1) INTRODUCTION

1.1 The depth and spread of the Banking System in any country is a major indicator of the economic strength of that country. The development of a robust banking system contributes to the economic development of that country. One has seen the banking system in the world undergoing substantial ups and downs especially in the last decade. One has to appreciate the strength and the manner in which the banking system in India has withstood the pressures from within and outside the country. The credit for this sustenance goes to all those who were controlling and managing the banking system during this turbulent period.

1.2 The Audit of banks has played a major role in assisting the Regulators to supervise the entire banking system in the country even through these difficult times. At the root of importance of audit is this supplementary role played by the auditors along with banking regulators.

1.3 The audit profession could be looking at bank audits as an area of tremendous opportunities. However, the Society at large looks upon the auditors to give them an assurance that “All Is Well” in banking system. This requirement of assurance which is expected by the Society from the auditors raises various issues for the audit profession and these require careful consideration. In fact these issues indicate the Concerns in Bank Audit which the audit profession should address to immediately by responding in a comprehensive manner.

1.4 This paper tries to look at the subject of Bank Audit from the view point of all stake-holders i.e. Bank Auditors, Banks, Regulators Customers, and Society at large including depositors. It is in this context a comprehensive view and analysis of the Opportunities and Concerns connected with Bank Audit is necessary by equating stakeholders’ interest with national interest.

2) BANKING STRUCTURE IN INDIA

2.1 The structure of banking system in India is created keeping in mind the country’s unique geographic, social and economic characteristics. These features are reflected in the structure, size and diversity of the country’s banking and financial sector.

2.2 The role of central banking in India is taken care of by the Reserve Bank of India, which in 1935 formally took over these responsibilities from the then Imperial Bank of India. The Reserve Bank was nationalized in 1947. It is responsible for development and supervision of the constituents of Indian financial system which comprises of banks and other non-banking financial institutions. RBI has also been entrusted with the responsibility of regulating the activities of commercial and other banks. Apart from directions relating to operational matters, RBI also issues, from time to time, guidelines on accounting matters to be followed by banks.

2.3 The Banking system can be broadly displayed as follows.
The Reserve Bank of India works as the Regulatory and Supervisory Authority for the banking system and NABARD works as the Supervisory Authority for the Agricultural Banking.

2.4 There is a comprehensive legal system which governs and deals with the banking system in the country. The major laws governing the banking operations and activities in the country are given illustratively below.

- The Reserve Bank of India Act, 1934
- Banking Regulation Act, 1949
- Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970
- Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980
- State Bank of India Act, 1955
- State Bank of India (Subsidiary Banks) Act, 1959
• Regional Rural Banks Act, 1976
• The Companies Act, 1956
• Information Technology Act, 2000
• Prevention of Money Laundering Act, 2002
• Credit Information Companies Regulation Act, 2005
• Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002

3) BANKING BUSINESS—CHANGING FACE

3.1 The primary business of banking is to accept deposits and do lending and investment activities. This basic activity of a bank dominates the business activities of any bank. However, the competition amongst the Banks coupled with technology thrust has pushed banks to look into various additional activities.

3.2 The Banks are creating specialised cells or branches to render personalized services to High Networth Individual (HNI). The Banks are also creating facilities to spread the habit of Net banking facilities. Many banks also create outfits to provide Merchant Banking facilities to various clients.

The Internationalisation of banking operations also throws lot of challenges for the banks and these are converted into opportunities by many banks.

The Banks have started doing cross-selling of products so as to stabilize interest income and to enhance fee income.

There are various types of new services which the banks offer to its business customers taking advantage of its presence across the country.

3.3 Thus the focus of banking business has been changing rapidly in the past few years. This has resulted in changing the focus of banking operations. Naturally the risks in business of banking have also to be evaluated under the new environment in which banks are operating.

4) BANK AUDIT

4.1 The Banking system has been using the services of CA profession in a big way so as to examine the banking operations from a “Safety and Soundness” perspective. Similarly, RBI as the Regulator has been depending upon the CA profession to ensure that the Banking system remains within control. The society at large including the bank depositors look at the bank auditors to ensure that their deposits are safe and secured in the Banks.

4.2 The auditors of banks have to adapt themselves to the changing situations in banking business and handle bank audits differently in view of the risks attached with banking business. The audit profession considers increase in number of audits as an opportunity while the Banks look at it as a matter of concern since the banks have to negotiate and deal with a larger number of audit firms. Thus, there can be a different approach on the same subject of bank audit when one studies the same from the viewpoint of Bank Auditors, Banks, Regulator and Society at large.

