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AHMEDABAD BRANCH OF WIRC OF ICAI

e - NEWSLETTER

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Chairman's Message



Ahmedabad Branch awarded 2nd Best Branch in Western India Regional Council at WIRC



Editorial

Dear Members,

I am extremely glad to inform you that for the Ahmedabad Branch has awarded with 4 AWARDS - Two BEST Branch Awards of INDIA by ICAI, New Delhi & Two BEST Branch Awards of WESTERN REGION by WIRC, Mumbai for Members and Students (WICASA) Year 2019. It is a moment of celebration for all members and students of our branch. Getting appreciation by way of awards and recognitions like these, give us immense motivation to work even harder and do even better for our members and students.

Thank you for all your co-operation & guidance and we look forward to your continued support in the times

ahead. I would like to take this opportunity to sincerely thank all the contributors of newsletter for sending the updates and sparing their precious time for the cause of the profession. In order to make the newsletter more resourceful, we need your continuous support by way of contribution of updates, useful suggestions, etc. I extend my sincere gratitude to the Editorial team for their hard work to publish this newsletter in time, as this is the first time we have conceptualized and drafted the entire newsletter with our branch resources.

Happy Learning!



CA. Rahul Maliwal

**Chairman,
Newsletter Committee**



WICASA Ahmedabad awarded 2nd Best in Western India Regional Council at WIRC



Accounting & Company Law Updates

CARO 2020: Overview

Ministry of Corporate Affairs (MCA) has notified Companies (Auditor's Report) Order, 2020 (CARO 2020) on 25th February, 2020. You may find the notification at

http://www.mca.gov.in/Ministry/pdf/Orders_25022020.pdf.

CARO 2020 has superseded CARO 2016 and is applicable from the financial year 2019-20. There is no change in the criteria of applicability of CARO as compared to earlier version of 2016. The number of clauses is increased from 16 to 21 and there are various modification in sub-clauses. Please find below summary of the changes from CARO 2016 to CARO 2020:

Particulars	Clauses	Sub-clauses
Total Nos. as per CARO 2016	16	10
Added	7	17
Removed	(1)	-
Modified	2/(2)	5/(5)
Regrouping	(1)	4/(3)
Total Nos. as per CARO 2020	21	28

(A) New Clauses Added:

The following clauses are newly inserted:

Clause Nos.	Topic	Particulars
viii	Surrender or disclosure of Unrecorded income	- To report any transactions not recorded in books and have been surrendered or disclosed as income - To confirm recording of previously unrecorded income
xiv	Internal Audit system and report	The comment on internal audit system and internal auditor of old CARO 2003 reintroduced.
xvii	Cash losses	To comment on the cash losses if incurred in the financial year and in the immediately preceding financial year.
xviii	Resignation of Statutory Auditor	Whether resignation during the year and if so, whether the comments/objections are taken into consideration.
xix	Material Uncertainty of meeting its liability	Based on documents and information whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
xx	Transfer of CSR fund	Transfer of unspent amount to fund / special account
xxi	Consolidated Financial Statements	To include details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks, in case of qualification/adverse comment by component auditors



Contributed by
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**(B) Clause Deleted**

Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.

(C) Clauses/Sub-clauses modified

The clauses/sub-clauses added/modified are highlighted in red font color:

i (a) (B)	Whether the company is maintaining proper records showing full particulars of intangible assets;
i (c)	Whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, if not, provide the details thereof
i (d)	Whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets;
i (e)	Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so, whether the company has appropriately disclosed the details in its financial statements;
ii (a)	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;
ii (b)	Whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details;
iii	Whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, if so,-
(a)	whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate-
A	The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates;
B	The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;
(b)	Whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;



(e)	Whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans];
(f)	Whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;
viii	Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, if so, whether the previously unrecorded income has been properly recorded in the books of account during the year;
ix (a)	Whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender , if yes, the period and the amount of default to be reported in the format given
ix (b)	Whether the company is a declared wilful defaulter by any bank or financial institution or other lender;
ix (d)	Whether funds raised on short term basis have been utilised for long term purposes, if yes, the nature and amount to be indicated;
ix (e)	Whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case;
ix (f)	Whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, give details thereof and also report if the company has defaulted in repayment of such loans raised;
xi (b)	Whether any report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
xi (c)	Whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;
xii (c)	Whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof;
xiv (a)	Whether the company has an internal audit system commensurate with the size and nature of its business;
xiv (b)	Whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor;
xvi (b)	Whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934;
xvi (c)	Whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria;
xvi (d)	Whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group;



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(₹ in crores)

No	Particulars	2008-09	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	Share Capital	18.95	23.74	25.72	27.49	29.62	33.62	34.95
2	Reserves	380.10	529.96	566.65	623.11	665.43	707.31	344.64
3	Advances	1786.58	5029.07	5921.99	5450.34	6531.22	6176.99	6711.90
4	Deposits	3209.95	6945.65	6368.87	5178.04	5557.08	5801.50	6554.60
5	Profit / Loss	(-) 52.66	13.93	44.61	18.09	40.60	45.54	42.94
6	Dividend	--	15%	15%	15%	15%	15%	15%

