Banking, Financial Services & Insurance Board

# CERTIFICATE COURSE ON CONCURRENT AUDIT OF BANKS

## BROCHURE





**ICMAI**
**भारतीय लागत लेखाकार संस्थान**
**THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**
Statutory Body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)


**Headquarters:**
CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi - 110003

**Kolkata Office:**
CMA Bhawan, 12, Sudder Street, Kolkata - 700016


Behind Every Successful Business Decision, there is always a CMA

## About The Institute

The Institute of Cost Accountants of India was first established in **1944** as a registered company under the Companies Act with the objects of promoting, regulating and developing the profession of Cost Accountancy. On **28th May, 1959,** the Institute was established by a special **Act of Parliament,** namely, the **Cost and Works Accountants Act, 1959** as a statutory professional body for the regulation of the profession of Cost and Management accountancy. The Institute is under the administrative control of **Ministry of Corporate Affairs, Government of India.**

The Institute has since been continuously contributing to the growth of the industrial and economic climate of the country. The Institute is the only recognised statutory professional organisation and licensing body in India specialising exclusively in Cost and Management Accountancy.

## International Affiliation

The Institute of Cost Accountants of India is Founder member of International Federation of Accountants (IFAC), Confederation of Asian & Pacific Accountants (CAPA) & South Asian Federation of Accountants (SAFA). The Institute, being the only institution from India, is a member of the Accounting Bodies Network (ABN) of The Prince's Accounting for Sustainability (A4S) Project, UK and International Valuation Standards Council (IVSC), UK.

## Institute's Strength

The Institute is the largest Cost & Management Accounting body in the World, having a large base of about 1,00,000 CMAs either in practice or in employment and around 5,00,000 students pursuing the CMA Course.

## Institute's Network

Institute's headquarters is situated at New Delhi with another office at Kolkata. The Institute operates through four Regional Councils at Kolkata, Chennai, Delhi and Mumbai as well as through 112 Chapters situated in India, 11 Overseas Centres abroad, 2 Centres of Excellence, 61 CMA Support Centres and 401 Recognized Oral Coaching Centres.

## Vision Statement

*"The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally."*

## Mission Statement

*"The Cost and Management Accountant professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting."*

## Course Objective

The Banking, Financial Services and Insurance Board is pleased to offer **Certificate Course** on **"Concurrent Audit of Banks"** to enable participants to understand the intricacies of Concurrent Audit of Banks.

This course aims to impart in-depth knowledge on concurrent audit of banks and to help the participants to acquire with the knowledge/skills to undertake related assignments/Special Audits of the Banks like:

- Income Leakage Audit
- KYC/AML Audit
- Treasury Department Audit
- Staff Accountability Exercise in respect of Failed/NPA Advances at incipient Stage
- To supplement the effort of the Banks in carrying out Internal Audit of the Transactions and other Verifications and Compliance with the Systems and Procedures laid down by the Banks and RBI

***Online Admission Link:***
***https://eicmai.in/advscc/DelegatesApplicationForm.aspx***

**CPE Credit: 10 hours**
for members of The Institute of Cost Accountants of India

## Course Eligibility

FCMA/ACMA/those who have qualified Final CMA examination, Bank Officer or Ex-Bank Officer.

## Course Duration

a) Classroom Learning of 3 hours per day in the Weekend through online mode
b) 30 Hours on-line Coaching
c) 2 months course
d) Online Examination for 100 marks

## Course Fees

Course Fees (including learning kit) of Rs. 5,000/- plus GST of 18 %.

**Special Discount for Corporates**
For number of employees 5-10, discount is 15%. For number of employees more than 10, discount is 20%

## Examination

Rs. 750 plus GST per attempt.

# Detailed Course Content (Syllabus-2024)

1. **Types of Audits in Banks Sector.**
   - 1.1 Risk Focused Internal Audit (RFIA).
   - 1.2 Credit Audit / Stock & Book Debts Audit /Statutory Audit.
   - 1.3 Concurrent Audit / e-Concurrent Audit etc.

2. **Role of Concurrent Auditor.**
   - 2.1 Verification of Deposit, Advance Accounts.
   - 2.2 Verification of Locker System, Cash Department Procedures, Alternative Delivery Channels etc.
   - 2.3 Unit Inspection, End-use of Funds, Staff Accounts etc.

3. **Credit, Market and Operational Risks.**
   - 3.1 Credit Risk Areas.
   - 3.2 Market Risk Areas.
   - 3.3 Operational Risk Areas.

4. **Loans and Advances.**
   - 4.1 Demand Loans.
   - 4.2 Term Loans.
   - 4.3 Overdrafts, Working Capital Loans and Working Capital Term Loans.
   - 4.4 Home Loans, Car Loans, Personal Loans, Mortgage Loans, Education Loans etc.

