

**“REFRESHER COURSE ON STANDARDS ON  
AUDITING - WIRC”**

***STANDARDS ON AUDITING ON AUDIT  
EVIDENCE (SA 500 – SA 599)***

**“Will I be carrying coal to Newcastle”**

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## Introduction

- The standards on auditing have evolved over the years. In the initial years of the profession in India it took shape in the form Standard Auditing Procedures ('SAP') covering various topics such as cash transactions, bank, debtors, creditors and others.
- On formation of Auditing and Assurance standards board within the ICAI AASB gave shape to the standards.
- Standards are basically codified from common sense approach, logic and legal requirements. Therefore, they have all been refined time to time to ensure the professional in practice follow standard procedures.

## Standards on Auditing (SAs) to be covered

The following SAs relating to Audit Evidence will be taken up for discussion:

- SA 500 (Revised) “Audit Evidence”
- SA 501 (Revised) “Audit Evidence—Specific Considerations for Selected Items”
- SA 505 (Revised) “External Confirmations”
- SA 570 (Revised) “Going Concern”
- SA 560 “Subsequent Events”
- SA 540 (Revised) “Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures”

## SA 500 – Audit Evidence

### **Scope:**

This Standard on Auditing (SA) explains what constitutes audit evidence in an audit of financial statements, and deals with the auditor's responsibility to design and perform audit procedures to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions on which to base the auditor's opinion. This SA is effective for audits of financial statements for periods beginning on or after April 1, 2009.

### **Objective:**

The objective of the auditor is to design and perform audit procedures in such a way as to enable the auditor to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions on which to base the auditor's opinion.

## SA 500 Cont...

- All will agree that this SA is the most fundamental one and require to be understood in a comprehensive manner.
- This is based on the fact that accounting records are generated based on transactions and such supporting documents which need a proper supporting evidences.
- From the audit point of view it takes varied or different shapes and require an auditor to verify or examine the following:
- Vouchers / transaction audit. This is defined as verification of documentary evidence. It requires examining the quality of supporting evidence, compliance with prescribed control procedures processed through different hands for validation. In the case of existence of a ERP structure, the approach is made easier.
- Verification of existence/appropriateness of assets in the balance sheet, existence of liabilities, appropriateness of income and expenses.
- The SA audit evidence 500/501 read with SA 505 – External confirmations, SA 580 – written representations, SA 610 and 620 – using work of internal auditors and auditor’s expert culminate in audit documentation. Therefore, SA 230 on audit documentation should be treated as an integral part of audit evidence.

## SA 500 Cont...

Audit procedures to obtain audit evidence which are sufficient and appropriate, include:

- Inspection:

Inspection is done by the auditor of books of accounts and other relevant records. Inspection can be done internally or externally and types of evidence may be in paper form, electronic form etc. Even auditor may prefer to do a physical examination of an asset for getting conclusive view about the asset appearing on the balance sheet. In this case, it is said to be more reliable audit evidence. Its reliability depends on the nature and source of audit evidence.

- Observation

Observation will include review of internal control processes being performed within the organization of the client. It is the close verification of the processes performed by the client. We can take the example of inventory counting in these case:

Auditor observes the inventory counting performed by the client and forms his conclusion about the control activities performed. By observation, the auditor can know about the internal control in the organization – whether it is strong or weak.

## SA 500 Cont...

Audit procedures to obtain audit evidence which are sufficient and appropriate, will also include:

- Confirmation

To check the genuineness of the transactions appearing in the books of accounts, auditor prefers to obtain external confirmation directly from the third party. It is always said that external evidence is more reliable than internal evidence because it is obtained externally without clients involvement and hence more reliable. We can take the instance of balance confirmation in this case, for example, debtors balance confirmation, creditors balance confirmation.

