.Chandrasekhar	029968	9866012954	Member	
5	N.Praveen Kumar	233485	9133330809	Member	
6	J.Raghavendra Gowd	233472	9866479410	Member	
1	CA.A.G.Venu Gopal Reddy	022554	9440287969	Chairman	



**UNION BUDGET-2015**

As usual on 28<sup>th</sup> February of 2015, our honorable Finance Minister Sri.Arun Jaitley presented the finance bill for the year 2015-16(union budget) and the following are the key points for the benefit of the members.

1. Any common man expects more benefits from government every year through the union budget. But as a Chartered Accountant keeping the financial limitations with regard to the union government revenue, expectations from Finance minister by way of financial benefits are very limited. On the first reading of the budget and hearing to the Minister directly his speech on 28<sup>th</sup> February of 2015 the contents of the budget are both positive and realistic. The budget inspires confidence, instills courage, empowers change, directs to a positive goal.
2. The present GDP of 7.8% in 2014-15 is expected to be 8.5% in 2015-16 and every chance is there which may be a two digit figure in the next four years.
3. Share of states from the central pool revenue is increased to 42% from the present 32% which may be increased to as high as 62% in the near future which is a very good sign.
4. India can expect more growth in terms of development, economy, employment and more so in manufacturing sector because of crude oil prices have come down and the negative factors in other countries may help India to grow fast especially crisis in US economy and European countries, deflation in Japan, slowdown growth in China and so on
5. The new concepts like Make-in-India, Skill India, Digital India, Swacha Bharath, Jan-Dhan-Yojana, Niti-Aayog are the beautiful concepts which will make India to prosper if well implemented.
6. Scrapping of Wealth Tax Act and charging extra 2% surcharge where the income is more than RS.1,00,00,000/-
7. Introduction of GST from 01-04-2016.
8. Special enactment and care taken to reduce black money and get back the same from other countries is a welcoming feature.
9. More emphasis is made on implementation of laws not retrospectively is a healthy feature by the present government.
10. Increase in Service Tax from 12.36% to 14% and extra 2% cess on certain services if required.
11. Amendment to sec.269SS and 269T in case of payment or receipt on transfer of immovable property.
12. Filing of returns by government hospitals and institutions which are wholly or substantially financed by government.
13. Payment of interest by co-operative banks to its members would attract TDS provisions.
14. Amounts increased under sections 80CCD,80D,80DDB,80DD and 80U
15. Corporate tax reduced from 30% to 25% over a period of 4 years by reducing many exemptions and deductions.
16. Making PAN mandatory for all immovable transactions above Rs.1,00,000/-
17. No LPG subsidy to higher income group people.

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By...CA.D.ARAVINDA RAMA

**BANK AUDITS-2015**

As a regular practice, March is the month where the Chartered Accountants are given bank audit assignments and audit is to be completed in April, 2015. All the Chartered Accountants are advised to attend various seminars conducted by different branches with regard to the latest developments on bank audits preferably before 31-03-2015.

The fundamental points which the central auditors of any bank expect from branch auditors are-

1. The branch auditors should have well-trained and experienced staff
2. Branch auditors are updated on RBI circulars and are well-versed with ICAI guidance note on bank audits.
3. The auditors are expected to read all circulars of bank concerned relevant to the year of audit.
4. The auditors are expected to understand relevant internal controls in the branch both software controls and manual controls.
5. Better the Chartered Accountant should do scrutiny of advances, NPA provisions based on statements on his own instead of giving such work to staff.
6. The element of due diligence should be exercised while signing the certificates to be issued to the bank and accepting the data for tax audit and LFAR.
7. Special care is to be taken by the auditor in identification of NPAs and preparing the memorandum of changes.
8. Branch auditors are supposed to go through the concurrent audit reports, inspection reports, information system review reports for the purpose of knowing major weaknesses in internal controls if any.
9. Professional code of conduct demands each branch auditor to communicate with the previous branch auditor.
10. Last but not the least, the branch auditor should be very cautious and impartial in making qualifications may be in statutory audit report, tax audit report and LFAR.

**By...CA.Dr.D.HARISCHANDRA RAMA**

**SCRUTINY ASSESMENT UNDER SEC143(3) BEFORE THE YEAR ENDING 31-03-2015**

As most of the Practising Chartered Accountants are supposed to appear before the assessing officers representing the clients for the notice u/s 143(2) for the finalization of scrutiny u/s143(3) of Income Tax Act,1961, the last date for completion of scrutiny assessments for the AY 2012-13 is 31-03-2015. We expect all our fellow Chartered Accountants to prepare well for the presentation with the facts and wish that the assessments are completed with all rational and reasonable application of law.

**QUOTATIONS FOR THE MONTH**

- Don't read the success stories you will only get a message, read failure stories you will get some idea to get success.
- Don't take life too serious, always find time to laugh because it may not add years to your life but adds more life to your years.
- Keep the things in your heart which hurts others, but never try to hurt someone by keeping something in your heart.