5. **Credit Process: Pre-sanction, Sanction & Post-sanction.**
   - 5.1 KYC, Verification of Application / Project Report, CIBIL, CIC Reports.
   - 5.2 Appraisal, Projections etc.
   - 5.3 Verification of Proposal, Sanction and Submission of Control Forms.
   - 5.4 Documentation, Types of Charges, Equitable Mortgage, Disbursement, etc.

6. **Pre-shipment and Post-shipment Finance.**
   - 6.1 UCPDC Guidelines – FEDAI Guidelines – FEMA Guidelines.
   - 6.2 Pre-shipment packing credit Advance.
   - 6.3 Discounting of Export Bills / Import Bills payment etc.

7. **Common Serious Lapses in Sanction, Follow-up & Documentation.**
   - 7.1 Delegation of Powers.
   - 7.2 Take-over Norms.
   - 7.3 Wrong Documentation.
   - 7.4 Stock Statements, Insurance for both Primary and Collateral Security, Monitoring of SMA-0 to SMA-2 Accounts.

8. **Legal and Regulatory Frame.**
   - 8.1 RBI Act and Banking Regulation Act.
   - 8.2 Limitation Act.
   - 8.3 Registration Act.
   - 8.4 Indian Stamp Act.
   - 8.5 Limitation Act.
   - 8.6 SARFEASI Act and CERSAI etc.
   - 8.7 KYC/AML Guidelines.

9. **IRAC Provisioning Norms.**
   - 9.1 Classification of Advances.
   - 9.2 Provision requirements.

10. **Non-fund-based Business**
    - 10.1 Types of Bank Guarantees.
    - 10.2 Types of Letters of Credits.
    - 10.3 Margins, Collateral Security, Standard formats of BGs / LCs, Commission on BGs / LCs.

11. **Operational Risk Management – ORM-I**
    - 11.1 Job Rotation–Staff Attendance-Branch Documents–Security Forms.
    - 11.2 Security Systems (Fir-Extinguisher, Smoke Detectors, Gun Licences etc.), Currency Chest Fitness Certificate–Disaster Recovery Management– Business Continuity Plan etc.
    - 11.3 Safe Deposit Lockers, Safe Deposit Articles, Deceased Claims Settlement etc.

12. **Operational Risk Management – ORM-II**
    - 12.1 Complaints–Banking Ombudsman–Customer Forums.
    - 12.2 Branch Duplicate Keys–Reconciliation of Office Accounts–Parking Accounts–Recovery of Service Charges–Income Leakages etc.
    - 12.3 Display of Import Notice Boards–Cheque Truncation System–Complaints and Suggestion Box–Police Beat–ATM Cash Replenishment Outsourcing Agencies (Service Level Agreements).

13. **Forex Transactions.**
    - 13.1 Opening of NRE / NRO / FCNR / RFC accounts.
    - 13.2 Purchase & Sale of Foreign Currency Cheques / Currency / Export & Import Bills–Forex Rates.
    - 13.3 Submission of R-Returns to RBI.
    - 13.4 Verification of SWIFT Message Inward / Outward Remittances.
    - 13.5 Nostro, Vostro and Loro Accounts etc.

14. **Detection, Classification & Reporting of Frauds**
    - 14.1 Classification of Frauds–Internal & External Frauds.
    - 14.2 Provisions / Recovery Efforts of Frauds.
    - 14.3 Disciplinary action initiation / Reporting of Frauds to RBI through On-line.

15. **Tools for Concurrent Audit of Banks**
    - 15.1 Bank Systems and Procedures / Standard Operating Procedures.
    - 15.2 Current Chest Guidelines of RBI.
    - 15.3 Delegation of Financial Powers.
    - 15.4 Service Charges etc.

16. **Audit in CBS Environment.**
    - 16.1 Core Banking System-Major functionalities.
    - 16.2 Reports Generated by CBS like Exceptional Reports, Suspicious Transactions Reports etc.
    - 16.3 Treasury Management Solutions-Front, Mid and Back-office Reports etc.

17. **ESG Lending Audit.**
    - 17.1 Overview of Sustainability-linked Loans.
    - 17.2 Principles of Sustainability-linked Loans.
    - 17.3 Value Statements of Social and Environment Audit.

18. **Expected Credit Loss Provisions.**
    - 18.1 Expected Credit Loss (ECL) Framework.
    - 18.2 Verification of Stage-1, Stage-2 and Stage-3 Loan Portfolio by Auditors.
    - 18.3 Implementation of Regulatory Guidelines on ECL.



## Contact for further queries

**CMA Dibbendu Roy, Additional Director & HoD at bfsi.hod@icmai.in, bfsi@icmai.in**

**ICMAI**
**भारतीय लागत लेखाकार संस्थान**
**THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**
Statutory Body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

**Headquarters:**
CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi - 110003

**Kolkata Office:**
CMA Bhawan, 12, Sudder Street, Kolkata - 700016