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INTERNAL AUDIT TODAY

MONTHLY MAGAZINE OF THE INSTITUTE OF INTERNAL AUDITORS, INDIA

Happy
Diwali

**INTERNAL AUDITORS
ENABLING BUSINESSES
TO RUN SUCCESSFULLY**

**THE INSTITUTE OF
INTERNAL AUDITORS
INDIA**



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THE INSTITUTE OF
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FROM THE DESK OF CHIEF EDITOR

Dear Members,

Last month, October was the onset of festivals in India starting with the Navratri and followed with Dussehra, Durga Puja. Your Institute extends warm greetings to all readers as together we celebrate the festival of lights 'Diwali' followed with Chhath Puja, Govardhan Puja, Bhaiya Dooj and other festivities in November.

Coincidentally, your Institute had an onset of events and conferences starting with a successful National Virtual Conference on the iconic dates October 9 & 10, 2020. The virtual conference witnessed a footfall of over 2,000 delegates from 60+ Countries and had a galaxy of 16+ eloquent speakers from across the world who enlightened the delegates with perspectives on 'Internal Audit in the Virtual World'. Your Institute will follow this conference with annual conferences and other events getting planned by the six chapters. In addition, the plan is also to organize sector-specific events. Communication for these events will be shared in advance through various digital and social media platforms. Unfortunately, we are still in the grip of COVID pandemic, and as time unfolds, we will consider organizing 'face to face' programs.

Your Institute continues to organize multiple webinars/training every month. I am confident as members you are benefitting by attending these to enhance and upgrade skill and knowledge. All free webinars conducted by your Institute are available at its official YouTube Channel.

Last month onwards your Institute launched membership scheme 'Membership – Hall of Fame'. This was with the intent to give an opportunity to individual members get recognized by referring new members. I am happy to share the list of the first batch of such members. Kindly refer page 61 to get introduced to them. Look forward to continue receiving such nominations.

We are delighted to inform you that we are launching an 'Article Award Scheme' for all its members who are contributing articles to the IIA India monthly magazine 'Internal Audit Today'. The scheme plans to recognize the



Sana Baqai
Chief Editor
IIA India



three best articles submitted for the magazine each quarter, starting with Q4. The scheme will run for each quarter, and the winners will be announced in the subsequent month's edition of the magazine. For more details, refer page no. 29

I am confident you enjoyed reading the October 2020 edition with multiple new sections covering initiatives by Women's Circle, your institute endeavours for the student community, specific updates by the Chapters and Audit Clubs.

With the endeavour to make it more enticing, will solicit your views/ feedback and what you would wish to see more in the magazine. Please reach publications@iiaindia.org to express your interest.

Enjoy the read!!!

1st Nov. 2020



P R O G R E S S

T H R O U G H

S H A R I N G



PRESIDENT'S COMMUNIQUE

Dear Members,

Our best wishes to you and your family for a very happy, safe & healthy Diwali and prosperous year ahead!

Thanks to your active participation, support from the national council and the tireless efforts of the Events & Conferences committee, we had a very successful first-ever virtual event for IIA India – **“The Internal Audit in the Virtual World”** on October 9 & 10, 2020. The event had over 3300 registrations from 60 countries spanning across continents and about 2000 peak participants attending the sessions. The event indeed was world class with the eminent speakers dwelling on topics of contemporary interests. Those of you who could not attend the event can look at the videos available on our website. More details are available in this issue of the magazine as well. We will endeavour to bring more such programs to our members. Our Women’s Forum, Training Committee & the Events Committee are working on a series of programs for the coming months. Look forward to your active engagement.

Other committees are working on increasing our membership and also to reach more no. of students across the country. We also see more registrations for CIA certifications which suggests that our members are enhancing their knowledge & skill set during this pandemic phase. This augurs very well for our profession. We hope to see large no. of students registering for various certifications in the coming days/months.

Preliminary work has been initiated for upgrading our website to make it livelier, in tune with trends in social media interfaces and to enhance our service to our members, taking into consideration the views expressed by our members through the survey launched recently.

We wish to reach out to more corporates in the private/public sectors, SMEs and the audit firms to extend our services and to bring in best practices and the professional standards through our global affiliations. You can reach out to our Membership Growth & Membership Services committees if you want them to connect with any of these entities who are not yet part of our network.



Thiyagarajan Kumar

President
IIA India



We had a valuable and positive preliminary discussion with the internal audit professionals at Vizag for starting our next club in south India soon. We do see more opportunities for reaching out to the internal audit professionals in other major cities in south India.

We look forward to your enthusiastic involvement in IIA's activities, comments/suggestions to the council and the various committees.

Best wishes,

1st November, 2020

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'MEMBERSHIP - HALL OF FAME'

The Institute of Internal Auditors, India (IIA India) objective is to advocate the profession, impart knowledge, upgrade skills and demonstrate commitment towards professional community at large. Accordingly, IIA India wishes to enhance the reach amongst audit professionals by welcoming them as members and enable them take benefit by participating in multiple trainings, webinars, events and seek insights on audit best practices, quality standards etc. To take a step forward in this direction, IIA India requests its existing members to spread the word amongst audit professionals on benefits of taking membership and support IIA India endeavor to make the professional base large with common objective.



“ RECOGNITION TO MEMBER -

Top 12 individual members who get another member/ s on board will have their name, one line introduction with photo published in the subsequent IIA India magazine. A certificate of appreciation will also be issued.

”

FROM THE DESK OF ADVISOR – PUBLICATIONS & MEDIA COMMITTEE

Esteemed Members & Readers,

Greeting to all of you for the ensuing Diwali, the festival of Lights !!!

It is gratifying to note that our Magazine **“Internal Audit Today”** has been receiving wide acclaim from readers right from the time it is converted to monthly one from quarterly. The reason for such appreciation is due to its high-quality contents, variety galore and timely release month after month. We are not complacent with this. We want from readers more feedback, suggestions, comments, and constructive criticism so that we can improve upon and make the magazine Better Still Better as we go forward. A section **“Readers’ Feedback”** can be started eventually.

You will be glad to know that we are going to reward the contributors to the magazine through a scheme known as **“Article Award Scheme”** starting from Q4 of 2020-21. Elsewhere in this edition, you may find detailed info on this initiative.

Happy reading !!!

1st November 2020.

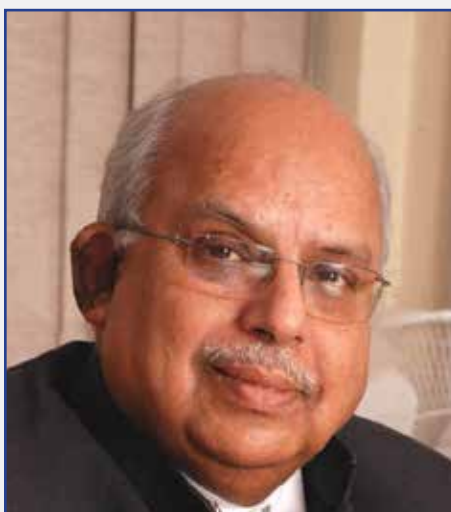
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K Vidyadaran

Advisor
Publication Committee
IIA India





Dr Vinayshil Gautam
FRAS (London)

*(Internationally acclaimed
Management thinker &
practitioner Served on multiple
Boards & Audit Committees of
private & public enterprises)*

MANAGING RISKS: PREDILECTIONS & POTENTIAL

Managing risks is one of the foundation stones of any enterprise from conceptualisation to completion and continued existence. This proposition is, indeed, an integral part of enterprise management since 'business' got to be recognised as 'business'. What is new is the entry of the governance system as an agency of regulation in the management of risks.

In the much overused rhetorical ambience of 'transparency', 'fair play and probity' an entire substructure of cultivated evasion and sophisticated camouflage has grown up.

Internal Audit is one of the legs on which enterprise probity is supposed to walk. Many regions of the world have many variants of enabling this. In United States, a SEC investigates the use of public funds. In India, the Company's Act aspires to appear as the altar which no unfair practise can hope to pass without the risk of detection. The jury is still out on where lies the truth. Shrouded in ambiguities and protected by sub-clauses, like the ubiquitous lawyer, the auditor can navigate the choppy waters with consummate camouflage. Mercifully, there are notable exceptions.

The lights and shades of regulation are currently full of talk of effectiveness or otherwise of LODR. That may be another story. In this backdrop of the broad canvas when under the auspices of SEBI, some decades ago, Clause 49 was introduced, like in many things else, there was a rush, to appear to comply. The driving fear was the chastisement, following perceived default. The author of these lines was then on the Board of some major public sector, Navratnas/ Maharatnas, including some much-trumpeted listed private sector companies. There was almost a stampede to appear to comply, almost overnight, as desired by the regulator. An instantaneous parallel silo dealing with risk management was created, in many companies. Typically, somebody at the Executive Director's level was declared the Chief Risk Officer. The Big 4 sensed a huge consulting opportunity. In at least one Maharatna, training on risk management was launched going almost up to E7 level without the enunciation of a risk management policy. When a member of the board

pointed this out in a meeting, the Chairman and the government representative together appealed to this gentleman not to rock the boat but help in early compliance. So the juggernaut rolled on. In another Navratna, a retired General Manager Finance was wheeled out of retirement to become the advisor of the concerned multimillion consulting. When the results started causing more confusion



than clarity, an NRI of the company who happened to be the son-in-law of a powerful Chief Minister working for the company in the US was imported to India to hold the fort. The narratives are many. The message is one. Ad-hoc and superficial, if not supercilious management, of the beginning of the formal risk management era in listed companies, set the pace for many years of damage. The predilections of such interventions scorched the potential of a well-intentioned move without adequate preparation or even foresight.

One of the requirements of the higher level of professionalism in audit process is availability of some narratives of the growth of the profession. This growth would obviously have its regional variations. A good example would be the launch of KPMG in India, which has a strong overlay of the design of a co-operative. Every profession would have a tell-tale narrative of the growth of some of its key enterprises.

In India, like in many other places, statutory audit and internal audit are like twins, born together but separated at birth. What is perhaps common to both is how financial controls have grown in a way which is almost

confounding. An over-encumbered situation of formats and forms permits more slippages than even those which may be perpetrated consciously.

As can be expected, there is also the flip side. Over the years, the rising focus on internal financial controls has their own achievements to narrate.

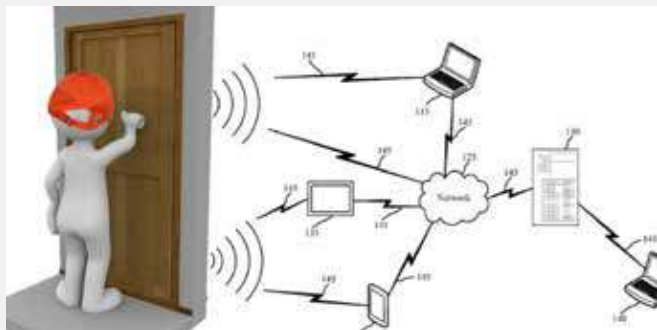
The present situation requires not just sharpening of the columns but refining of the categories. Illustratively, the current focus being largely on equity listing, debt listing, prudential listing needs far greater attention both at the level of research and application.

It is remarkable that voices of the profession of auditors are so selectively heard when it comes to setting up the regulatory process. Irrespective of the elevated nature of the platform, even if it be SEBI, the processes adopted for spelling out norms have to incorporate the highest common factor of the thee thinking of the people from the profession. Without being ir-reverential, it is difficult to miss noticing that many times, these platforms have been led by lateral entrants at the very top, who would have never ever written an audit report. Even assuming that some such venerable are eminent, it is dangerous to confuse eminence with omniscience. The profession is guilty of letting this happen.



The setting up of norms and indicators is a professional job; not a teddy bears party.

There are deficiencies elsewhere too. Compliance to norms is, not often enough seen as an investment and not a cost. Mercifully from the flounderings of the Covid



era opportunities stand to be grasped to recast the risk management domain.

This can be in many ways, first and foremost, by distinguishing between risk and crises. It would require the profession to move its emphasis from posthumous analysis to, also, contributing more fundamentally, to defining norms.

Technology knocks at the door. Typically, machine learning could be utilised to identify pattern recognition and isolation of exceptions. This itself would be a major step forward. If one can examine relevant patterns to get to root cause, a huge service would be

rendered not only to risk management but to the contents of the profession itself. These are propositions which are doable. But the more obvious is engineering of a doable impact. Put simply, it could be institutionalising the process of 'notices on governance'. If there can be notices on tax default, with a greater sense of purpose, there could be notices on governance default. The list can be multiplied.

The critical intervention is the sense of purpose, to begin with, to lift internal audit from a followership role to at least that of being one of the navigators. This is and can be feasible if a synergy can be created between preventive actions and constructive monitoring. Proactive reporting could be the key. An agenda can be and needs to be created.

India needs thoroughness. It cannot be abandoned for convenient popularity or a gratuitous hope. Everything has a price, so does living by standards!

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THE INSTITUTE OF
INTERNAL AUDITORS
INDIA

Internal Audit professionals with expertise in the relevant field and experience in providing trainings are invited to conduct training programmes through IIA India.

Training programmes may cover any topic relevant to the internal audit. Interested professional shall submit the following:

- Trainer's brief profile (including relevant experience)
- Academic profile
- Proposed training topic and brief on how it would add value to audit professionals
- Other relevant details

***Due to current Covid situation, all training programmes will be conducted online.**
In case of any queries, send an email to coordination@iiaindia.org or call Mr. Chanchal Mishra +91-8267359493



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REMOTE INTERNAL AUDIT - ADAPTING TO THE RULE OF THE GAME

COVID has completely revamped the way of working in organisations, and the velocity of change has also been accepted with little resistance. Visualising minimal employees on field is accepted as the new normal along with organisations embracing digitalisation. Perhaps in the preceding lines, we have spelt out as to how Line One and Line Two under the Three Line Model are seamlessly moving towards digitalisation. The question is, how is the Third Line keeping pace with this change. Remote execution has become new normal, and accordingly, Remote Internal Audit is required and expected as the new rules of the game.

