

MESSAGE

I am delighted to know that the Bangalore Branch of SIRC of the Institute of Chartered Accountants of India is organizing a Seminar on Branch Audit at Bangalore on 22nd March, 2014. This Seminar is important because Chartered Accountants (CAs) play a catalytic role in the economy, particularly the banking sector. The role of the CAs is extremely significant in providing a true and fair view of financial statements of any organization, industry, etc.

In the rapidly changing present day world, the banking industry landscape has been witnessing sweeping changes driven by cutting-edge technologies. Consequently, there has been a paradigm shift in the nature of branch audit. Contrary to popular perception, Core Banking Solution (CBS) does not eliminate the need for branch audit. But the scope of branch audit needs to be redefined in the light of changes in role and responsibilities of Auditors, recent changes in the RBI guidelines and the increased expectations from Auditors. Branch Audit could conceivably help banks to streamline their business model, reduce intermediation cost, increase margins and enhance efficiencies.

Improvement in audit methodologies is not a one-off effort but a continuous and evolving process to handle financial innovation and increasing cross border flows. Hence, Branch Audit needs to be constantly strengthened to provide financial sector stability. This is a task in which all stake-holders, i.e., Auditors, branch officials, and senior officers from the Controlling and Head Office must play their due role in raising the bar. Branch Audit could thus provide a mechanism of optimizing cost and enhancing value proposition.

I wish this Seminar a resounding success!

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