4.3 For recognizing these diverse expectations, the Opportunities and Concerns need to be discussed from the viewpoint of Auditors, Banks, Regulators and the society at large.
5) **AUDITOR’S PERSPECTIVE**

**OPPORTUNITIES IN BANK AUDIT**

The opportunities in Bank Audit from the viewpoint of Audit Profession can be analysed as follows:

5.1 **Statutory Audit**

Every Bank in the country requires under the respective Act to get its accounts audited. Reserve Bank of India Act requires RBI to have statutory audit and the rights and obligations of the Statutory Auditor are specified in the Act.

Banking Regulation Act requires every bank in the country to get its accounts audited under the law. All the Financial Institutions in the country also have to get their accounts audited under the respective laws. The Co-operative Societies Act (Central and State) also prescribe statutory audit.

It is interesting to study the specific Sections under the respective laws and the Rules framed thereunder in relation to rights and obligations of the Statutory Auditor. There are certain fine distinctions in the rights as well as the obligations under the different laws. The Statutory Auditor therefore has to study them carefully while undertaking statutory audit.

5.2 **Long Form Audit Report**

The Reserve Bank of India requires the Statutory Auditor of a commercial bank to prepare and submit to the management of the bank and RBI a specific report called Long Form Audit Report (LFAR) on completion of statutory audit. The contents of the Long Form Audit Report in a way enable the statutory Auditor to report specifically on various issues.

In case, the matters on which the auditors give report in LFAR are so important that these would necessitate a qualification in main audit report, it is not sufficient for the auditors to report in LFAR alone. In such cases, the Auditor should consider whether the matter needs to be mentioned as a qualification in the main Audit Report.

5.3 **Internal Audit**

The banks appoint Chartered Accountants to carry out Internal Audit. The process of appointment, scope of audit, the frequency of audit and the levels to which Internal Auditors submit report differ from bank to bank.

5.4 **Concurrent Audit**

The Banks have been using the services of CA firms to carry out concurrent audit of banks in a big way. The auditors are required to check transactions and documents on an ongoing basis when they carry out concurrent audit. The number of branches of various banks in the country is very large and therefore the scope for the audit profession is also very large.

5.5 **Stock Audit**

The banks appoint CA firms to verify and report on the stocks maintained by the borrowers of the Banks. The auditors are required to report on the system of record keeping and verify the actual stocks held on a timely basis.

5.6 **Revenue Audit**

The banks appoint CA firms to check the income of the branches and require the auditors to check that all the revenues of the bank are properly and regularly accounted for.
5.7 Snap Audit
The CA firms are appointed to check and verify certain specific aspects within the bank or branches and report to the top management on these specific matters. Banks also appoint CA firms to check certain specific issues or matters in respect of certain borrowers and require them to carry out Snap Audit.

5.8 Credit Audit
Some banks ask CA firms to review and report on certain credit proposals. The CA firms look into the loan transaction covering the process of sanction, documentation and operation of the loan account. Such credit audit can bring out the lacunas, if any, in the processing and sanctioning of loans as well as the problems in documentation and monitoring of loan accounts.

5.9 Monitoring Accountants
Certain banks appoint CA Firms as Monitoring Accountants in respect of very large borrowers. The banks expect the firms to report on specific issues covered by the appointment letter as well as any other issues which the auditors may notice in the review of books of accounts of the borrowers. Such Monitoring Accountant visit the borrowers factories and offices regularly and submit their reports as per the predetermined frequency.

5.10 KYC Audit
The importance of the documents taken at the time of opening of a bank account is tremendous. RBI is insisting on the banks that their guidelines about Know Your Customer (KYC) are extremely important. Therefore, some banks appoint auditors to verify and report on KYC documents.

5.11 NPA Audit
The identification of Non-performing Assets is extremely important for the bank since this aspect has impact on the income recognition and provisioning requirements. Certain banks appoint auditors to check whether the loan assets are correctly identified as Non Performing Assets and consequently whether the income recognition and provisioning requirements are correctly followed.

5.12 Investment / Treasury Audit
RBI has issued specific guidelines on the investments to be made by the banks including the CRR & SLR requirements. Many banks appoint auditors to check that the Investment policy is correctly followed and all the investments are done in accordance with the RBI directives. These reports are required to be submitted at predetermined frequencies.