Whilst stakeholders are trying level best to adapt to the new rules of the game and leverage technology to enable perform their task efficiently and effectively, audit committee is observing on how internal auditors are delivering quality, providing assurance and value add through remote internal audits. Let us deliberate whether Remote Internal Audit can replace on-field audit; and if not to what extent can it be leveraged at each stage of audit lifecycle whilst continuing to provide the expected assurance on control environment and meet the expectations of Audit Committee and various other stakeholders.

Typical tools that may be used for the purpose of Remote Auditing



ENABLING REMOTE INTERNAL AUDIT

Does Remote Internal Audit require huge investment to deploy tools and technologies?



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Primarily, technology for the purpose of Remote Internal Audit is something that we, use as part of our day to day work life, including:

1. Email-accessed through website or through an app on mobile phone or laptops
2. Mobile to make Audio Call
3. Webinars and Video Conferencing through various platforms example, Microsoft Teams, Webex, Go to Meeting etc.
4. MS Office having applications of Word, Excel and PowerPoint
5. Good internet connection (4G/ 5G) to run the aforesaid applications.



LEVERAGING TECHNOLOGY TO ENABLE REMOTE INTERNAL AUDIT

The million-dollar question is if remote internal audit does not require complex tools/ applications and frankly these tools/ applications are part of daily professional life then what needs to be done differently to enable remote working and perform an effective audit. The answer is in the approach that is used for the purpose of Audit and how we leverage these tools/ applications to deliver effectively.

Both Auditor and Auditee can use the various business communication applications to conduct interviews for process understanding,

gather required data remotely and perform audit. This information can be reviewed by the auditor directly or be analysed through the Data Analytic tools. In addition, usage of Bots for Internal Audit is now well established and no more a fiction.

Post audit checks, the auditor can prepare an interactive draft audit report in agreed format and share with stakeholders over email/ apps and discuss to agree to action plans.

Similarly, the final audit report may be circulated to Audit Committee, Management or regulatory authority depending on the nature of audit.



LEVERAGING MACHINES AND ROBOTS TO AUGMENT POWER OF AUDIT AND OPERATE REMOTELY

We have been deliberating about BOTS, but over last couple of months, we started witnessing significant usage of BOTS in all stages of audit lifecycle. To briefly elaborate, Robotic Process Automation (RPA) (here we should talk about RA and not RPA)

Bots can be developed to fetch information directly from source system, analyse data, perform audit checks, identify exceptions, and circulate the exceptions to the stakeholders both auditor and auditee to finalise action plan.

Off late, the usage of bots has significantly increased within Internal Audit. In a typical

internal Audit, there are certain checks that need to be performed repeatedly for different period, different location, different department or business area. These checks have high potential of automation by using Robotic Process Automation.



REMOTE AUDIT EXECUTION METHODOLOGY

Typical audit lifecycle is covered in the following six phases:

- **Obtain Business Understanding** and the knowledge of its operations and business environment by discussion with management and reviewing various business documents like Annual Report, Annual Operating Plan, Financial Statement etc.
- **Planning** – This includes finalising scope of work, planning for the engagement and update the work program.
- **Gather Information** from Management for the purpose of Audit
- **Perform Data Analytics** for business insights and identifying trends and outliers for focus during the audit.
- **Perform Off Fieldwork** by the engagement team in continuous discussion with the process owners and HODs.

- **Audit Reporting** which include:
 - Ongoing circulation and discussion of audit issues
 - Circulation of draft report
 - Finalise action plans
 - Issue final report and present to senior management and Audit committee

Usage of various communication tools like Webinars, Video Conferencing, Audio Calls etc. for all business communication right from the stage of planning till reporting.

To gather data and perform audit steps, we could access the ERP directly by:

- Connecting Analytics tools using connectors; or
- Implementing bots for accessing data and then performing audit checks.

The complete process starts with planning which is key for successful completion of any internal audit and then move to execution and communication of results, and at each stage, we could use various tools for exchange of information.

COMMUNICATING EFFECTIVELY TO PERFORM REMOTE TEAM

We have discussed on various modes of communication and tools that can be used to operate Remotely. However, it is equally important to keep certain points in mind while selecting the communication channel and planning the meetings.



The effectiveness of the channel depends on the speed of the communication. For a single message or clarification to be posted, Email can be used, but in-case this requires frequent exchange of messages, then audio or video call is better. Accordingly, auditor should plan to move up the ladder as he needs to communicate faster and seek frequent clarifications, i.e. from Email to Chats to Audio calls to Video calls.

Then effective planning and prior information of the schedule of discussion is always better for enhancing effectiveness of the calls

Lastly, meeting etiquettes are equally critical even on Remote calls like in-person meeting to be able to fully focus on the discussion and hence avoiding in between notifications and messages would be better.



REMOTE AUDIT VIS A VIS ON-FIELD AUDIT

Does this mean that everything can be performed Remotely, and Auditor can be as efficient and effective, as he is during n-field audit? Or can everything be performed Remotely, and it does not require any on-field presence?

Probably not completely but yes to a large extent. Technology cannot completely replace the effectiveness of face to face engagements and on-field audit. There are so many checks that an auditor can sense and identify during on-field presence by the virtue of experience and easily locate 'Red-flags' if there are any.

Also, there could be certain audit checks for which the on-field presence is required, e.g., physical verification of inventory. Though these days we speak about using drones and robots for inventory handling and verification, still the usage is very limited as of now.

Accordingly, we have experienced that large portion of the internal audit work, broadly ranging from 60% to 90%, can still be performed remotely depending upon the level of automation in the company and availability of the information in digital form.

Conclusion

CONCLUSION

Technology cannot completely replace the effectiveness of face to face engagements and on-field audit. There are so many issues that an auditor may sense during on-field presence through his experience, however, in the event of pandemic when physical travel is not possible; remote audit techniques can be used to effectively discharge our duties as Internal Auditor. Also, this can help organisation save extensively on the cost of travels and reduce the cost of audit by making audit teams more efficient. However, better planning of audit activities and meeting performed with complete discipline is the key to success of audit performed remotely. Having said this, effectiveness of select steps in the audit lifecycle is surely not compromised by remote internal audit.

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THE POWER OF A VALUE-FOR-MONEY AUDITING

GENERAL

Value-for-Money Auditing (VFMA) is a powerful auditing approach that helps management improve business operations as opposed to assignments that simply verify compliance with policies and procedures. Understanding its very nature and approach can yield surprising results that exceed stakeholders' expectations. E.g. enabling resources to be acquired at optimal cost without jeopardizing their quality and performance, unearthing inefficiencies, identifying ineffective operations, and along the way, identifying irregularities or potential indicators of fraud, all culminating in business improvements. VFMA is embodied in Standard 2100, which states that:

“The internal audit activity must evaluate and contribute to the improvement of the organization's governance, risk management, and control processes using a systematic, disciplined, and risk-based approach. Internal audit credibility and value are enhanced when auditors are proactive, and their evaluations offer new insights and consider future impact.”

Conformance to the above Standard requires a thorough understanding of the risks, governance structures, and control activities to improve business operations. Such an understanding leads to assessing the acquisition of resources, evaluation of functions, and maximizing the attainment of objectives – the very foundation for a VFMA, which focuses on the three E's: Economy, Efficiency, and Effectiveness. Economy means acquiring resources at the least cost without compromising quality and performance. Efficiency refers to maximizing output from the resources devoted to each activity, while effectiveness is maximizing the achievement of objectives.

Although developed in and long-associated with the public sector, where goods and services are to be obtained on the best economic grounds, the concept of VFMA is finding increasing interest and application in the private sector as

organizations are realizing its true power and the range of value it generates, e.g. obtaining resources at the least cost is logical where there is an emphasis on keeping costs down, but quality and performance considerations are also be considered to really obtain value-for-money.

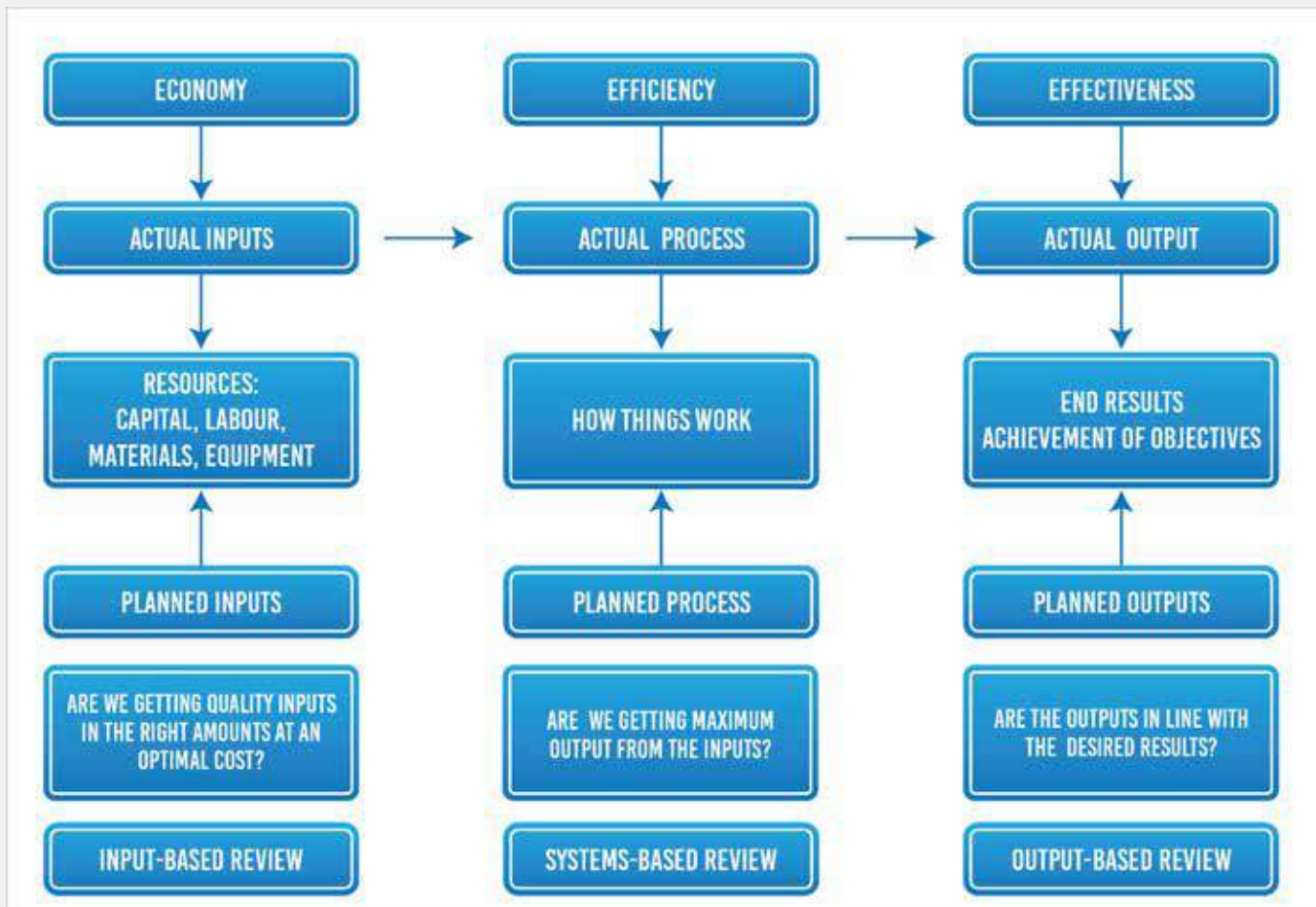
It can be applied to any business functions (finance, procurement, human resources, marketing, etc.) and in any industry. For example, one major bank where a VFMA function was introduced, used it on a Loans Audit, resulting in a significant reduction in non-performing loans and an improved profit margin. Another for-profit company used it in the Procurement function and realized huge savings.

EVOLUTION

VFMA originated through the performance auditing aspect of the Planning Programming Budgeting System (PPBS) developed in the US in the 1960s. The GAO introduced the concept into the US Government, where it is known as “Performance Auditing”. In Canada, it was introduced in federal legislation in the 1970s as “Comprehensive Auditing” and widely accepted in the Canadian public sector as a valuable means to achieve better accountability and improved administration and governance. The UK adopted the concept through its New Public Management effort, and the process was mandated for local governments for many years under the term “Value-for-money Auditing”. Through the 1990s and 2000s, VFM audit work was undertaken on a large scale in the UK.

A CONCEPTUAL FRAMEWORK

VFMA can best be understood through the following conceptual framework:



AUDITING TECHNIQUES



The VFM auditor typically asks: Are the right operations being performed to achieve the goals and objectives of the unit (effectiveness) in the right way (efficiency) at an appropriate cost (economical use of resources or economy)? Answering such questions involves the assessment of an appropriate range of performance measurement criteria, e.g. if Procurement is not acquiring the goods and services at the right prices in the right amount and on schedule, then it is not effective since it is not achieving its goals and objectives.

Economical Use of Resources

Economy alludes to the cost of resources (i.e., minimizing the cost of resources used for an activity without compromising quality). For example, if two components A and B can equally be used and cost \$20 and \$30 each, respectively, to make product C, then purchasing the cheaper product A is the better option. Also, when copying a report for distribution, look at the cost of the copying paper. Is the unit using an expensive copying paper (70c a sheet) versus a cheaper (3c a sheet) paper to produce the same report? Or even sending a report by snail mail or via courier?

Other factors to consider when reviewing economy are determining:

That sound business practices are carried out; An optimal staff level is in place; Excess resources are not on hand, and Cheaper equipment is used where required.

Efficiency

Efficiency pertains to the methods of operations and include:

- Identifying slack, wastage, redundancy, and duplication of effort;
- Determining improper use of operating procedures;
- Identifying inefficient systems and procedures; and
- Ensuring maximum outputs from inputs.

