

**Guidelines on netting off of old and  
small value entries - Clearing Differences**

DBOD No. BP.BC. 37 /21.04.018/2003-04

October 20, 2003

All Scheduled Commercial Banks  
(Excluding RRBs and LABs)

Dear Sir,

**Guidelines on netting off of old and  
small value entries - Clearing Differences**

Please refer to Para 3(e) of our circular DBOD No. BP.BC.4 /21.04.018 / 2003-04 dated July 19, 2003 on the captioned subject in terms of which banks should maintain a record of the clearing difference entries transferred to Head Office at the branches / Head Office for verification by internal inspection / auditors / RBI inspection. The netting off at the branches, the transfer of entries by the branches to the Head Office, the netting off at the Head Office and the writing off / transfer at the Head Office should be subjected to a 100 percent audit by the internal auditors, the concurrent auditors and the statutory auditors.

2. It is clarified that netting off at the branches, transfer of entries to Head Office, netting off at the Head Office and writing off / transfer at the Head Office should be subjected to a 100 percent audit by at least **two** of the following audits viz. concurrent audit, internal audit and statutory audit.

3. Please acknowledge receipt.

Yours faithfully,

**(M.R.Srinivasan)**  
**Chief General Manager-in-Charge**