5.13 System Audit
Practically all banks in the country use computers. Many banks use core banking solutions which cover majority of their branches across the country. Certain banks use Software systems which cover some of their branches. In all these cases, it has become essential to appoint agencies to carry out Systems Audit. CA firms are well suited to carry out these System Audits.

6) OPPORTUNITIES IN OTHER SERVICES
The audit profession has been rendering various services to the banking sector. These services are not in the nature of bank audit but the expertise acquired by the CA firms while conducting bank audits are utilised for rendering these services. Some of these services are summarised below.
6.1 Processing Loan Documents
Many banks appoint CA firms for verification of details and documents submitted by the prospective borrowers before these are taken up for sanction. This enables the Bank to take advantage of the knowledge of CA firms about the local conditions of the borrowers and achieve greater speed in disposal of these applications. This is also found to be an economical step for the bank since cost of employees to do this job is found to be much higher.

6.2 Project Reports
There are many CA’s who work in a professional manner to prepare the project reports/CMA data for the prospective borrowers and assist them in negotiations with the bank for their loan proposals. The prospective borrowers find it convenient to engage the CA firms to undertake this activity.

6.3 Loan Arrangements/ Syndication
The CA firms are well suited to understand and evaluate the financial needs of the borrower and prepare proposals for obtaining loans from Banks. The knowledge of banking enables them to present appropriate documents and papers on behalf of the borrowers and assist the borrowers in presenting their needs before the banks. Wherever appropriate, the Loan Syndications are also arranged, depending upon the size and period of the loans.

6.4 Back Office Operations
The Banks find it convenient to outsource some of its routine activities to the CA firms who can do it more economically as compared to the cost of doing it internally.

6.5 NPA Resolution
The banks have a major problem of rising levels of Non Performing Assets. Certain CA firms perform the job of identifying the possible buyer who takes over the Non Performing Asset from the bank. The CA firms who are well aware of the market conditions are able to identify the prospective buyers more easily. Various Asset Reconstruction Companies are coming forward to buy these NPAs from the banks. The CA firms help and assist the bank in packaging the bulk of NPAs in appropriate manner and assist the banks in disposal of the same even by conducting auctions for such sale.

6.6 Risk Management Systems
The banking business has to constantly evaluate and counter the risks in its business activities. Some firms have specialized knowledge in understanding, evaluating, measuring the various risks connected with the banking business. Such firms assist the banks in preparing manuals for the Risk Management and help them in implementing the same.

6.7 Operation Manuals
The banks have to lay down policies in respect of its loans, advances, investments, deposits etc. The CA firms with sufficient banking experience are well equipped to assist the banks in preparation of operating manuals laying down policies and procedures in respect of its various activities such as deposits, advances, investments, etc.

6.8 Training
Training of staff is an ongoing process in the banks. The constant changing face of the banking business necessitates that the staff has to be given training in respect of the new areas on a continuous basis. Similarly, the staff members are generally transferred from one function to another on a regular basis. This also increases the need for training. The CA firms are well
equipped to provide training to such staff members in respect of various aspects of banking business.

6.9 Mergers and Acquisitions
In case one bank wishes to acquire another bank, the acquirer bank has to carry out Due Diligence about the operations of the target Bank. The CA firms are best suited to carry out such Due Diligence, evaluate the strength and weaknesses, estimate the values of assets and liabilities and submit report to the acquirer bank.

6.10 Restructuring of Banks
There are certain banks which are identified as weak or sick banks. A CA firm is well equipped to study such a sick bank and advise them on the entire restructuring of bank. It is possible for a CA firm to analyse, understand and evaluate the reasons for sickness and suggest remedial actions for eradicating the reasons for sickness. The CA firm can prepare a complete road-map for the restructuring of a bank so as to convert a sick bank into a healthy bank.

7) CONCERNS IN BANK AUDIT
The increasing scope of opportunities in bank audit has been a phenomena welcomed by the audit profession. However, such tremendous opportunities themselves indicate areas of concern which the audit profession should carefully look into. It is useful to analyse these concerns and try and see the possible remedy for the same.