Effectiveness

This measures the extent to which the objectives of activity are achieved. It asks such questions as:

- Are the right operations being performed?
- Are goals/objectives achieved?
- Are these goals having a positive impact?
- What factors exist to inhibit the satisfactory performance of a unit achieving its objectives?



HOW VFMA ADDS VALUE

Savings

VFMA adds tremendous value to an organization in each of its three phases. E.g., savings realized by using a loan at today's low-interest-rate versus cash which can be invested at a higher return in an Economy review for funding a project. In an Efficiency review, identifying inefficient activities

such as wastage, duplication of effort, and redundancy can result in significant savings. In an Effectiveness review, validating that the desired goals were achieved at minimal cost and with maximum efficiency, all have a dramatic and long-lasting impact on a company.

Fraud Indicators

As VFMA untangles every iota of activity, process, and resource, potential fraud indicators come to light as well. E.g., in the example stated earlier where a unit was using an expensive copying paper (70c a sheet) versus a cheaper (3c a sheet) paper to produce the same report might reveal collusion between the paper supplier and an employee.



SOME KEY BENEFITS OF A VFMA

- Focuses over organizational and management performance;
- Facilitates and promotes improved strategic and operational decision-making;
- Assists management by identifying and promoting better management practices;
- Clarifies management responsibility and leads to better accountability;
- Enhances improved economy and efficiency in the acquisition of resources;
- Allows assessments over the achievement of objectives

- Identifies the performance gaps by comparing the input resources and expected outcome as well as the actual outcome;

CRITICAL SUCCESS FACTORS FOR A VFMA

Strategic positioning

- Ensure that VFMA forms 30% or more of the annual audit plan.
- Include VFMA in the audit charter.
- Ensure there is stakeholder buy-in to VFMA.
- Top management support must be there.

Processes

- Inputs from all stakeholders in selecting VFMA engagements.
- Perform VFMA audits in accordance with the VFMA standards of professional bodies.
- Ensure VFMA findings can stand on their own and add value to the organization.

Human Resources

- Have someone in the group who is committed and a go-to person for VFMA – a champion and perceived to be a VFMA leader just as an IT auditor is perceived.
- Have a body of literature on VFMA to bring the latest thinking, tools and techniques to VFM audit engagements.



SKILL-SETS OF A VFMA AUDITOR

- Auditor has to possess a multitude of skills;

- Must be multi-disciplined – blend of audit and consultancy skills;
- Must move away from a financial statement audit mindset;
- Must be able to think outside the box;
- Must be brave to ask challenging questions;
- Must be persistent and question the validity of information;
- Must be able to work as a team player involving subject-matter experts, accountants, mathematicians, statisticians, IT specialists, and management specialists.

all business functions to ensure minimum and lowest cost resources are used without compromising the quality of output, inefficient activities are identified and eliminated, maximum outputs are obtained from minimal inputs, and objectives are realized to achieve the greatest returns collectively. The tool to use to accomplish all of these is value-for-money auditing, which can unleash some of the most significant benefits to the governance, risk management, and control environment in an organization. VFMA should be an integral part of the audit effort, embodied in the last Core Principle for the Professional Practice of Internal Auditing (“promotes organizational improvement.”)

SUMMARY

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In any organization, there is an emphasis on getting maximum output from resources expended, which requires an evaluation of



IIA Members, CAE, CFO and other subject experts, with academic passion and flair for writing, are invited to share their expertise through the Monthly IIA Magazine. The article may cover any topic relevant to the auditing world. While submitting articles, please keep following aspects in mind:

- ❑ **Length:** It should be around 2500 words.
- ❑ **Clarity/Readability:** The article should be written in clear and concise manner.
- ❑ **Originality:** It should be original in nature. It should not have been published or sent for publishing in any other print or electronic media
- ❑ **Practicality:** The article should be of practical value to the professionals.

Please send the articles through email. Attach photograph, brief profile of author, executive summary of article of approx. 100 words, editable soft copy of article, declaration of originality and assignment of copyright along with the article. E-mails may be sent to publications@iiaindia.org





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RETENTION OF INTERNAL AUDIT EVIDENCES – A BUSINESS CHALLENGE

INTRODUCTION

Internal audit reports are relied upon by the Audit Committee, Statutory Auditors, Regulators, Management and other key stakeholders. Therefore, any audit conclusion should be carefully drawn and supported by complete, comprehensive audit evidences, e.g. bills, invoices, agreements, books of accounts, minutes of meetings and evidences of other audit procedures, which includes details of samples selected, audit methodology, checking, inspection, observation, inquiry, confirmation, computation, re-performance, analytical review.

OBJECTIVES OF MAINTAINING AUDIT EVIDENCES

As per Standards on Internal Audit 330 issued by Institute of Chartered Accountants of India, The objectives of preparing complete and sufficient audit documentation is to:

- Validate the audit findings and support the basis on which audit observations are made, and conclusions reached from those findings
- Aid in the supervision and review of the internal audit work
- Establish that work performed is in conformance with the applicable pronouncements of the Institute of Chartered Accountants of India

As per International Standards for Professional Practice of Internal Auditing (IPPF) 2310, 2320 issued by the Institute of Internal Auditors USA, the Internal Auditors must identify, analyse, evaluate and document sufficient information to achieve the engagement objectives.

The internal auditors must base the conclusions and engagement results on appropriate analysis and evaluation and sufficient documentation. The overall objective of documenting the information is to allow the internal

auditors to support the engagement results and conclusions of the assignment.

REQUIREMENT OF AUDIT EVIDENCE



Considering that Internal Audit reports are relied on by many stakeholders, it is of paramount importance that internal auditors should be able to substantiate audit conclusion. Sometimes, internal audit evidences are also required by the regulators, e.g. Reserve Bank of India, Security and Exchange Board of India, Telecom Regulatory Authority of India etc. and investigating agencies, e.g. Serious Fraud Investigation Office, Central Bureau of Investigation, Central Vigilance Commission etc.

Further, as per para 3.4 of Standards on Internal Audit 330, the internal audit work paper files shall be completed prior to the issuance of the final internal audit report. Any pending administrative matters shall also be completed within sixty days of the release of the final report. The audit work papers shall be retained based on the regulatory requirement, legal and company's records retention policy.

Further, International Standards for Professional Practice of Internal Auditing (IPPF) 2330 stipulates that CAE must control access to engagement records and obtain prior approvals before release to the external parties. The records retention requirements must be consistent with the Organization guidelines and any pertinent regulatory or other requirements.

The above clearly demonstrates that non-maintenance of audit evidences could attract legal issues and/or disciplinary action for internal auditor. Further, audit conclusions derived out of the audit information may remain inconclusive.

TYPICAL CHALLENGES IN MAINTAINING AUDIT EVIDENCES

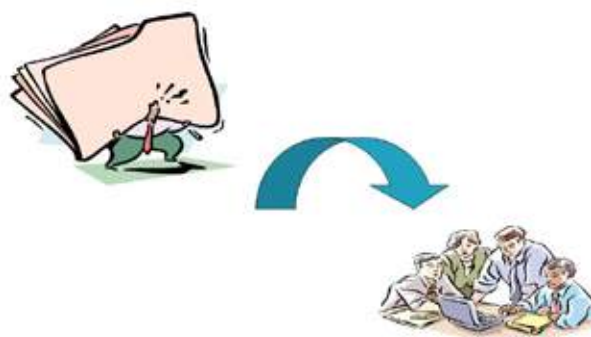
The challenges in maintaining audit evidences could vary depending upon whether the internal audit function is outsourced or in-house.

The outsourced internal auditor may follow detailed process of maintaining and retaining audit evidences, the nature of which could change depending upon the policies of outsourced service provider and may be subject to peer review. Certain audit firms have deployed system based tools which could maintain documentation from audit planning to reporting, including retention for 8-10 years.

The key challenges in maintaining audit evidences/information by in-house internal audit function are as follows:

- The audit evidences are multifaceted and are collected in a fragmented matter, e.g. in hard copies, emails, excel files, PDF copies of invoices, minutes of discussions/interviews and agreements etc. and are not retained systematically.
- The internal audit function might not deploy audit tool to record evidences of

EVIDENCE



tests performed, review evidences, working papers, rationale and documentation of changes from draft report to final report etc.

- The evidences are retained in shared drives, and retention procedures are vaguely defined.

The above factors pose significant risks for internal audit function, as they may not be able to convince regulators, investigating agencies and other key stakeholders on whether audit conclusions were correctly drawn and work was performed in accordance with the auditing standards or other requirements prescribed by The Institute of Chartered Accountants of India and/or The Institute of Internal Auditors.

LEGAL REQUIREMENT OF MAINTAINING RECORDS



As per section 128(5) of The Companies Act, 2013, the books of account of every company relating to a period of not less than eight financial years immediately preceding a financial year, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order. Provided that where an investigation has been ordered in respect of the company under Chapter XIV, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.

USING TECHNOLOGIES TO SIMPLIFY AUDIT DOCUMENTATION

The technology has simplified the process of maintaining and retaining audit evidences. Technology companies are offering off the shelf audit documentation tools for easy maintenance, retention and timestamp of preparer, reviewer etc. for future reference.

These tools could either be hosted on-premise or on-cloud and evidences could be retained in accordance with the legal requirement and as per company retention policy.

The internal audit function could leverage on Robotic Process Automation (RPA) to automate routine tasks, e.g. sending initial data request, automate audit steps, follow up with process owners for data and management responses, sending email for tracking implementation status of agreed-upon actions, uploading of supporting evidences in audit tool etc. which will save both time and effort and further streamline audit documentation procedures.

CONCLUSION

The internal auditors should evaluate leveraging technologies for maintaining and retaining audit evidences for effectively discharging their duties towards Audit Committee, Board of Directors, Management, Regulators, Investigating Agencies and other key stakeholders.

The effective documentation would ensure compliance with procedures laid down by Institute of Chartered Accountants of India and/or Institute of Internal Auditors on sufficiency and timeliness of audit documentation and its retention, facilitate peer review etc. and upheld the esteem of Internal Auditors and the Internal Audit Function itself.

Note: The view expressed in this article are personal.

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ROLE OF INTERNAL AUDITOR IN SOCIAL MEDIA



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INTRODUCTION

Social media is a mode of communication or sharing information to a large section of people through specific applications or channels. The most known social media channels are Facebook, Twitter, Instagram, LinkedIn etc., which facilitates communication by form of text, audio-video, pictures, etc. The usage initially began with a purpose to connect with each other informally, but now has taken a dimension of doing business advertising and using it as a tool to disseminate formal information as well. Statistics indicate that more and more number of people and entities are engaging their time on social media for both internal and external communication considering its reach, cost-effectiveness, ability to grab attention, engage in discussions, and all that over a few clicks on internet either on your P.C., tablet or even a smartphone.

IS IT JUST A COMMUNICATION CHANNEL OR MORE THAN THAT?

Social media was meant to be a communication channel and continues to be so, but over a period has evolved a lot. Not many had access to internet or smartphones etc., about a decade or two ago. Now, billions of people and entities have their account in one or multiple social media applications.

From the days of exchanging just text messages in a limited form, it is now a repository of an individual's life including travel history, events captured in photographs, helps find long lost friends or making new ones, participating in a movement for a common cause, being a centre point of communication for an event or disaster management activity etc., and hence has become an indispensable part of our life.

HOW DOES AN ENTITY USE SOCIAL MEDIA?

An entity engages with various stakeholders. An integral part of business is to communicate their ideas, thoughts, actions and reactions to a situation, etc., and the best platform one can get is social media, and engaging its stakeholders in it. Be it advertisement, brand promotion, celebrity endorsements, doing a survey for a potential product or service, informing specific news, customer relationship, hiring people, it appears that social media is a one-stop solution. There is a new breed of professionals to manage social media and content therein.



PROS AND CONS:

Like any other communication channel, the social media also has share of merits and demerits, which everybody needs to be fully aware of before using it. Yes, it is cost-effective, negligible time to register or set it up and has great reach. But, at the downside, also has reputational, legal and other information

security risks associated with it, which needs to be managed.

DOES BUSINESS NEED SOCIAL MEDIA?



One of the best ways to relate to your business partners or customers is social media. Social media marketing and distribution is the 'in thing' now. It brings in more brand visibility and exposure. Helps customers touch base for a quicker solution or highlight their deficiencies. Customers share their experience and views on entity's products and services. Entities come to know where they need to focus on for a better service. It is not a question of whether the business should be in social media anymore; it is essential for it to be in to grow. Advertisements over traditional channels are costly as compared to social media. In addition, the penetration levels of social media are much deeper and wider, and the results are also measurable in terms of how many have viewed the ads, how many have read it etc., which was not possible in traditional channels like T.V. ad or newspaper advertisement etc.,

WHAT IS THE RISK PERCEIVED BY ENTITIES?

The risk management experts have a new domain, managing risks emanating from social media. Some of these risks could be Reputation risk, legal or regulatory risk, data leakage risk, fraud risk, amongst others. Well, let's evaluate the top 3 risks.



SOCIAL MEDIA POLICY:

1. Like any other business activity, there has to be a policy for social media management as well. Have a policy on who can create account, who can post messages/respond, how much information can be given. Ensuring that the accounts are secured with password (again I.T. experts recommend changing passwords frequently).
2. Educate staff, business partners, customers, management on what is social media, it's advantages and disadvantages, whom should they consult before responding or commenting, etc., one may even have a F.A.Q. for it.
3. Should there be a total ban on social media for staff who handle sensitive information? Or should it be restricted?
4. Disclose social media policy on website, staff information portals, appointment letters, short messages can be beamed in advertisements, etc.,
5. Have a team or hire consultants to monitor the content in social media and raise red flags when something inappropriate is discussed. Expertise knowledge helps.
6. Classify the content into what is urgently needed to be attended to and what can wait. Have a team or a mechanism to react to such comments (at times the content may need immediate attention of top management, or a regular response of denying such reports, or explain in-depth why the content is inappropriate).
7. Social media analytics helps gather data from various sources and helps to make better decisions. This includes metrics like

Reputation Risk: Business is all about reputation. It is an intangible asset and cannot be measured in monetary terms. Reputation is earned by ensuring that the business is fair, done within regulatory approvals, and the quality of product or service is as promised. Business relationship continues because of a good reputation of an entity, which is known for values and ethical practices. Entities may not be prepared to handle, instances like, inappropriate review comments, fake news, employees exchanging comments on their higher-ups or internal procedures, loss of information, etc., which may at times stir up a controversy in public domain (like the recent advertisement of a leading consumer brand promoting their product for a particular occasion) and may face wrath of public to oppose or desist being associated with a particular brand or entity which could lead to loss of reputation and disruptions in business.