- Recalculation

Recalculation consists of checking the mathematical accuracy of documents or records. Recalculation may be performed manually or electronically

- Reperformance

Involves the auditor's independent execution of procedures or controls that were originally performed as part of the entity's internal control. Walk through analysis

- Inquiry

Consists of seeking information of knowledgeable persons, both financial and non-financial, within the entity or outside the entity. Inquiry is used extensively throughout the audit in addition to other audit procedures –

## SA 500 Cont...

Requirements relating to information to be used as audit evidence:

- Auditor should consider the relevance and reliability of the information to be used as audit evidence.
- Verifying the accuracy and completeness of the information
- Verifying whether the information is sufficiently precise and detail

If there is inconsistency in or doubts over reliability of audit evidence, the auditor shall:

- Determine modifications or additions to audit procedures to resolve the matter
- Consider the effect of the matter, if any, on other aspects of the audit



## SA 500 Cont...

Using the work of Management's Expert:

- Evaluate the competence, capabilities and objectivity of that Expert
- Obtain an understanding of the work of that expert
- Evaluate the appropriateness of his work as audit evidence for the relevant assertion

## SA 500 Cont...

### **Selecting Items for Testing to Obtain Audit Evidence**

**The means available to the auditor for selecting items for testing include:**

Selecting all items (100% examination) is unlikely in the case of test of controls :

- May be possible in tests of details
- When the population consists of the small number of large value items
- There is a significant risks and other means do not provide sufficient appropriate audit evidence.
- It may be cost effective due to the nature of the calculation or process performed automatically by information systems

Selecting specific items:

- High value or key items – for example, unusual, suspicious or risk prone
  - All items over a certain amount
  - Items to obtain information such as the nature of transactions
- 
- **Application of any one of the above or combination of these may be appropriate depending on the risks of material misstatement and the practicality and efficiency of different means**

## SA 501 – Audit Evidence – Specific considerations for selected items

This SA provides information regarding audit evidence about:

- Existence and condition on inventory
- Completeness of litigation and claims involving the entity
- Presentation and disclosure of segment information in accordance with the applicable financial reporting framework

### **Inventory**

• The auditor shall obtain sufficient appropriate audit evidence regarding the existence and condition of inventory by attending a physical inventory counting and:

- Evaluate management's instructions and procedures for recording and controlling the results of the entity's physical inventory counting
- Observe the performance of management's count procedures
- Inspect the inventory (Continued) - Perform test counts - Perform audit procedures over the entity's final inventory records to determine whether they accurately reflect actual inventory count results

## SA 501 – Audit Evidence – Specific considerations for selected items

### **Litigations and Claims**

**The auditor shall design and perform audit procedures to identify litigations and claims involving the entity which may give rise to a risk of material misstatement, including:**

- Inquiry with the management including in-house legal counsel
- Reviewing minutes of meetings of those charged with governance and the correspondence between the entity and its external legal counsel
- Reviewing legal expenses accounts

Seek direct communication with the entity's external legal counsel

If a risk of material misstatement regarding litigations or claims has been identified Audit procedures indicate that other material litigations or claims exists

It is relevant and interesting to note that CARO 2020 relating to statements required of an auditor are based substantially on audit evidence – such as maintenance of records pertaining to fixed assets, physical verification of assets and inventories, regularity of payment of statutory dues, acceptance of deposits and others. Is it possible for anyone say that this statement can be made by the auditor without being conscious of SA 500 on audit evidence read with other connected SA's.

**This is to point out that SA 500 audit evidence is the “basic structure” of the Standards on Audit.**

## Practical Cases: SA 500 : Lack of Evidence

Qualifications:

### Eveready Industries India Limited :

We draw your attention to Note 35.3 to the standalone financial statements that describes the (i) inter-corporate deposits and (ii) corporate guarantees and post-dated cheques given to / on behalf of certain companies that are part of the Promoter Group out of which an amount of Rs.42288.69 Lakhs (including interest) and Rs 13050.00 Lakhs respectively are outstanding as at March 31 2020. Out of the above post-dated cheque issued to one party amounting to Rs 4791.09 Lakhs was dishonoured on presentation and other party has issued notice under section 138 of the Negotiable Instruments Act. However in view of the management the other party has not acted as per the terms of agreement and has accordingly sent legal reply against the notice. The Company has also given advance amounting to Rs 7200 Lakhs (previous year Rs 6200 Lakhs) to a company on the basis of a memorandum of understanding (MOU) towards transfer by way of assignment the leasehold rights of a property. However, neither has the deed been executed nor the refund claimed by the Company. The time period for execution was further extended till September 30, 2020.