7.1 Statutory Audit
The Statutory audit provides many opportunities to the audit profession. However, it also raises various issues which the audit profession should study carefully. Some of these can be analysed and studied as follows:

7.1.1 Appointment
7.1.1.1 Public Sector Banks
The authority to appoint auditors for public sector banks was vested with the Reserve Bank of India for past few years. The appointments of statutory auditors were made on the basis of certain yardsticks prescribed by RBI and the firms were selected out of the Panel of auditors which was updated every year by The Institute of Chartered Accountants of India (ICAI). However, due to the objections raised by few people, the authority to appoint auditors was shifted to The Board of Directors of the public sector banks. Apparently, this change has evoked mixed reactions from the profession. Presently, therefore certain banks have taken the authority to appoint auditors whereas many banks still prefer to go by the earlier system where RBI was identifying the firms to be appointed as Auditors.

This new process of appointment of auditors by the Board of Directors of a bank is a matter of concern for the profession.

7.1.1.2 State level Urban Co-op Banks
The appointment of auditors for Urban Co-operative banks which are operating in one single State of India are governed by the provisions of “The State Co-op Societies Act”. In Maharashtra, the Registrar of Co-op Societies has been appointing auditors of co-operative banks working within the state. The entire process of appointment of auditors of Co-op Banks in Maharashtra has been operating in such a way that it needs to improve substantially. There is a need to achieve greater transparency in the process of appointment.
7.1.1.3. State Level and District Level Co-op Banks
The auditors of State Level and District Level Co-operative Banks are appointed in accordance with the system and process of appointment laid down by NABARD. Normally each bank is given a choice of 3 names of firms and the Bank is expected to negotiate with those firms and select a firm which quotes the lowest fee. The letter normally indicates the amount of fees which are pretty low and this process of negotiation is utilised to fix the fees at further lower levels. This is a major concern for the audit profession.

7.1.2 Time for audit completion
The statutory auditors who carry out audit of branches of public sector banks are normally appointed as branch auditors sometime in February when the year ending is 31st March. Most of the Banks expect branch auditors to complete the branch audit by 10th or 12th of April and expect them to submit their reports sometime during 12th to 15th April. This leaves very little time for the branch auditors to review, check and verify all the records and documents properly within 5 to 7 days from the end of the financial year and submit the audit report. This is a major concern for the audit profession since many CA firms find it difficult to complete the audit properly within the short time in a proper manner.

7.1.3 Co-ordination between Central Statutory Auditors and Branch Statutory Auditors
The public sector banks appoint Joint Central Statutory Auditors depending upon the size of the bank. Such banks also appoint Branch Auditors whose number runs into few hundreds. The reports submitted by Branch Auditors are reviewed by the Central Statutory Auditors (CSA) and the CSA consider these reports while they finalise their report on the bank audit.

Many banks hold formal meetings between the Branch Auditors and CSA on a zonal basis before commencement of an audit. The branch auditors do not get the information about the manner in which the issues raised by them are dealt with by the CSA. At the same time, many firms who work as CSA believe that the quality of branch audit reports is not up to the mark. The firms working as CSA believe that the Branch Auditors need to do a better job whereas the Branch Auditors believe that their reports need to be taken more seriously by CSA. This disbelief amongst the professionals themselves is a major challenge to the profession. It is necessary to develop a formal mechanism for communication between CSA and Branch Auditors so as to remove the mutual disbelief and ultimately improve the quality of audit.

7.1.4 Core Banking Solution
Most of the public sector banks have shifted to the Centralised Software system whereby the details and the documentation of most of the banking transactions are available for review at the Central Office. Consequently, the Branches are becoming only delivery centers and the need for audit at the branch level is going down. In case of certain banks, when a firm is appointed as the Branch auditor, it does not have access to many of the loan sanctioning documents and other records. The branch auditors many times are not able to review these documents properly since these are either not available or they are given just 1 or 2 days to review such documents when these are stored at some central location. The CSA also may not see these documents since the loan appears in the balance sheet of the branches. In such cases, it is quite possible that neither CSA nor branch auditors review certain loan documents and this can be a major concern in bank audit.
7.2 Concurrent Audit

7.2.1 Appointment and Scope
The RBI has prescribed that the banks should appoint concurrent auditors at various branches so as to cover at least 50% of business at all branches put together. The review of the appointment letters issued to concurrent auditors indicate that the Concurrent Auditors are expected to check practically all the transactions at the branch level on a daily basis and report on a monthly basis. Many firms accept such appointments and submit their reports without necessarily completing the work. The auditors accept tremendous responsibility as concurrent auditor at dismal remuneration. This is one of the greatest concerns for the audit profession.