Legal and regulatory risk: The growing social media opens a new risk of privacy. It is quite possible that critical information is leaked either intentionally or otherwise and thereby giving an opportunity for price or operationally sensitive information in the open domain. The laws relating to data privacy and protection are yet evolving in some geographies, and thereby not having a proper legal framework to handle the same. The risks could include non-compliance for disclosure or usage of information as per the contracts or regulations, defamation cases, intellectual property rights infringement etc.

Fraud Risk: Social media scams include request to become a friend or like an event etc., and then requesting the user to let their account be accessed or open for everybody to see. Individuals are exposed to identity theft risks, as well. There are many cases of identical accounts being created for the purpose of misusing or disseminating false news. Financial institutions are dealing with risks like card cracking, crowdfunding scams, etc., which often results in financial losses to the general public.

- shares, likes, comments, advertisement views, type of customers logging in etc.
8. Ensure use of disclaimers in the communication, take legal help where necessary.
 9. Have a clear guideline for employee's personal blog vs. internal / entity's blog. For entity's blog, there should be delegation of responsibility on who handles the Twitter/Twitter handle or similar social media platforms, the blog contents, response to queries, etc.,
 10. Companies do have 'incident response process' or a dedicated team which is available to keep a watch over the events and happenings on social media. They support reporting to management, regulators or government (for example, information on the company's performance or operation, etc., or a strategic acquisition or similar news.

It might affect the stock price, and stock exchanges need to be informed about the veracity of the information floating around).

ROLE OF INTERNAL AUDITOR:

Social media has become part of life. There is no question of whether to adopt it or not. The question is how to manage the risks associated with it. Internal Auditor (IA) role is crucial and critical since they have a 360-degree view of the business and frequently engage with various stakeholders. Therefore, IA can use their position to the advantage and advise the entity accordingly.

As mentioned above, whether there is reputation risk, I.T. risk, fraud risk or regulatory risk, IA can play a role in building enough infrastructure to weather the storm arising out social media.

PARTICULARS	ROLE OF IA
Social Media Policy	Help organization in formulating a social media policy. Benchmark with peers. Take opinion from industry experts.
Reputation Risk	Advise the management on what can be shared with media and what should not. The information as Critical / Non-Critical (may be classified as critical/non-critical, internal/external, etc. with clear guidelines on how the same should be done. Review incident reporting mechanism. Involvement of legal advisors and their appointment to handle social media issues or litigations.
I.T. Risk	Play the role of an I.T. Auditor and adding risk of social media to the audit program. Focus on control over information dissemination, customer-related information, personal information, etc., Consider risk of use of fake accounts, hacking into certified or true accounts of the business, ensuring adequate safeguard for information flow. Workspace regulation on use of social media. Amendments to Information Security policy.
I.P. Rights	Relook into the arrangements relating to I.P. Rights. Is there any unauthorized usage by the entity or the entity's I.P. Rights are being used in an unauthorized manner? Relook at the use of I.P. Rights.
Regulatory Risk	To look into risks of leaking price sensitive information (Securities Law), inappropriate or misleading product/service details (Consumer Protection Act, Cable Television Network Rules), Guidelines of Advertising Standards Council of India (ASCI), Information Technology Act, Framework and Guidelines for Use of Social Media for Government Organizations (Department of Electronics and Information Technology – as a reference point).
Governance Risk	It all boils down to people at the helm of affairs to manage and protect the image of the entity. See how social media an enabler of change can be rather than as a challenge. To decide on reporting aspects of incidence to the Board. What should Management oversee or look at how social media is handled.
Employee	IA need to ensure that management train and educate employees on Do's and Don'ts in social media space. Include this in employee policy/handbook /periodic short messages and reviews.


PARTICULARS	ROLE OF IA
Information in public domain	Approval mechanism for specific information being given out in social media. Role of senior management in addressing say an emergency press meet to clarify or appointing a spokesperson to make announcements on behalf of the management.
Personal Vs. Professional Issues	An employee of an entity may be targeted, or his personal affairs may be discussed in social media, unfortunately, more often than not, high profile cases take an ugly turn and link them to the entity they work for the brand they advertise or are brand ambassadors. In those cases, it becomes the responsibility of the entity to clarify their stand or distance themselves from the controversy etc., So, there has to be a plan of action to meet these exigencies, well in advance. The preparedness of this could be one of the areas to look in.

CONCLUSION

Organizations are adopting social media in a very rapid manner. Some of them could be at a stage where they have little knowledge on this domain to cases where the organizations have adopted it, learnt from its setbacks, and now have clear strategy to handle it. It would

be useful for I.A. to have a separate audit on social media usage and help management in multiple roles, either as an adviser or an office which assures on the controls and risk management or as a consultant to manage specific issues and enable change.

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THE INSTITUTE OF
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'Article Award Scheme'

IIA India is proud to launch the 'Article Award Scheme' for all its members who are contributing articles to the IIA India monthly digital magazine 'Internal Audit Today'.

The scheme plans to recognize the three best articles submitted for the magazine each quarter, starting with Q4 2020. The authors of the three best articles selected by an independent committee of IIA India will be rewarded with Amazon Gift Vouchers and their names and brief profile will be added to the magazine's 'Hall of Fame' section.

The scheme will run for each quarter, and the winners will be announced in the subsequent month's edition of the magazine.





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RISKS ASSESSMENT & MONITORING- A KEY MANAGEMENT FUNCTION

The dynamic global environment, geo-political instability, spread of pandemic, environmental risks, risks arising out of work from home culture(WFH), growing need for managing businesses and transactions online, confidential data thefts, cyber threats and various other potential risks that are both internal as well as external to an organization, necessitate the need for the Companies to conduct thorough assessment of the potential risks to their business, put in place adequate risk mitigation measures and monitor the implementation of the same on a regular basis.

The first step in creating an effective risk-assessment and monitoring system is to understand the distinctions amongst different types of potential risks for an organization. Risks from any category can, at times, be fatal to a company's survival. The Companies should, therefore, tailor their risks assessment, monitoring processes and mitigation measures to the following different categories:



1. INTERNAL / CONTROLLABLE RISKS

These risks are internal to an organization be it relating to Business or Corporate Strategies or Finance or Employees or Sales & Marketing or Operations – Production, Supply Chain or Quality Assurance or Information Technology & Data Management etc. Each organization may establish a dedicated team that coordinates with respective functional teams and collects information from operating managers within an organization to identify and assess the risks

pertaining to their respective functions and for each such function must list down possible activities prone to risks. The process of laying down the risk mitigation measures and the processes to monitor each such activity shall follow thereafter. This increases managers' awareness of the risks across the organization and provides decision-makers with a full picture of the company's risk profile. This risk category is best managed through active identification, preventative mitigating measures, monitoring operational processes and guiding people's behaviour and decisions toward desired goals. A compliance-based approach is effective for managing internal controllable risks.

The Corporate Strategy risks are internal to an organization where a company voluntarily accepts some risk in order to generate superior returns from its strategy. The risk-management system needs to be designed to reduce the probability of the assumed risks and to improve the company's ability to manage the risk events if they occur. Such a system would not stop companies from undertaking risky ventures; to the contrary, it would enable companies to take on higher-risk, higher-reward ventures.

Certain risks arise from external events which are beyond the management control like risks arising out of pandemic Covid-19, natural calamities, political instability, economic factors etc. To manage the external risks, the companies must closely focus on identification and mitigation of their likely impact and should tailor their risk-management processes accordingly. However, the strong cognitive biases of managers discourage them from thinking and discussing the risks until it's too late.



2. EXTERNAL RISKS



FACTORS RESPONSIBLE FOR RISK DISASTERS

A word of caution is there, however, for the managers responsible for risk management, not to be overconfident about the accuracy of the forecasts and risk assessments. The rigidity of their core belief or pre-conceived notions, distractions, disregard to experts' views, difficulties in analyzing critical information, lack of regulatory compliances, not acting on early warning signals or red flags or intelligence or desire not to take the alerts seriously etc. are some of the factors that may lead to risk disasters.



STEPS IN RISK ASSESSMENT, MITIGATION AND MONITORING PROCESS

- **Risk Identification** shall cover the possible list of say 40-50 potential risks to a Company subdivided for each functional area.
- **Risk Impact Assessment & Prioritization** involves assessing the degree of risk by segregating the risks into Minor, Moderate, Major, Severe and Worst case on a scale of 1 to 5. This will also help risk management team in allocating appropriate time and resources so as to remain focussed on key risks. This exercise may also include defining probability of a risk materializing in next few years.

The Corporate Group and the Risk Management team need to work together to develop a risk-based approach and allocate resources on investments based on the risks involved in the proposed investments/ projects.

- **Risk Mitigation** measures shall involve planning and mapping the risk profile of the corporate (subdivided into different

functions) and developing risk mitigation plan by the risk management team. This may also involve putting in place Standard Operating Procedure (SOPs), Internal Controls and Internal Audit processes.

- **Risk Monitoring & Management process** shall involve regular monitoring and approval of the scales assigned to risks and the mitigation measures thereof periodically by the respective functional heads in the organization. The risk matrix with the scorecard must be reviewed by the Chief Finance Officer and Chief Regulatory or Risks Officer based on which preventive actions, if any, can be taken.

Thus, Risk assessment and monitoring is a key management function that requires governance and attention from the highest level in the corporate hierarchy in the current dynamic global environment. Although the regulations in India currently require formation of Risk Management Committee for select companies only) but risk management through formal risk management committees is recommended for other corporates as well.

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WHETHER INTERNAL AUDITING IS EQUALLY BENEFICIAL FOR SMALL AND MEDIUM ENTERPRISES LIKE LARGE ENTERPRISES?

Recently, one of my clients having a turnover of approx. 100 crores, asked a question whether internal auditing is equally beneficial for small and medium enterprises as it appears to be for large organisations? I could have replied to him immediately, but I asked him to wait until the conclusion of our assignment and then ask this question from himself by evaluating the outcomes. I have experienced that if you discover any solution from yourself by applying different logics, techniques, any method or data evaluation, then you feel great satisfaction rather than jumping directly to answers derived from instant sources. Do you agree with me?

TRANSFORMATION OF INTERNAL AUDITING IN THE LAST FEW YEARS



People's feelings about Internal Auditing have changed significantly as compared to 20 years ago. Earlier, Internal Auditing was supposed to check the compliance of Policies and Procedures, Detection of Fraud and Error, Checking of Compliance of law of land etc. We were expected to check lots of bills and vouchers, ensure arithmetical accuracy, check if



posting is into correct accounts heads or not etc. Overall, this function was an additional layer of safeguard for the organisation after the Accounts department. Accounts department was the main coordination agency for Auditors. Auditors rarely approached other departments about reviews or for discussions.

Rapid growth of ERP software and value-added features in Microsoft Excel or Auditing softwares have eased logical checking for Internal Auditors. Availability of database in ERP such as sales report, purchase report, purchase orders reports, material receipt report, stock reports, expense reports, database of vendors and debtors have given multiple hands to Internal Auditors, and now they are able to handle sizeable audits in comparatively lesser time. Through data mining, auditors are able to check/identify unusual patterns using different permutations and combinations. These are very helpful tools in detection of frauds too. Now the question arises that if most of the checking could be done through the system only then what Internal Auditors would be doing? Actually, crux lies here itself.

NEW AVENUES IN INTERNAL AUDITING

In the beginning, some traditional Internal

Auditors were worried about their future due to the ever-increasing role of data analysis. Nevertheless, this data analytics work has actually strengthened them and moved them in next circle of energy-creation for the organisation in the form of value-added services such as review of internal control framework, review of efficiency and effectiveness of the policies and procedures in achieving the goal of the organisation, review of management information system and review mechanism.

In a nutshell, Internal Auditing is helping the organisations in ensuring harmony in thought deed and action by timely detecting the red flags. While reviewing the controls, Internal Auditing is ensuring that controls are minimum but effective. Unnecessary duplicity in controls is removed if they are not adding any value in the overall process. In a way, Internal Auditing is not only reviewing the process, but it is also reviewing the performance. Internal Auditing can significantly reduce fraud by reducing the opportunity to fraudster. As we know, that Fraud triangle has three components, i.e. Motive, Opportunity and Rationale. Organisation may not have to determine control on motive and rationale of the employees since these are more of personal qualities, but definitely, by having effective segregation of duty, proper supervision and effective preventive and detective controls,

opportunities for fraud may be reduced. Therefore, an effective audit system can definitely help in reducing the risk of fraud.

Nowadays, many organisations work in cut-throat competition. Increasing competition has reduced the premium on pricing in many organisations. In this challenging situation, Internal Auditing is helping the organisations in cost savings by suggesting productivity improvement tips or by deployment of resources where they give maximum returns.

BENEFITS FOR SMALL AND MEDIUM ORGANISATIONS



So far, the small and medium organisations are concerned, they get the benefit of experience of the Auditors. They can help implement best practices prevailing in the industry. Nowadays, internal auditors are not only looking into compliance with organisational policies, but they are challenging the organisational policies too with better options. This beauty of experience is giving additional benefit to the organisations in exploring the unutilised potentials. In this way, now auditors are not like backbenchers focusing on shortcomings only, rather they are business partners who are focusing on the growth of the organisation. This changed role has attracted many newly qualified Chartered Accountants into the field of internal auditing.