**We are unable to obtain sufficient appropriate audit evidence** regarding the extent of the loss allowance /impairment to be recognised on these inter-corporate deposits and advances and of the potential liability to be recognised for the corporate guarantees/post-dated cheques if any and the consequential impact on the standalone financial statements as at and for the year ended March 31 2020 and accordingly forms a basis for the Disclaimer of Opinion.

## Practical Cases: SA 500 : Lack of Evidence

Qualifications:

### **GMR Infrastructure Limited**

March, 2017

Basis for qualified opinion As detailed in note 5(9), GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company, has been incurring losses since the commencement of its commercial operations. As detailed in the aforesaid note, the management believes that these losses are on account of certain events constituting a Change in Law as per the Concession Agreement with National Highways Authority of India ('NHAI') and accordingly, GHVEPL is entitled to a claim for losses and hence, has initiated arbitration to recover the losses. We were **unable to obtain sufficient appropriate audit evidence** about the carrying value of the Company's investment (including advances) of Rs. 320.06 crore in GHVEPL in the accompanying standalone Ind AS financial statements of the Company

## SA 505 – External Confirmations

### External Confirmation:

Audit evidence obtained as a direct written response to the auditor from a third party (the confirming party), in paper form, or by electronic or other medium

### **Requirements while performing External Confirmation Procedures**

When using external confirmation procedures, the auditor shall maintain control over external confirmation requests, including:

- Determining the information to be confirmed or requested – regarding account balances and their elements; also to confirm terms of agreements, contracts or transactions between an entity and other parties or to confirm the absence of certain conditions such as a ‘side agreement’;
- Selecting the appropriate confirming party;
- Designing the confirmation requests, including determining that requests are properly addressed and contain return information for responses to be sent directly to the auditor; and
- Sending the requests, including follow-up requests when applicable, to the confirming party

## SA 505 – External Confirmations

**Situations where external confirmation procedures may provide relevant audit evidence in responding to assessed risks of material misstatement include:**

- bank balances and other information relevant to banking relationships
- accounts receivable balances and terms
- inventories held by third parties at bonded warehouses for processing or on consignment
- property title deeds held by lawyers or financiers for safe custody or as security
- investments held for safekeeping by third parties, or purchased from stockbrokers but not delivered at the balance sheet date
- amounts due to lenders, including relevant terms of repayment and restrictive covenants
- accounts payable balances and terms
- significant transactions outside the normal course of business
- related party relationships and related party transactions



## SA 505 – External Confirmations – Practical Application

- Can be of any date and not necessarily on the outstanding as at balance sheet.
- Any correspondence done during the validating the transactions upto a particular date may be relevant
- Cash verification by the internal auditor / Confirmations by Cash management Services – In case of a power distribution companies.
- Physical verification of fixed assets / stocks by external agencies who have special ability and competence.
- Recommend external verification of inventories / fixed assets.
- Auditors may face a challenge in performing routine audit procedures during times of lockdown, social distancing, travel restrictions, lesser access to management teams, etc. Typically, audit procedures that have either a physical work-stream or dependency on a third party are likely to get impacted. These could include physical verification of inventory, cash on hand reviews, seeking external balance confirmations, requiring comfort from component auditors, etc.
- Negative confirmation is a common industry practice for auditors to gather [audit evidence](#) from external stakeholders. A negative confirmation is a letter addressed to a debtor, requesting a response if the debtor disagrees with the stated account balance. Negative confirmation is best applied when the risk of material misstatement is low, meaning that inherent risk and control risk are relatively low.

It is essential to note that SA 505 is to be treated as an integral part of SA 500 Audit Evidence.

## SA 570 – Going concern

### **The Going Concern Assumption:**

- One of the fundamental accounting assumptions used by the management for preparation and presentation of financial statements is 'Going concern'
- This accounting assumption assumes that an enterprise will continue to exist long enough to carry out its objectives and commitments and will not liquidate in the foreseeable future
- The auditor is required to obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption

## SA 570 – Going concern

In relation to going concern considerations, it involves covering broadly the following areas:

- Accounting framework.
- Evaluation of management's assessment of the entity's ability to continue as a going concern.
- Events or conditions that may cast significant doubts about the entity's ability to continue as a going concern.
- Determining the implications for the auditor's report when reporting in accordance with the Standards on Auditing and possible impact on reporting under section 143(3)(h) of the Companies Act, 2013.
- Consultation within audit team and with the client/management/audit committee.