ACHIEVEMENTS

- Agricultural Crop Loans up to Rs. 3/- Lakhs is given at 7% to more than 25 Lakhs farmers of the State. Besides this, additional 3% interest subvention benefit given to farmers for prompt repayment of their loans on due date.
- The bank protects the interest of the depositors by complying with the provisions of Section 22 (3) (b) of the B.R. Act, 1949 (AACS)
- RuPay ATM / Debit Card, RuPay EVM Chip-based ATM cum Debit Card, Classic & Platinum RuPay ATM cum Debit Card, RTGS,CSGL,NEFT,CTS,e-commerce, IMPS, Micro ATM, DBT (Direct Benefit Transfer), Net Banking, Mobile Banking,UPI/BHIM, BHARAT QR CODE and Stamp franking facilities offered.
- GSC Bank Ltd is offering Autovault Automated Safe deposit Lockers - a first of its kind in India. These next-generation related technology based lockers are developed by a Japanese company and are extremely safe and secured. The GSC Bank Ltd. is the FIRST COOPERATIVE BANK in INDIA to have installed this type of lockers.
- Loan facility with attractive rate to public.
- 29 CBS enabled air conditioned branches in Ahmedabad & Gandhinagar for efficient services.
- NABARD awarded Banking Technology Leadership for Coop. Banks in Gujarat-2018 to Hon.Chairman Shri Ajaybhai H Patel.
- The Chairman of the bank Shri. Ajaybhai H. Patel was honoured by the Gujarat Government for his contribution for computerization of the cooperative banks of Gujarat and was conferred "Sahakari Sheshtri" award in 2017.
- Kribhco, New Delhi awarded "Sahakarita Shiromani award" to hon.Chaiman Shri Ajaybhai H Patel.
- Rural Marketing Association of India awarded as a "Best Leadership" award to hon.Chaiman Shri Ajaybhai H Patel.
- Bank has a consistent history of receiving awarded from NAFSCOB for its best performance and corporate Governance.
- Awarded first prize for "Overall Performance" for the year 2009-10 to 2011-12 by NAFSCOB, Mumbai for the 4 consecutive years.
- Awarded one of the "Best Performing Cooperative Organization" by National Cooperative Union Ltd., New Delhi.
- Other award: Best Green Initiative award, In state coop banks category -Best Chairman award and Best Data Center Upgradation award

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Vice Chairman

AND
BOARD OF DIRECTORS

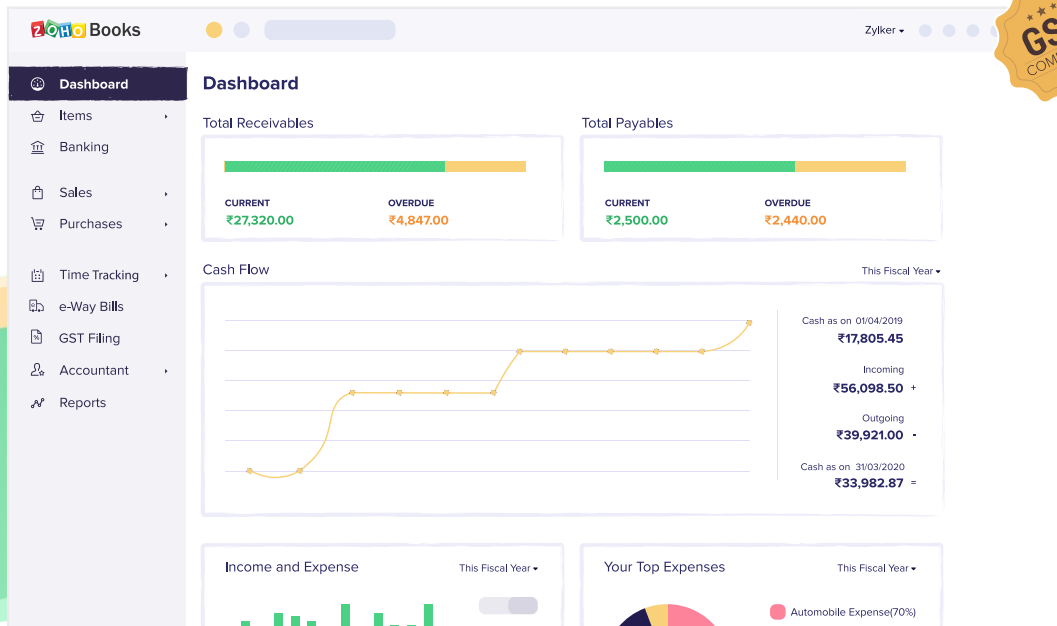
AJAYBHAI H. PATEL
Chairman

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