CHALLENGES IN INTERNAL AUDITING PROCESS

However, the above-mentioned picture of the Internal Auditing profession may look rosy, but internal auditing is not easy. A



person has to develop strong and resilient personality traits of scepticisms assertiveness, straightforwardness and agility to become a master in this field. Since they have to face a lot of resistance from process owners, and sometimes, they have to face office politics too. However, by effective communication, genuine teamwork and coachability, they succeed in their mission. Several times, they do not get the reward or recognition which they deserve. Nevertheless, this hardly matters to them since they understand the significance of their role. They know that their role is like a tea bag once the tea is ready then it is the taste of tea, which matters to the customer, not the tea bags.

WAY FORWARD

By above facts, it is clear that Internal Auditing is not merely fault-finding technique instead it is a tool for business development, cost control, improvement of people's productivity and peace of mind by ensuring compliance with law of land.

Now, we can imagine that these facts are relevant irrespective of the organisational size. It's not only relevant for large organisations but equally crucial for small and medium organisations. Therefore, the business owners must avail and seek services of internal auditors to accelerate their business growth.

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(Source: The IIA's 2017 Compensation Study)

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CIA PART 1 EXAM- HOW TO PASS THE EXAM IN FIRST ATTEMPT

SERIES 1-RISK MANAGEMENT, CONTROL AND GOVERNANCE TOPIC

CIA Part 1 – Essentials of Internal Auditing exam is the first step towards the globally recognised certification called – Certified internal Audit-CIA.

Part 1 has questions that require you to demonstrate both proficiency and awareness.

To ensure that candidates have an adequate understanding of the important concepts, the CIA exam tests the candidates at 2 cognitive levels. The 2 cognitive levels are as below:

- **Basic Level:** Candidates retrieve relevant knowledge from memory and/or demonstrate basic comprehension of concepts or processes.
- **Proficient Level:** Candidates apply concepts, understand processes or procedures; analyse, evaluate, and make judgments based on criteria; and/or put elements or material together to formulate conclusions and recommendations.

There are 6 important topics in part 1, under which the knowledge of candidate is being tested. The topics and their related coverage are as follows:

Weightage	Topics
15%	Foundations of Internal Auditing
15%	Independence and Objectivity
18%	Proficiency and Due Professional Care
7%	Quality Assurance and Improvement Program
35%	Governance, Risk Management, and Control
10%	Fraud Risks

Every topic is essential and its equally important to know both technical as well as practical aspects of these topics. During the exam, the weightage of above-mentioned topics does get changed, however, at large, the Governance, Risk Management, and Control is given highest weightage in the part 1 exam.

This topic covers 4 crucial topics – Risk management, control techniques, control application and corporate governance.



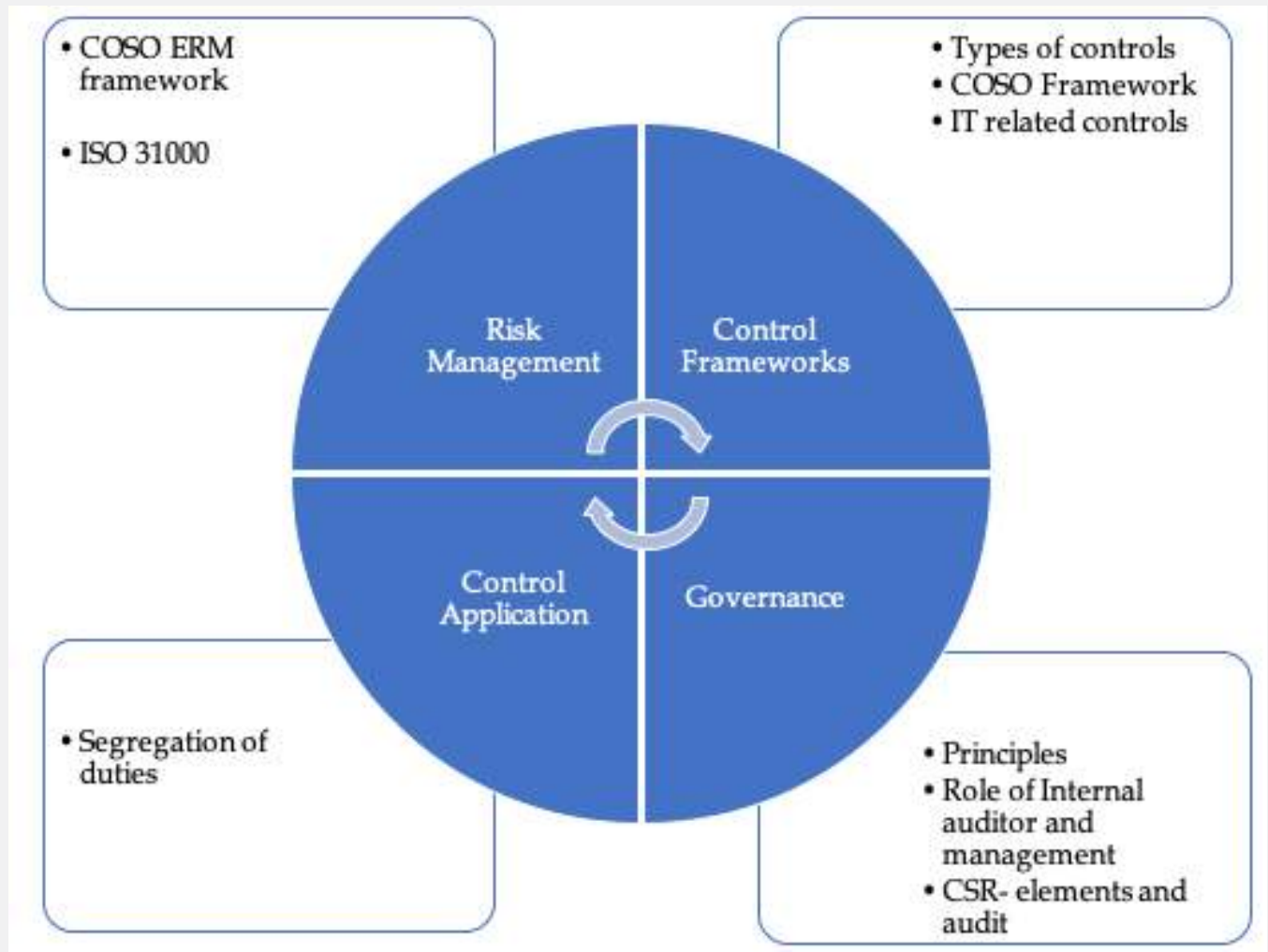
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SUBJECT MATTER SMART STUDY TIPS

When it comes to online exams like CIA, there can never be any surety that only specific topics will be tested in certain way. However, at large, there are few topics which are always given some more weightage.

Here is my subject matter opinion about this topic- how to prepare for the same.

IMPORTANT EXAM TOPICS



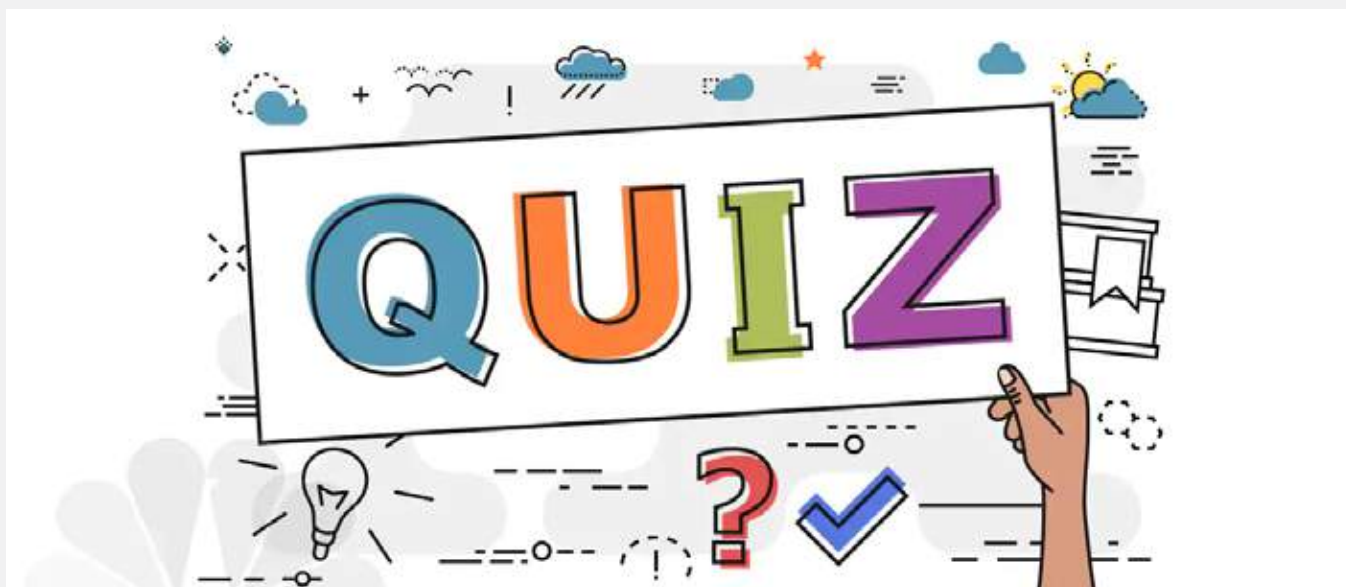
The topics mentioned above are more relevant and frequently tested concepts. While preparing for these chapters, candidates are advised to have good knowledge of these concepts.

CLOSING COMMENTS

CIA part 1 exam is relatively easier, as compared to rest of the parts. This part tests more of technical knowledge. If the concepts are clear, then passing this exam is assured.

In the next series, we shall cover more topics from part 1, part 2 and/or part 3, which holds more relevance for the CIA examination.

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CIA QUIZ

Q1. An internal auditor is reviewing a new automated human resources system. The system contains a table of pay rates which are matched to the employee job classifications. The best control to ensure that the table is updated correctly for only valid pay changes would be to:

- A.** Limit access to the data table to management and line supervisors who have the authority to determine pay rates.
- B.** Require a supervisor in the department, who does not have the ability to change the table, to compare the changes to a signed management authorization.
- C.** Ensure that adequate edit and reasonableness checks are built into the automated system.
- D.** Require that all pay changes be signed by the employee to verify that the change goes to a bona fide employee..

Q2. A high-volume retailer of consumer goods has used point-of-sale data to record sales and update inventory records for several years. When price changes are scheduled, corporate headquarters download a price

change file to a computer server system at each store. Each store's assistant manager is responsible for checking the server for downloads and running the program that updates the store's price file at the authorized price update time. In comparison with having headquarters initiate the price update centrally, this approach to price updating will most likely:

- A.** Decrease the risk that customers will be undercharged consistently for sales items.
- B.** Decrease the risk that item prices will sometimes be inaccurate.
- C.** Increase the risk that customers will be undercharged consistently for sales items.
- D.** Increase the risk that item prices will sometimes be inaccurate.

Q3. Human resources and payroll are separate departments. Which of the following combinations would provide the best segregation of duties?

- A.** Human resources personnel add employees, payroll personnel process hours, and human resources personnel deliver pay checks to employees.

- B. Human resources personnel add employees, review and submit payroll hours to the payroll department for processing, and deliver pay checks to employees.
- C. Human resources personnel add employees and payroll personnel process hours and enter employee bank account numbers. Pay checks are automatically deposited in the employee's bank account.
- D. Payroll personnel add employees and enter employee bank account numbers but process hours only as approved by the human resources department. Pay checks are automatically deposited in the employee's bank account.

Q4. According to IIA guidance, which of the following is least compliant with the requirements regarding an internal auditor's need for objectivity?

- A. An internal auditor assessed the effectiveness of controls over payroll software, which he had helped implement with a previous employer.
- B. An internal auditor participated in an audit of controls around absenteeism, despite providing some consultation on controls in this area earlier in the year.
- C. An internal auditor performed an assurance engagement for the effectiveness of accounts payable access controls, one of which he previously helped to design.
- D. An internal auditor, previously employed in the quality assurance operations area, performed a consulting engagement for the operations manager.

Q5. A former line supervisor from the Financial Services Department has completed six months of a two-year development opportunity with the internal audit activity (IAA). She is assigned to a team that will audit the organization's

payroll function, which is managed by the Human Resources Department. Which of the following statements is most relevant regarding her independence and objectivity with respect to the payroll audit?

- A. She may participate, but only after she has completed one year with the IAA.
- B. She may participate because she did not previously work in the Human Resources Department.
- C. She may participate, but she must be supervised by the auditor in charge.
- D. She may participate for training purposes, to build her knowledge of the IAA.

Q6. An auditor identifies three errors in the sample of 25 entries selected for review (a 12 per cent error rate). Based on this result, the auditor assumes that approximately 59 of the total population of 492 entries are incorrect. To reach this assumption, the auditor has used a technique known as which of the following?

- A. Variability tolerance.
- B. Ratio estimation.
- C. Stratification.
- D. Acceptance sampling

Answers are printed on the last page.

Contributed by "Dr. Paul Jayakar"

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Deepti Gupta
Vice-President,
Assurance & Risk
Management, HSBC

MY SUCCESS MANTRA IS TO WORK FOR OUR OWN HAPPINESS

I am –

- Chartered Accountant (CA), Certified Fraud Examiner (CFE) and Certified General Management Accountant (CGMA) by qualification.
- A risk, controls & governance person by specialization.
- A proud mother of two little kids, a diligent wife, a dutiful daughter-in-law and a doting daughter by choice.

I started my career in 2004 with Internal Audit, which became a passion for me, driving me to explore other related areas like Risk Assessment & Management, Process Improvements & Re-engineering, Corporate Governance, Regulatory Compliance, Sarbanes Oxley (SOX) and Enterprise Risk Management (ERM) across diverse industry segments such as Banking, Foods & Beverages, FMCG, Retail, IT/ITES, KPO/BPO, Automotive, Pharma etc. both in the capacity of a consultant and as a subject-matter expert across a wide range of processes.