## SA 570 – Going concern – COVID 19

The salient issues which require salient attention are:

- Where there is a significant loss for the year and / or accumulated loss impacting the net worth of the Company.
- While a Company showing profit, a material portion of assets are non moving and has an impact on cash flow.
- A Company is found defaulting in payment of statutory levies, repayment of bank loans on due dates and deferment of creditor dues.
- Where the current liabilities exceed current asset
- Where the significant portion of the fixed assets is not in use and a giving rise to a skewed ratio of sales / fixed assets. This also leads to issue of provision for impairment of the asset.
- It is useful to note that one of the amendments to Schedule III effective from the current financial year requires ageing of creditors.
- It is also relevant to note that in respect of Housing finance Companies the additional disclosures required by NHB/RBI includes ALM disclosures , any serious mismatch would direct the attention to the subject matter.

## SA 570 – Going concern

Examples of events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern:

### Financial

- Net liability or net current liability position.
- Fixed-term borrowings approaching maturity without realistic prospects of renewal or repayment;
- Excessive reliance on short-term borrowings to finance long-term assets.
- Indications of withdrawal of financial support by creditors.
- Negative operating cash flows indicated by historical or prospective financial statements.
- Adverse key financial ratios.
- Substantial operating losses or significant deterioration in the value of assets used to generate cash flows.
- Arrears or discontinuance of dividends.
- Inability to pay creditors on due dates.
- Inability to comply with the terms of loan agreements.
- Change from credit to cash-on-delivery transactions with suppliers.
- Inability to obtain financing for essential new product development or other essential investments.

## SA 570 – Going concern

### Operating:

- Management intentions to liquidate the entity or to cease operations.
- Loss of key management without replacement.
- Loss of a major market, key customer(s), franchise, license, or principal supplier(s).
- Labor difficulties.
- Shortages of important supplies.
- Emergence of a highly successful competitor.

### Others

- Non-compliance with capital or other statutory or regulatory requirements, such as solvency or liquidity requirements for financial institutions.
- Pending legal or regulatory proceedings against the entity that may, if successful, result in claims that the entity is unlikely to be able to satisfy.  
(Example: EPCG liabilities)
- Changes in law or regulation or government policy expected to adversely affect the entity.
- Uninsured or underinsured catastrophes when they occur.

## SA 570 – Going concern

This subject has assumed a very significant attention from the point of view of disclosure and audit report, where applicable.

Going concern is a critical assumption underlying the preparation and presentation of financial statements and important for all the stakeholders. The Companies (Auditor's Report) Order 2020 requires the statutory auditor to report whether disposal of a substantial part of the assets has affected the going concern of a company.

The importance of 'going concern' basis of accounting in the preparation of financial statements can be gauged from the fact that a number of important laws and regulations impose specific responsibilities on managements as well as auditors in relation to going concern.

For example, Section 134(5) of the Companies Act, 2013, inter alia, requires the Board of Directors to make a specific assertion in their Directors' Responsibility Statement under this Section that the directors have prepared the annual accounts on a going concern basis.

Similarly, regulation 18(3) of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 envisages the Audit Committee had to review with management that the annual financial statements and auditor's report thereon before submission to the board for approval, which requires the directors to make a specific assertion that the annual accounts have been prepared on a going concern basis of accounting.

## SA 570 – Going concern

The new [CARO 2020](#) specifically requires 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.

Further, this is understood by the fact that CARO 2020 has a specific matter under clause 3 (xix) which reads as under:

**CARO 2020 : Clause 3 (XIX): On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and** payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, 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;



## SA 570 – Going concern – COVID 19

In the present COVID situation, the industries or activities in sectors such as the travel, hospitality, leisure and entertainment have suffered serious setback.

These circumstances will result in prolonged operational disruption which will significantly erode the financial position of the entity or otherwise result in failure.