7.2.2 Method of Reporting
Many banks have drafted questionnaires in which the concurrent auditors have to give reports. This is done so as to ensure that no area of work is skipped while conducting audit and to achieve uniformity in reporting. However, many times this results into the audit degenerating into a routine exercise. In the process, the audit loses its effectiveness.

7.3 Conflict of Interest
The type of services rendered by the audit profession to the banking system are many and therefore the CA firms tend to provide many of these services to the banks even when they work as the Statutory Auditors of the same bank. The auditors should comply with and work within the restrictions imposed by ICAI on the type of other services which can be rendered by a CA firm while working as Statutory Auditors. The CA firm has to ensure that it should not render different services to the same Bank which creates Conflict of Interest in the services rendered by the firm.

8. BANK’S PERSPECTIVE
The subject of bank audit is very important from the view-point of banks also. The banking business is expanding in so many diverse areas that the need for bank audit is felt heavily by each Bank. Therefore, the bank management at the top level give tremendous importance to bank audit. The concerns in Bank audit as viewed by the banks can be analysed as follows:

8.1 Quality of Audit
The audit reports submitted by the auditors are found to be useful at many levels. However, in some cases, the quality of audit reports, specially in concurrent audit or internal audit leaves much to be desired. The Banks appoint auditors and expect them to give reports which will assist the banks in better management of its business. However, sometimes these reports are found to be not upto the mark and therefore do not provide the necessary support to the bank management.

8.2 Tender System
The banks need to appoint auditors at various branches. There are many firms who are willing to take up the audit of banks and therefore the number of firms applying for bank audit is very large. The banks, therefore, choose the easiest option of asking the firms to quote the fees and naturally they try to select an audit firm which quotes lowest fee. In this process, the cost of audit gets minimized but one is not sure about the quality of audit. In case the banks select a firm which has quoted higher fees, then they have to explain as to why they have done so. This system is putting the banks into a vicious circle and is a major concern for the banks.
9. **REGULATOR’S PERSPECTIVE**

RBI gives importance to the subject of Bank Audit. In fact, there is always a constant dialogue between RBI and ICAI to achieve better quality of audit. Constant endeavors are made by RBI and ICAI to help the Bank auditors to deliver better quality reports. In case one looks at the subject of bank audit from the view point of the Regulators of banking system, then one will find that there may be some areas of concern in bank audit and these can be analysed as follows:

**9.1 Statutory Audit**

The statutory audit reports of all banks alongwith the Long Form Audit Reports (LFAR) are received by RBI. The RBI issues various circulars throughout the year and requires the banks to follow them. The Statutory Auditors are expected to report on non-compliance with the circulars by the banks in LFAR. In case, the non-compliance is so material that it can affect the True and Fair View then the auditors have to report on these matters in their main audit report. In some cases it is felt by some authorities that the reports could have been better.

**9.2 Correlation with Regulatory Inspection**

RBI undertakes Inspection of banks and scrutinise the financial statements from a regulatory angle. It is generally found that the RBI inspection team occasionally brings out certain issues in determination of Non Performing Assets and Income Recognition of the banks where their observations are different as compared to the observations of the Statutory Auditors. In such cases, the Statutory Auditors are required to explain their position and this is found to be an area of major concern by the Regulator. There is a need to review whether the approach adopted by the Statutory Auditors is different as compared to the approach adopted by RBI in Inspection.

**9.3 Internal / Concurrent Audit of Banks**

The RBI initiated the process of requiring the Banks to carry out internal / concurrent audit to ensure that better controls are established and detection of errors and frauds take place faster. However, on a holistic basis, if one reviews this process of concurrent audit, one is not sure whether the objectives for which concurrent audit was started, has been achieved or not. It appears that there are lots of things which need to improve in the system of Concurrent Audit.

10. **SOCIETY’S PERSPECTIVE**

The Society at large expect that the Bank Audit should result into early detection of frauds. It is also expected that in case the auditor of a bank gives a clean audit report, then it would indicate that there are no problems with such bank. However, it is noticed that this is one area where there seems to be an ‘Expectation Gap’ between what the Society expects from the auditors and what the audit profession offers in bank audit. This seems to be a major concern in Bank Audit from the View point of Society.