I spent the first 5 years of my career in consultancy, and at a very early stage in my career, I became the team lead, handling teams, assignments and clients independently. I then switched to the industry, and very soon had set-up and was heading the Risk Management and Compliance Function as the Chief Compliance Officer of a large US-based KPO, just within 7 years of starting my career. Since then, I have undertaken leadership roles; I would not want to call all of them out here. However, all I can say is that there has been no stopping till date despite all of the challenges that I have faced – be it my maternity break or other personal life challenges. Currently, I am holding the role of Vice President for an Assurance function in a global bank, and I also have plans to venture out into entrepreneurship at a later stage of my career.

Receiving various awards during my tenure in different organizations that I've worked for filled me with a sense of achievement and recognition. But on a personal front, I also enjoy mentoring and coaching students. I have been a guest speaker at various universities and seminars and have been a mentor to IIT PhD Students and visually impaired students from BRAD.

My parents have been my source of inspiration throughout and my husband has been a constant support in all my endeavours and

achievements, thus persistently motivating me to keep moving ahead towards achieving my goals and overcoming all the challenges that I have faced in my journey.

I have continued to study and develop myself as professional, as a result of which there have been many proud moments in my journey. People consider me as their inspiration considering the fact that if I am able to manage the same with two young kids (3 & 6 years) at home and a challenging job to handle simultaneously, then they can do it too. It feels excellent whenever I am able to inspire or motivate someone to do more in their lives.

I firmly believe that the right mix of passion and ambition to learn and grow, hard-work, perseverance and family support has been my success mantra.

My advice to all young professionals, especially women, has always been to aspire to learn more and work for your own intellectual satisfaction rather than just achieving KPIs for a company. I believe that when we work for our own happiness, that is when we can be successful for our own self, for the companies that we work for, for society and the country as a whole.

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PREDICTIVE ANALYTICS FOR ENTERPRISE RISK MANAGEMENT – THE NEW ORDER

“The old order changeth, yielding place to new”

– Lord Tennyson

With the renaissance in technology today, we witness radical changes in business models where greater onus is placed on enterprise risk management (ERM). By leveraging predictive data modelling techniques (data models) in front line operational businesses controls and business support functions like finance or treasury, the enterprise can get a precise picture to anticipate risks, predict trends and identify new opportunities.

The risk community is working on significant time pressures to identify emerging risks and implement controls. This new and fast-evolving environment calls for a sophisticated risk management approach, optimising big data and predictive analytics. Analytics and data models are embedded and consolidated within ERM frameworks and capture the full spectrum of risks, including the risk information of third parties, finance, treasury, operations, inventory, cybersecurity, disaster recovery and reputational risks.

Before we discuss the stages of implementing predictive analytics, we should understand why they are necessary for ERM. The main driver for data models is, to build a foundation that positions the organisation to be able to derive better intelligence around a particular process/area. Patterns and behaviours can help to understand, manage, and predict the forces that drive them.

Given the nature of ERM, even predictable patterns and behaviour can still be challenging to identify risks consistently. Designing an adequate data model to manage this risk category is a challenge the industry has long known. There should be an emphasis on a holistic and forward-looking risk management strategy prior to model building.



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Stages in building predictive data modelling

Predictive data modelling is a continuous process, carried out to build data models and analyse data. With the availability of data and the predictive analytics techniques, tools and technologies, the data model help us to deliver outputs which can help in creating smarter and more innovative ways in risk mitigation and building strategies.



Stages in Predictive analytics for ERM

1. RISK IDENTIFICATION

Identification of risk is the most important phase, which is critical to the success of the data model. In this stage, the management’s effort is focused on ensuring that complete risk register across the business processes is captured.

Let us consider few examples to understand how Risk mitigation or Predictive modelling objectives are derived from the identified risk:

- Pricing risk – ideal predictive data modelling objective will be, to develop an optimal dynamic pricing model where the enterprise is able to retain market share and maximise profits.
- Bad debt risk - objective of predictive data modelling will be to build an early warning



system to predict risky debtors before they are onboarded or before they become bad.

As such, risks should be identified in each process, and predictive data models can be built

2. DATA IDENTIFICATION, SELECTION AND PREPARATION

In an ERM, to achieve successful risk predictions, it is important to collect wide-ranging data through systems, applications, processes and human interactions and then derive meaningful patterns and behaviour in line with the unique risk challenges of individual organisations and lines of business.

Only through the collection of this data at the broadest level, we can identify patterns and behaviours and thus determine which data is genuinely risk-sensitive. We should look beyond generic data captured if we hope to determine the operational risk exposure of a firm accurately.

Most people take shortcuts to identify metrics they deem to be risk-sensitive and undertake biased data selection process. But how do we know these are the metrics that are the most risk-sensitive, if many are observed but not proven to predict? Most metrics which we call “key risk indicators” are developed following a significant risk or loss incident that had occurred in the organisation and not derived from an observed pattern or behaviour.

In modern institutions where technologies like automated production line, robust ERPs, and robotic process automation are

already implemented, the data identification and collection become far less challenging. This is where our foundational work around developing an operational risk data model should begin. Some may say that the current data environment is too vast and expansive to monitor and evaluate risks effectively. But with new ways of applying data science techniques, institutions can now build these capabilities with relative ease and minimal investment. The real challenge will be in scoping what type and range of data will be relevant to derive the best predictions for the respective objective. This is where leveraging business, as well as the experience of the operational risk manager, will continue to be key.



3. DATA MODELLING AND MODEL EVALUATION

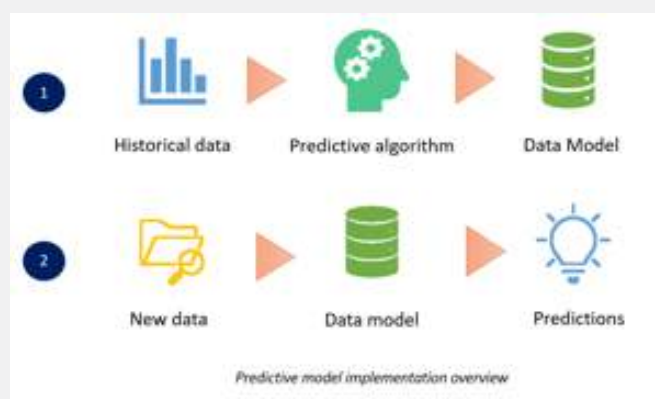
Advancement in computer processing power, newer database technologies, tools equipped with statistical libraries have made it possible to employ a broader class of predictive techniques, such as solving regression equations, time series forecasting, decision trees, classification trees, regression trees, random forest, neural networks, support vector machines, and other mathematical algorithms with very minimal manual effort. These techniques take advantage of increased computing capability to perform complex calculations that often require multiple iterations through the data. They are designed to run against large volumes of data with lots of variables (i.e., fields or columns.) They also are equipped to handle “noisy” data (data with

various anomalies) that may wreak havoc on traditional models and tools.

Two categories of predict data modelling techniques are supervised learning and unsupervised learning.

Supervised learning is the process of creating predictive models using a set of historical data that contains the results you are trying to predict. For example, if you want to predict the number of customers who are likely to respond to a discount sale campaign run by the organisation, In supervised learning you use the historical data of the sales booked in such past campaigns and use it build a data model to predict current campaign results by identifying the characteristics of individuals who had responded to that campaign. Some of the supervised learning techniques include classification, regression, and time-series analysis.

In contrast, unsupervised learning does not use previously known results to train its models. Rather, it uses descriptive statistics (mean, median, mode, distance, range, etc.) to examine the natural patterns and relationships that occur within the data and does not predict a target value. For example, unsupervised learning techniques can identify clusters or groups of similar records within a database (i.e., clustering) or relationships among values in a database (i.e., association.) Market basket analysis is a well-known example of an association rule technique which can be used in customer segmentation and churning in customer lifecycle analytics



All data models built are required to be evaluated for the results for accuracy by assessing the proportion and precision of predicted values being true positives. There are many statistical techniques which aide in model scoring and evaluation. Model evaluation will help us to evaluate the accuracy of the model, some of the prominent evaluation methods are Confusion Matrix, Area under curve and ROC (Receiver operating characteristic), Kolmogorov Smirnov Chart and Gini Coefficient



4. MODEL IMPLEMENTATION AND RISK FORECASTING

Models are implemented in the business environment for risk forecasting, and the insights of the forecasted risks are communicated with the business users or the models are embedded into the existing business application to automate decisions and business processes. For the models to be successful, they should be constantly tuned to the changing business scenarios to the improve performance (i.e., accuracy)

5. STRATEGIC DECISION AND RISK MITIGATION

This stage involves creating an ambience where the enterprise can understand the dynamics of their business, anticipate market shifts, and manage risks. Rather than “going with gut” when maintaining inventory, pricing solutions, or hiring talent, enterprises can embrace analytics and systematic statistical

reasoning to make decisions which will improve efficiency, risk management and profits.

CONCLUSION

Predictive Analytics does not presume anything about the data. Rather, it lets data lead the way. Predictive analytics has the ability to combine traditional statistics and advanced models & techniques like machine learning, neural computing, robotics, computational mathematics, and artificial intelligence to explore all the data, instead of a narrow subset of it, to ferret out meaningful relationships and patterns. It is like an “intelligent” robot that rummages through all your data until it finds something interesting to show you.

Although, most experts agree that predictive analytics requires great skill and some verve so far as to suggest that there is artistic and highly creative side to creating models; most would never venture forth without a clear methodology to guide their work, whether explicit or implicit. Part of the skill in creating effective analytic models is knowing which models and algorithms to use. Fortunately, many leading analytic workbenches now automatically apply multiple models and algorithms to a problem to find the combination that works best.

Predictive analytics help you know what might happen, prepare a response ahead of time, get ahead of the risks, and influence the outcomes. It is like looking ahead with a telescope, not glancing through the rear-view mirror. The business should start dealing with these digital developments by being adaptive and agile in their approach, which will go a long way in creating strategies that succeed.





MENTAL HEALTH – DESTRESSING YOURSELF

“To take care of others, one first needs to take care of oneself.”

Amidst the current challenging times of coping up with a pandemic, caring for your loved ones, balancing work and life when most of us are working from home, often peace of mind gets neglected. ‘Mental Health’ is never so often discussed as ‘Physical Health’, though the truth is, a health cheerful mind and soul only ensures a healthy being. But how to have a healthy mind? Let’s have a look at some of suggestions you can follow:

1. ASK FOR ‘HELP’

It’s OK to ask for help. You feel overburdened with work, ask your partner, family, to help you with some of the chores at home. There are too many deadlines at work, ask your boss, your team, if they can help. It’s completely fine to seek support for yourself; no one is going to judge you. Make a list of your ‘Go to people’, you think you can always reach out to; to discuss, to share, to consult, to relax. Become the one, whom others can reach out to—it is all about supporting each other. And the bonus is helping others also lifts your mood while spreading positivity around.

2. KEEP A 'JOURNAL' OF YOUR THOUGHTS

Penning down what you feel, what you think is a good way of destressing yourself, trusted upon by health professionals. You need not care about the format, the language or the length of the write-up, 5 minutes a day are good enough to give you some relaxed time. Keeping such a private journal and adding it to daily can also help to track your mood and behaviour. Read it to yourself to know yourself better and improve.

3. MEDITATION



Meditation is one of our ancient therapies to heal the mind and soul. Yes, it works. Even 5 minutes of meditation can add lots of energy and positivity to your whole day. Meditation helps to keep negative, distressing thoughts away. It may appear difficult initially, but a disciplined approach to mediation can work wonders for one to ensure a relaxed and calm mind.

4. IDENTIFY THE 'POSITIVITY' AROUND

Positivity, yes it's all around. Kids playing, someone laughing, soothing music, scrumptious food, yes, so many things easy to find around yourself. Identify your own 'Positivity Spot', one which gives you happiness and make you calm no matter how stressed you are. Listing down your happy memories

and reading them during sad times, it works wonder for some. Treat yourself with your 'Positivity spots' to feel good.



5. SET 'REALISTIC' GOALS

We all want to achieve a lot of things professionally or in personal life that sometimes we set unrealistic goals for ourselves.

- Aim high; although it's important to be realistic.
- Prioritise; you cannot do everything all at once, so it's essential to prioritise and plan accordingly.
- Treat yourself when you achieve your goals; it gives a sense of accomplishment.
- Below are some suggestions for taking an assessment of your mental health:

<https://www.psychologytoday.com/us/tests/health/mental-health-assessment>

<https://www.bemindfulonline.com/test-your-stress>



INSTITUTE OF INTERNAL AUDITORS INDIA ORGANISED 2 DAYS VIRTUAL NATIONAL CONFERENCE IN 3D FORMAT ON 9TH & 10TH OCTOBER 2020 - BRIEF OVERVIEW

It has been the most enriching and participative conference. We have been lucky to get so many stalwarts as speakers on one platform. There was a record number of 3416 registration with more than 2000 active participation during these 2 days. We had 400 plus foreign delegates from 60+ countries participating in the conference.

The conference was supported by Gold sponsors Protiviti, Mazars, ANB, MGC Global Risk Advisory, RSA, Silver sponsors Sama, Infosys, Concord, and Technical Sponsor Laser.

DAY-1

On the first day, we had our first session where the Economic outlook of India and the region was discussed by the Chief Economic Advisor of Govt. of India, Dr. K Subramaniam, Ms. Sonal Varma of Nomura, and Ms. Tanvi Jain of UBS, Singapore. Ms. Ruchi Bhatia of ET Now very well moderated the session. The speakers enlightened us about the scenario post-COVID, and the challenges region is facing today.

This was followed by a Panel discussion on Business challenges post-COVID era. Top industry leaders Mr. Uday Khanna, Board

member of several big Organisations, Mr. Robin Banerjee, MD of Caprihans India, and our IIA India stalwart & Independent Director Mr. Nagesh Pinge placed before us their views of actual what the Board members are looking at post this pandemic and how the business model has undergone changes. The session was ably moderated by the President of IIA India, Mr. Thiagarajan Kumar.