Therefore, concept of Going concern has assumed greater importance in the current scenario.

Further, it is the responsibility of management to make an assessment as to whether the entity is a going concern or otherwise. The unprecedented and uncertain nature of the pandemic makes it imperative for an entity to evaluate various scenarios that are possible and assess their impact on the assumption of going concern. Inability to satisfy the assumptions of going concern would lead to deviation from historical cost-based accounting and other impacts.

Management should also expect an informed and sometimes contrarian dialogue with auditors on the aspect of going concern.

## SA 570 – Going concern – Reporting

The following reports have been observed in the recent past:

- i. Attention is invited to Note 34(i) of the consolidated financial statements which sets out the Group's assessment of impact of COVID-19 pandemic situation, the uncertainties associated therewith on its financial statements and going concern assumption. Based on these assessments, the management has concluded that the Group will continue as a going concern and will be able to meet all of its obligations as well as recover the carrying amount of its assets as on March 31, 2020. Our opinion is not modified in respect of this matter.
- ii. Post adoption of Ind AS and due to adoption of fair valuation of assets (including property, plant and equipment as allowed in Ind AS and liabilities) the net worth of the company became positive (refer note no.56). Further, to strengthen its net worth, the Company is taking necessary steps towards full implementation of AMP including conversion of Funded Interest Term Loan (FITL) by the Lenders of the Company into Equity Shares / Optionally Convertible Redeemable Preference Shares (refer note no.32 (A)(ii). Thus, these accounts have been prepared on a going concern basis.

There are instances where clean reports have been issued in cases where a company has given material inter-corporate loans to group companies or where a majority of the business transactions are with related parties found to be not genuine and have not found to be recoverable and therefore impacting the financial results materially to impact the "Going Concern".

# SA 560 Subsequent events

## Key definitions:

- Subsequent events – Events occurring between the date of the financial statements and the date of the auditor’s report, and facts that become known to the auditor after the date of the auditor’s report
- Date of the auditor’s report – The date the auditor dates the report on the financial statements in accordance with SA 700.
- Date of approval of the financial statements – The date on which all the statements that comprise the financial statements, including the related notes, have been prepared and those with the recognised authority have asserted that they have taken responsibility for those financial statements
- Date the financial statements are issued – The date that the auditor’s report and audited financial statements are made available to third Parties

# SA 560 Subsequent events

Events Occurring Between the Date of the Financial Statements and the Date of the Auditor's Report:

- The auditor shall perform audit procedures designed to obtain sufficient appropriate audit evidence that all events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements have been identified.
- When, as a result of the procedures performed, the auditor identifies events that require adjustment of, or disclosure in, the financial statements, the auditor shall determine whether each such event is appropriately reflected in those financial statements.

# SA 560 Subsequent events

## **Examples of Events and Conditions that May be Relevant in the Current Environment**

- New commitments, borrowings or guarantees that have been entered into as a result of the pandemic/ Restructuring
- Invocation of force majeure clause after the year-end by any party (e.g., supplier, customer etc.) thereby impacting the supply chain / availability of customers for the entity's products.
- Recent or planned sales or acquisitions of assets as a result of the pandemic.
- Increases in capital or issuance of debt instruments, such as the issue of new shares or debentures, or an agreement to merge or liquidate that has been made or is planned.
- Expected credit loss provisioning – where there are customers in COVID-19 impacted countries and where they have filed for liquidation post the entity's year-end will impact the collectability of the trade receivables. – Garment Industry.
- Any developments regarding contingencies (for example, new contingent liabilities or circumstances affecting the evaluation of existing contingent liabilities, the ability to meet agreed-on performance targets for contingent consideration in business combination arrangements, etc.).
- Any events that will bring into question the appropriateness of accounting policies and assumptions used in the financial statements (e.g. events call into question the validity of the going concern assumption, expected credit loss model, inventory obsolescence, useful lives of PPE etc.).