11. **WAY FORWARD**

The banking business is spreading its wings and changing its nature of business activities very fast. The future will therefore belong to those banks who understand the needs of the customers properly and try and assist them in their needs. Thus, the banking business will always keep on increasing and the opportunities for the auditors will also increase accordingly. Consequently, the audit profession should look into the subject of bank audit in such a way that the Opportunities keep on increasing and the concerns are taken care properly. Some of them are specified below:
11.1 Quality of Audit
It will be truism to state that the quality of audit needs to improve. It is always difficult to define the quality of any service. However, if one makes an attempt to define the term Quality of Service, then one can say that when Performance is better than Expectations then the Quality of Service is good. The audit profession should accept the fact that the expectations from bank auditors will always keep on rising. Therefore, the performance of the Bank Auditors also has to improve so as to match the expectations which will result into better quality of audit. At an individual level, if the audit firm is able to satisfy itself that all the Standards on Auditing are fully complied with while conducting the Bank audit, then the audit firm can state that it has rendered good quality audit.

11.2 Bank Management
The Banks carry on their business with the support of deposits obtained from different types of depositors and most of the depositors are not necessarily the shareholders of the Bank. Thus, the public depositors at large depend heavily on the strength and integrity of the Bank Management. The shareholders rely upon the Bank auditor to give them comfort that the Bank Management is doing their job properly. Thus the audit report issued by the Bank Auditors play an important role in assuring the depositors that the Bank Management is managing their funds properly. This puts a greater responsibility on the auditors in performance of the audit.

11.3 Urban Co-operative Banks
The urban Co-operative Banks occupy an important place in certain states such as Maharashtra, Gujarat, Tamil Nadu and Delhi. Some of these banks are well managed but few of them are not properly managed and are identified as weak or sick banks. The auditors who work for such banks have to take extra care in conducting the audit of such banks and ensure that the auditors help these banks to improve their strengths and make them stronger.

11.4 Inspection
Presently the inspection of banks is carried out by the staff employed by the Regulators. The increasing complexities of banking business and the shortage of all rounded trained manpower with the Regulator may necessitate the use of CA firms for inspection of banks in future. It would be possible to give special training to selected firms who are willing to take up such assignments and who have sufficient experience of bank audit. Then such firms can carry out inspection of banks and submit reports to the Regulators by working as an extended arm of Regulator to that extent.

11.5 Investigation of economic offences
The growth of the banking business across the country also provide opportunities to the fraudsters and the frauds may continue to happen or even increase in future. The investigation of such frauds is a big challenge to various agencies connected with this matter. It is quite possible for some of the CA firms, with good experience in bank audit, to assist the investigation agencies in the investigation process.

11.6 Extra Care in Bank Audit
The audit profession has to be extra careful while conducting Bank audits. It is very tempting for the fraudsters to commit frauds in banks. Such frauds result into loss of money for the banks and may hit the common man’s deposits. Therefore, the auditors have to ensure that the honesty and integrity of work are combined with the principles of audit in conduct of the audit. The honesty and integrity cannot be legislated but the presence or absence of it can be easily felt by others. The audit profession will have to pass this test in bank audit.
12  CONCLUSION

12.1 It is clear from the above that the opportunities for bank audit are very large. The audit profession has the strength to meet the challenges and concerns in bank audit effectively. ICAI lays down various auditing standards and the total compliance with these standards will ensure that the quality of bank audit would be good. It is within the powers of professionals to show that they can do complete justice to the bank audit.

It is relevant to note the following quote from Aristotle

“We are what we repeatedly do. Excellence, therefore, is not an act but a habit”.

12.2 The Bombay Chartered Accountants Society organises the Residential Refresher Course every year and puts the best of the brains in the profession together for 3 days. It was nice on the part of the Organisers to ask me to present a paper on the subject of Bank Audit – Opportunities and Concerns.

12.3 The paper has tried to cover certain aspects connected with this subject. The participants would naturally have many more issues which need to considered as a part of this subject. In case such issues are communicated before the commencement of R. R. C. then even such issues can be considered while making presentation at R. R. C. The objective of presentation of this paper would be achieved in case all participants get some concrete suggestions from the paper and all decide to do the Bank audits with greater care and caution.

12.4 It would be worthwhile for the profession to take note of the following quote from Winston Churchill

“It is no use saying “We are doing the best” you have got to succeed in doing what is necessary”.