Next was, technical session by Mr. Apporva Yatindra, Partner in ANB, who gave us insight into how Robotics and AI will drive internal audit in the near future.

The day ended with a keynote address by Mr. Richard Chambers, President & CEO of IIA Inc. Mr. Chambers enlightened us about the future of Internal Audit in the next decade. There were many takeaways from his elaborate deliberation, which will help Internal Auditors to shape the future.

DAY-2

10th October started with a panel discussion on Impactful Risk Management. We are fortunate to have 3 senior-most Board members as panellist. Mr. Ranjit Singh, IIA Global member from Malaysia, Mr. Mark Harrison President ACIIA, Australia and Dr. Vinayshil Gautam, an Internationally acclaimed management thinker and practitioner. The session was moderated by Mr. Monish Chatrath, Managing Partner of MGC Global Risk Advisory. The speakers gave us practical insight into how Risk Management function has become a strategic initiative of the Board, and as Risk managers, how we can bring value to the stakeholders.

The second Panel discussion was for a very contemporary topic, i.e. Internal Audit in Financial Services. As we know, the financial service sector in India is going through a rough patch, and surely everyone was waiting to hear from experts, what is the role of internal audit. The panelists were Ms. Monica Lim. MD

of Goldman Sach, Mr. Srinivasan CAO, Societe General, Mr. Abhishek Sanyal, ED UBS. and Mr. Kulin Mehta, ED Nomura Services. The session was moderated by Mr. Dynesh Pandit, MD Protiviti India. The session was really entertaining as all the speakers set Internal Auditors' expectations in financial services.

The last Panel discussion of the day was again a much sought after topic, i.e., Use Of AI and Technology in Internal Audit and Remote Auditing. We had a galaxy of speakers in this session, Mr. Abdul Quadir, Chair UAE IAA, Mr. Shailesh Haribhakti, Chairman & Independent Director, Mr. Kartik Radia, Managing Partner, Mazars India, and Mr. Kabir Shakir, Ex CFO Microsoft. The session was moderated by IIA India Chief Advisor, Mr. Nikhel Kochar. Again, it was a very entertaining and thought-provoking session as we had views of the Chairman of Board, CFO, Audit Partner, and an IIA office bearer who discussed the need to adopt technology to keep Internal Auditors relevant in the profession and be a value creator to the organisation.

The day ended with a Q&A session with Mr. Richard Chambers, President & CEO of IIA Inc., followed by the valedictory session by Ms. Jenitha John, Chairperson IIA Inc.

Ms. Jenitha spoke about the future of Internal Audit and her thoughts on today's crisis that requires organisations to bounce back and bounce forward to achieve far-reaching transformation. She also spoke about how IIA Inc. provides guidance and support to the entire Internal Audit profession for scaling new heights.

From IIA India, we thank all for a successful National Conference.



NATIONAL VIRTUAL CONFERENCE - INTERNAL AUDIT IN THE VIRTUAL WORLD – SESSION SYNOPSIS



SESSION: INDIAN / REGIONAL ECONOMIC OUTLOOK

SPEAKERS:

The kick-off for the two-day conference was with a lively discussion among:

The Chief Economic Advisor – **Mr. K V Subramanian**

Economists – **Ms. Sonal Verma of Nomura & Ms. Tanvi Jain** of UBS

Moderated by **Ms. Ruchi Bhatia** of ET-Now

SESSION HIGHLIGHTS:

On the Indian / regional economic outlook. The CEA highlighted -

- The Indian economy is on a recovery path and most of the high-frequency indicators are positive. Manufacturing is showing revival in many critical sectors like steel, power, durables etc. The service sector PMI is also touching 50%.
- While the uncertainty remains until a

reliable vaccine is found, the government is attempting to manage the short-term and create a bridge to the medium to long term growth of the economy. The potential for growth remains high in the medium to long term.

- Recent reforms in labour codes, agriculture, production linked incentive schemes should help the economy recover to good growth in the medium term.
- The 5th largest economy in the world needs a stronger banking sector, and structural reforms are required to make the financial sector stronger to support growth.
- Policy priorities before the budget would be to get the demand back in the economy, use the surplus from the external sector for higher fiscal stimulus and focus on reforms to enable medium to long term growth.
- Even during the Asian crisis after slowing down to a growth of around 4% for the initial 3 years, the economy recovered back to 7 – 8% growth in subsequent years.

Economist, Ms. Sonal Verma highlighted –

- While the consumption index is back to 82%, the service sector is still lagging. Contact intensive services will need policy support.
- Balance sheet strength in the financial sector to support capital formation and productivity increase is critical.

- Supply chain bottlenecks, infrastructure constraints can affect competitiveness. Other economies like Indonesia are also reforming to be competitive. India needs to be competitive both in terms of domestic & international markets.

Economist, Ms. Tanvi Jain highlighted –

- Though the supply chain has recovered up to 80 – 85%, the informal sector - where more than 80% of the people are involved, is facing income uncertainty. 58% of the people are still in agriculture. A big scale manufacturing push is required for more job creation.
- India has the potential to grow 6 – 7% if opportunities from global value chain are attracted through appropriate PLI schemes extending them beyond the electronics sector. India is seen as an attractive place to move manufacturing out of China by global CFOs.
- Reform announcements need strong implementation which has been a concern in India.

This session can be viewed at <https://www.youtube.com/watch?v=k-V9WdgRgkA>





SESSION: BUSINESS CHALLENGES & STRATEGIC RESPONSE POST COVID

SPEAKERS:

Mr. Uday Khanna, Chairman & Independent Director

Mr. Robin Banerjee, Managing Director, Caprihans India Ltd

Mr. Nagesh Pinge, Independent Director

Mr Thiyagarajan Kumar, President - IIA India (Moderator)

SESSION HIGHLIGHTS:

The panel had an engaging discussion on Business Challenges & Strategic Response Post Covid and the role of internal audit/ and risk management professionals in managing them.

PEOPLE CHALLENGES:

- While large corporations looked after the health & welfare of employees and the extended supply chain, many SMEs could not do so, resulting in the large-scale

migration of labour and the hardship we saw.

- Our society could have been more humane to the underbelly of the society, and this is the primary role of the government, to protect the interests of the weaker sections and address—many gaps between policy and implementation.
- Many business houses spent almost all of their CSR budget to provide for the migrants and the poor.
- Business continuity challenges:
- Several green shoots are seen in the economy, and many sectors have recovered. Many are using this opportunity to restructure and re-design their business models.
- Many product and process innovations have happened and digital adoption has accelerated by many years.
- Indian entrepreneurs and managers have shown their mettle and have collaborated.



Really good outcomes will come out of this crisis and the experience.

- Enlightened and conscientious capitalism could be the continuing benefit of building trust between the business, employees and governments.
- Governance, Risk management & Internal audit's role:
- Large and small businesses will look up to internal auditors for reassurance and safety of their businesses during this phase. The Internal audit profession needs to seize the opportunity and rise to the challenge.
- IA can play a role as an in-house consultant with resourcing appropriate multi-functional talents in the team. IA needs to enhance business knowledge and be involved at the right time in all the strategic decisions made by the businesses.
- IA needs to often present the value it delivers to the business and seek appropriate resources. IA can be a training ground for general managers, and the CAE should preferably come from the general management pool for superior value addition.
- Auditors should be able to see the “picture and the pixels”. Digital skills and IT system knowledge will be essential for auditors and digital migrants should become digital natives.
- The profession should look at and track how many CAEs become CEOs and Chairmen.

This session can be viewed at https://www.youtube.com/watch?v=QV_sJUaRdXQ

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SESSION: ROBOTICS / RPA IN INTERNAL AUDIT

SPEAKER:

Apoorva Yatindra, ANB Consulting

SESSION HIGHLIGHTS:

In a typical internal audit lifecycle, 60-70% of the time is spent on audit fieldwork, i.e. data collection, analytics and reporting. While other functions in the organisation are increasingly adopting emerging technologies such as robotics, artificial intelligence, machine learning, etc., internal auditors also need to be equally proactive in embracing new-age technologies. Some internal audit functions have aggressively adopted continuous control monitoring mechanisms, although there is still a significant degree of manual intervention and handshake between data collection, analytics and reporting. Current solutions are still time-consuming and are heavily dependent on niche system dependant technical skillsets.

The adoption of a unified approach, leading to advanced automation through robotics, analytics and visualisation, is the need of the hour wherein all three streams of data collection, analytics and reporting can reside on a single integrated platform. Through the use of automated BOTs, data can be

auto-extracted from various systems in an organisation, pre-defined analytical checks can be executed, and exceptions can be auto-generated in pre-defined tabular or graphical templates that significantly enhance the visualisation appeal of reportable issues. Internal auditors can also leverage inherent OCR capabilities for automated validation, and data extraction from various digital templates, e.g. KYC audits, contract reviews, bill validations etc.

Key takeaways/conclusion: Proactive adoption of emerging technologies such as robotics in internal auditing can lead to the automation of 60 to 70% of the audit universe, thereby significantly enhancing the level of assurance being provided, both in terms of extent and periodicity of coverage. It can also eliminate manual errors, increase auditor productivity by minimising efforts on audit execution and reporting, standardise execution of audit procedures, and especially during today's COVID affected times, enable virtual audit execution across geographies.

This session can be viewed at <https://www.youtube.com/watch?v=wTcNmRabr4g>

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SESSION: 2020S: COVID-19, DISRUPTION, AND THE DECADE AHEAD FOR INTERNAL AUDIT

SPEAKER:

Richard F. Chambers, President and CEO – IIA Inc.

This session will explore the lessons learned and how to apply them in the decade that lies ahead.

SESSION HIGHLIGHTS:

The first year of the new decade is already one of the most disruptive in a century. A global pandemic, geopolitical tensions, and another financial crisis are creating the “perfect risk management storm.” In this environment, it is essential for internal auditors at all levels to demonstrate agility and resilience if they are to protect and enhance value in their organizations now and in the decade ahead. The first half of 2020 presented extraordinary challenges for organizations and professions around the world. Internal audit is no different.

KEY LEARNING AREAS OF THIS PRESENTATION INCLUDE:

- A recap of the profession’s progress in the 2010s
- Key lessons learned from COVID-19
- Immediate imperatives to navigate the current crises
- A call to action for the decade ahead
- What we must get right to realize our full potential





SESSION: IMPACTFUL RISK MANAGEMENT

SPEAKERS:

Monish G Chatrath, Managing Partner, MGC Global Risk Advisory LLP

Dr Vinayshil Gautam, Vice Chairman, Foundation for Organisational Research and Education (FORE)

Ranjit Singh, Managing Partner, Tricor

Mark Harrison, President, ACIIA, Australia

SESSION HIGHLIGHTS:

At the very beginning of this extremely insightful discussion with a distinguished panel, moderated par excellence by Monish G Chatrath, the burning question (especially in the light of the Covid 19 pandemic) on the way forward towards making EWRM more impactful was raised.

The answers were largely in synergy with Dr. Vinayshil Gautam being of the opinion that the character of risk management in India had been determined individually by organisations on the basis of their own understanding, and that it was only now that risk management was being looked at by unlisted companies. He emphasised robust governance systems, columns of financial controls requiring categories to ensure that inaccuracies do not surface and further, on the need to make compliances a constructive effort rather than a cost.

In a similar vein, Ranjit Singh quoted a Harvard study to highlight the importance of risk understanding wherein he went on to elaborate that 86% company failures were caused by a casual approach towards strategic risks and the remainder were a result of operational risks; with internal auditors emphasising to the extent of only 10% on strategic failures, a



scenario that needed to be changed.

Mark Harrison stressed the importance of risk management with reference to the last 7-8 months circling around the pandemic.

Further to Ranjit Singh’s response, Monish summarised the discussion that spoke about the ways in which the framework can be made more robust; that includes not only looking at a risk, checking the mitigation measures and determining its effectiveness, but also going beyond to see if the risk is undercontrolled or over-controlled. He reiterated that risk management controls have to be forward-looking. And that while fraud risks have traditionally not received a specific focus, it is imperative to go beyond strategic, operational, compliance and financial reporting risks to address fraud risks as well.

Speaking about the separation of roles in ensuring sound risk management, Mark Harrison pointed out that organisations across the globe need to stop thinking of risk management as a ‘pProcess’. He added, “Risk Management isn’t owned” and whilst the Chief Risk Officer is appointed with a purpose, putting the onus of the entire framework

on one person is “problematic”. Referring to COVID 19, he expressed the need for people and organisations to be more honest about the risks at hand.

CONCLUDING REMARKS

With reference to the questions raised, Monish put forth that it was not just about the regulatory framework or how an organisation or country administered the legal framework, but it was also about the moral and ethical framework in the context of which business decisions were taken. “Once we are able to cover these three bases, we will be able to make risk management more effective and impactful”, quoted Monish G Chatrath in his closing remarks at the IIA virtual conference.

This session can be viewd at <https://www.youtube.com/watch?v=8uohdVXnXVA>





SESSION: INTERNAL AUDIT IN FINANCIAL SERVICES

SPEAKERS:

Dnyanesh Pandit, Managing Director
Protiviti Financial Services (Moderator)

Abhishek Amal Sanyal, Executive Director
& Head of Group Internal Audit India at UBS

Kulin Mehta, Executive Director Head,
Finance (Ex-GMO)

Monica Lim, Head of Internal Audit for
Goldman Sachs

Srinivasan US, Chief Administrative Officer
for Societe Generale Global Solution Centre.

SESSION HIGHLIGHTS:

“A panel discussion on “Future Readiness of Internal Audit” focused on Financial Services was moderated by Dnyanesh Pandit, Managing Director-Financial Services, Protiviti India during the IIA India Virtual National Conference on 9th / 10th October, 2020.