# SA 560 Subsequent events

## **Examples of Events and Conditions that May be Relevant in the Current Environment**

- Any events that are relevant to the recoverability of assets, ongoing pertinence of business and valuation assumptions, valuation of plan assets.
- Modification of existing contractual arrangements (e.g. reduction or deferral of lease payments granted by a lessor to a lessee, modifications to debt terms, etc.).
- Tax considerations (e.g. impact of reduced flow of goods and services on transfer pricing agreements; recoverability of deferred tax assets).
- Employee termination benefits resulting from a workforce reduction (e.g. as a result of closure or reorganization of operations that occurred after the reporting date). This may be a contrary evidence in a situation where an entity is forecasting expansion in business in the subsequent year(s).
- Some industries are more impacted than others e.g. entities in the aviation sector (and therefore entities that are feeder industries to entities in the aviation sector), real estate, construction, retail, tourism, hospitality, transportation, financing, infrastructure sectors. In such industries, it is critical for management to assess the impact of events occurring after the balance sheet date on the financial statements.
- Impact on realizable values of inventory of a short-term nature in case of inability to sell the products during the period of lockdown.
- Indications of impairment in the value of investments in companies whose businesses have been severely affected by the pandemic.

## SA 540 Accounting estimates including fair value accounting estimates and related disclosures

This SA-540 deals with the auditor's responsibilities regarding accounting estimates, including fair value accounting estimates and related disclosures in audit of FS.

It also includes requirement and guidance on misstatements of individual accounting estimates and indicators of possible management bias.

The objective of the auditor is to obtain sufficient appropriate audit evidence whether in the context of the applicable financial reporting framework : accounting estimates, including fair value accounting estimates, in the financial statements, whether recognized or disclosed, are reasonable; and related disclosures in the financial statements are adequate.

### Meaning & Nature of Accounting Estimates:

An approximation of a monetary amount in the absence of a precise means of measurement” • The degree of estimation uncertainty affects the risks of material misstatement of accounting estimates. • A difference between the outcome of an accounting estimate and the amount originally recognized in the financial statements does not necessarily represent a misstatement of the financial statements. This is particularly the case for fair value accounting estimates.

# SA 540 Accounting estimates including fair value accounting estimates and related disclosures

## **Nature of Accounting estimate:**

- Some items of financial statements that cannot be measured precisely but can only be estimated.

### Example Revenue : in case of Power distribution Companies

- Measurement objective for some accounting estimates - To forecast the outcome of one or more transactions, events or conditions

### Example : Tax Demands – to consider based on estimated success rate thereof

- Measurement objective for fair value accounting estimates - Expressed in terms of the value of a current transaction or financial statements item based on conditions prevalent at measurement date

### Example : Fair valuation of Investments. When applied

- Difference between outcome of an accounting estimates and amount originally disclosed in financial statements does not necessarily represent a misstatement of financial statements, particularly for fair value accounting estimates but affected by events or conditions subsequent to the date

Example : Marketing expenses of recorded on estimate however the actual bill works out say, may be discount availed; this does not result in material misstatement



# Accounting estimates including fair value accounting estimates and related disclosures

- Disclosures in the financial statements related to accounting estimates are in accordance with the requirements of the applicable financial reporting framework
- Evaluate adequacy of disclosure of estimation uncertainty
- Assumption
  - Method of Estimation
  - Basis for selection of method
  - Effect of change
  - Range of possible outcomes
  - Fair Value accounting estimates
  - Qualitative and Quantitative Disclosures
  - Evaluate the adequacy of the disclosure in respect of accounting estimates giving rise to significant risk of their estimation uncertainty in the financial statements in the context of the applicable financial reporting framework.

# Accounting estimates including fair value accounting estimates and related disclosures

- Expected credit loss allowance
- Litigations and claims
- Estimations of NRV of inventories
- Impairment loss estimation
- Estimation of traffic on toll roads for the purposes of charging depreciation
- Business combinations
- Hedge accounting estimations
- Useful life estimation
- Estimation of warranty, provision for contingencies
- Provision for employee benefits
- Impairment of Goodwill, Property Plant and Equipment, Intangible Assets and Valuation & impairment of receivables, loans and advances.
- Insurance recoveries related to business interruptions.
- Onerous contract provisions.
- Judgement estimation relating to adoption of effective tax rates
- Estimation for dual rates for calculation of deferred tax

Was I carrying coal to  
Newcastle. I hope not.

Thank You