The eminent panel members included Abhishek Amal Sanyal, Executive Director and Head of Group Internal Audit India at UBS, Kulin Mehta, Head of Finance for Nomura Services India Private Ltd., Monica Lim,

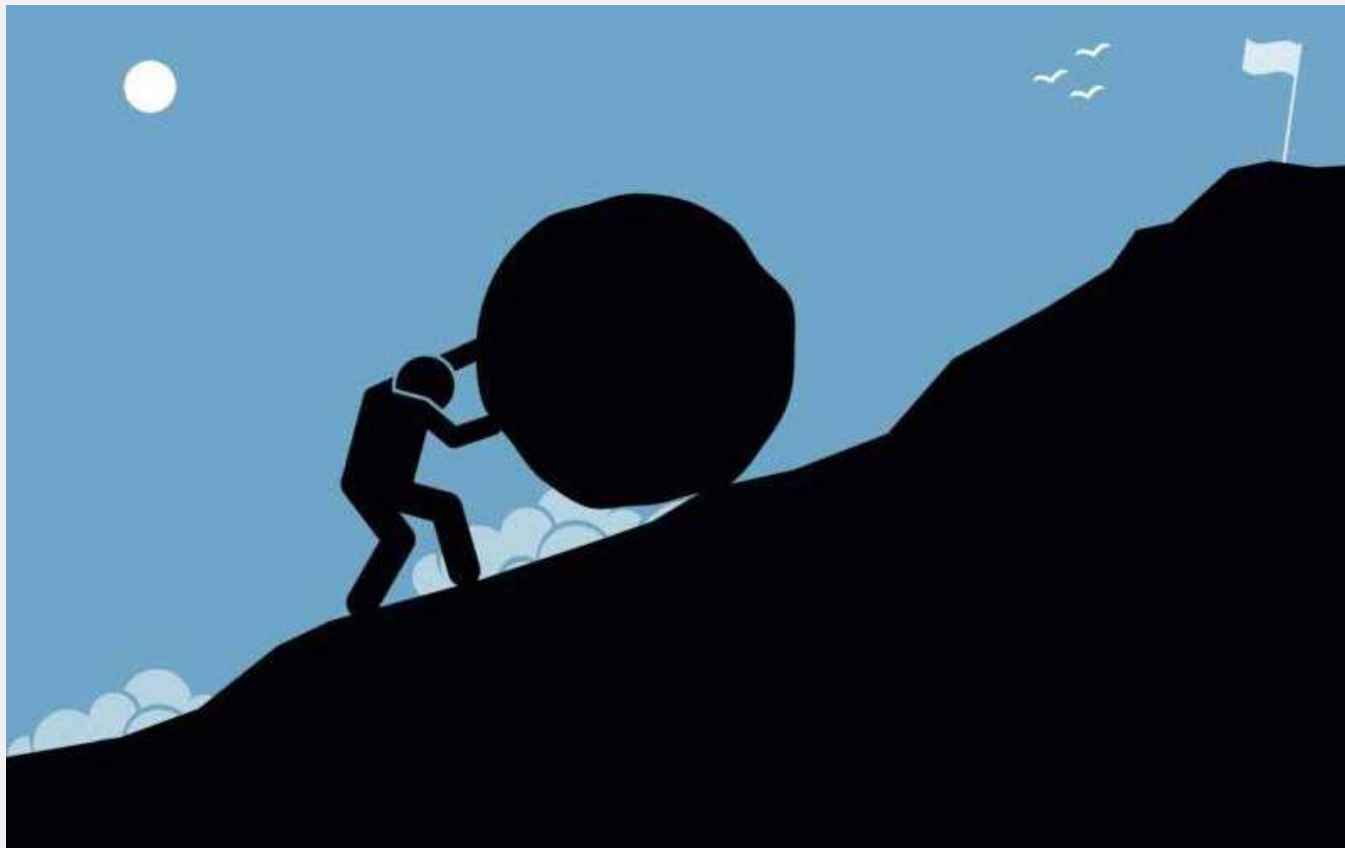
Head of internal audit for Goldman Sachs, Bengaluru and Srinivasan US (Srini), Chief Administrative officer for Societe Generale Global Solution Center.

The panel discussed emerging trends in the Internal Audit, e.g., dynamic planning process and continuous audit, the role of emerging technologies such as Machine Learning, Automation and Data Analytics in Business as well as Internal Audit function itself, Business Resilience in the wake of the current pandemic and future-readiness for such events, and the regulatory environments and its challenges. The panel emphasized the need for new skill sets required for Internal Auditors to meet the challenges of emerging technologies.

The panel was unanimous in its view that the adaptability and capabilities of the Internal Audit functions and individual auditors will matter in the long run as the change remains the only constant. This was aptly put by Abhishek when he said that the man behind the gun is more important than the gun itself.”

This session can be viewed at <https://www.youtube.com/watch?v=YG4Br731BAo>

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SESSION: REIMAGINING RESILIENCE

SPEAKER:

Ms. Jenitha John, Chairman of the Global Board, IIA

SESSION HIGHLIGHTS:

The grand finale to the 2 day virtual conference of IIA India was the valedictory address on the subject of “Reimagining Resilience” by Ms. Jenitha John.

Jenitha referred to the criticality of resilience as a trait in internal auditors, both during the pandemic as well as in the “novel” tomorrow. It is important to not just bounce back, but bounce forward by transforming ourselves.

Key issues auditors need to consider in 2020 include business continuity and crisis response, operational resilience and evaluating sustainability; looking at the increasing velocity of risk. By being agile and flexible, we

can work more effectively as partners to the business.

We can seize the opportunity by identifying new risks, being agile, ramping up data analytics, supporting the 1st and 2nd lines, and liaising with the audit committee. To ensure sustainability, we need TACTT i.e. Technology, Agility, Collaboration, Talent and Tenacity; a mantra all internal auditors would do well to consider. Resilience requires hard work and ongoing commitment.

The IA function should be guided by the “3 Lines” model where it is distinct from, but closely coordinates with the governing body (board and audit committee) as well as the management.

In her parting words, she quoted Emerson who said: “The future belongs to those who are prepared for it”.

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HALL OF FAME

The Hall of Fame section covers the name of those IIA Members who spread the word and encouraged new members to join IIA India.



Madhuri Krishnaswamy

BOG Member, IIA Hyderabad Chapter and member of the Hyderabad Chapter Women Circle Committee. She is currently serving in the Financial Controls & Compliance department of Novartis and having more than 14 years of experience in Internal Audit, SOX and other Risk Advisory services.



Sana Baqai

Chief Editor - IIA India, President - IIA Jaipur Club, Chairperson - IIA Delhi Chapter Women Circle Committee and Membership Committee. She is qualified CA, CS, LL.B, DISA and currently Senior Partner in Vinod Krishna & Associates, Chartered Accountants with 14 years of experience.



Bharat Garg

Chairperson - Publication Committee, IIA India and Secretary - IIA Delhi Chapter. Qualified Chartered Accountant and Company Secretary with over 17 years of experience. Also a CIA and currently pursuing CISA certification. Currently working as Head of Audit, Fidelity International, India.

OUT OF THE BOX



VARAHA AVATAAR



The Varaha Avataar is the third Avataar in the Dashavataar series, where the Lord takes the form of Boar. A quick synopsis of the story behind this Avataar is listed for the reader's benefit.

The demon Hiranyaksha abducts the Mother Earth (Bhoomidevi) and hides her in the depth of the ocean. Lord Vishnu assumes the form of a Boar of a miniature size from the nostrils of Lord Brahma and then subsequently turns gigantic and jumps deep into the ocean. Upon tracing Mother Earth, He uses His Tusks and takes Mother Earth to safety. In this entire process, Hiranyaksha tries to dissuade the Lord with persistent challenge and other means, from completing His task. However, the Lord first completes His primary mission of saving the Mother Earth and only after that vanquishes the evil.

Now let us try to summarize what are the key takeaways from the above and then delve on how it can help the Internal Auditor.

- *Mother Earth is kept in the ocean, which is actually a part of Mother Earth itself. -This clearly signifies that sometimes the Whole Problem is hiding in its parts.*

Consider this case of a direct B2C Company, which deals in only few sets of products, which have similar or rather same price. Cheques are collected by Salesman for the Products sold and deposited in the Bank Directly. Some of these deposits are fictitious (to book higher revenue and



**Sivaram
Subramoniam**

*Head Of Internal Audit at
Titan Company Limited*

claim incentive) and therefore not cleared by the Bank. Because of large number of decentralized receipt transactions and that too of the same value, the pendency (cheques deposited but not cleared) were, for ease of operations, adjusted on a FIFO basis in the Bank Reconciliation Statement. This led to actual age of cheques pending clearance remaining unidentified. A classic case of the entire problem in the area of Revenue and Receipt Accounting are hidden in Bank Reconciliation Statement.

- *The Avataar emerged from the nostrils of Lord Bramha – The sense of smell is the most impacted under water, and that signifies the reason for such a route adopted by the Lord.*

In our career, we would also be blinded, stonewalled etc. many a time. Be it deferment of audit, not sharing information on the grounds of confidentiality or citing business reasons and scenarios, which can be substantiated, only by physically going into history. All these activities are an attempt to impair our effectiveness. We need to emerge from a position of power. If data is not shared on the grounds of confidentiality and you are asked to run around and get approval, throw the ball in their court. Tell them that you are appointed by the Board and should they have any reservation in sharing data they should get approval from the Senior Management or Board for not sharing the data. More than half of the problem will be automatically sorted out. For the other half, bite the bullet, and present one such instance, as a scope-limitation to the Board and your life will be more or less sorted on this front.

- *The Lord took the form of a Boar- What seems a logical transition from an Amphibian (Kurma Avataar) to a mammal, the Boar also signifies the fact that it is able to trudge well in a mud sludge easily.*

This aspect clearly illustrates the need to be ready and capable of getting our hands dirty and get into the root cause. Arm Chair audit is just out of the way. This appears to be a gargantuan task in today's world, where

“Work from Home” is becoming the norm. What one needs to do is have the conviction to get into areas where you may have face-off with the Process Owners but with the right set of approach, detailing and gathering as many substantive and collaborative evidence you will hit the mark. Imagine working for a luxury consumer good company where product units are sold in single or at max, in double digits. You will always need to hold various stocks to entice customer though they may not be sold. As auditors, we can always show which SKU is not selling, but from a visibility perspective, the Process Owner may insist on the need for the same to be on display. Go a step ahead (trudge the muddy area), compare the selling price of the products not sold vis-a-vis products that are sold, and if the former are extremely high priced, you may want them to stock SKUs of more relevant price points.

Lastly, I will delve upon the aspect of the Lord not giving away to the persistent challenges thrown by Hiranyaksha before He completed His primary Task. You will constantly meet these challenges of the Process Owner questioning your ability to understand business nuances; trying to digress you from the core problem. Hear them, keep it in your things to do but do not deviate from the primary problem of evaluating the risk identified by you and only after you have come to a conclusion on that front move to the next stage.

In summation:

- B**e Assertive on your Position
- O**bserve the “Whole” hiding in “Part”
- A**void digressing from the objective
- R**oll up your sleeves and get your hands dirty

And Roar like a Boar!

“The views articulated in the note are Author's personal views only and should not be construed as Author's current or past Organization's views.

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YOUR TIME OF BIRTH – ASTROLOGICALLY

To chart a native horoscope, the Astrologer will ask for three basic details (DTP): Date of Birth, Time of Birth and Place of Birth. What should an individual consider while recording the time of birth for a newborn? The following moments can be considered as the time of birth:

1. Adhana Lagna - The moment of conception
2. Siro Darshana Lagna - When the head becomes visible
3. Bhu Patana Lagna - When the body touches the earth
4. The First Breath (Shawas)
5. Cutting of the umbilical cord

In most cultures, natives are considered nine months older (Adhana Lagna) than their age as per points 2 to 5 above, excluding premature babies. In practicality, Adhana Lagna and Siro Darshana Lagna (Fire) are hard to ascertain, therefore 'Bhu Patana Lagna' (Earth) or when the child touches the earth is generally considered to be the time of birth. Astrologically, the native has a pre-destined count of breath (Shawas) whilst on earth. It is believed that the time of birth is reckoned when the child takes its first breath (Air) which starts with the first cry. It is also believed that the time of birth is when the child gets separated from the



Sidheshwar Bhalla

*Qualified 'Jyotish Acharya'
from Bhartiya Vidya
Bhavan Delhi*



mother by cutting the umbilical cord (Water).

Astrologers prefer to work on charts with accurate birth times. But what if natives do not have precise times of birth? Practically, the following scenarios may apply as well:

- **No Birth Time:** If the birth date is correct, but the birth time is completely uncertain, the best strategy is to calculate the charts to see which factors remain constant throughout the day, and only focus on those factors during the reading. For example, most planets will stay in the same sign all day and therefore can be delineated by sign, and most of the aspects between the natal planets will be present throughout the day, etc.
- **Approximate Birth Time:** If the birth time is probably not more than 15 minutes off (e.g. the chart has a rounded off birth time), then the charts can be calculated for

15 minutes before the given time and 15 minutes after the given time to see if the Ascendant changes, if any planets change house (or even sign), etc. Again, only delineate the factors that stay the same during this 30 minute time range.

Lost Horoscopy is an art of pinpointing the time of birth, and the technique given by the scholars is quite systematic to pin down the exact moment of birth by zeroing in the order of Birth Year, Birth Ayana, Birth Seasons, Birth Month, Birth Tithi (lunar day) and birth Lagna (the moment of birth).

Although most queries can be answered using Prashana alone, it is nevertheless important to draw the birth chart for the overall analysis of the horoscope. A good practice is that an Astrologer should refer to at least two Dasha Systems. For example, analysing the birth chart using Vimshottari Dasha, Yogini Dasha, Jaimini Chara Dasha, etc.

My experience has shown that Jaimini Chara Dasha can provide direction where the time of birth is not known with certainty, provided a few parameters are satisfied. To a large extent, an Astrologer's ability to predict or direct depends on the vibes (reading of the energy field around your body through clairvoyance (clear seeing), clairaudience (clear hearing), clairalience (clear smelling), or clairsentience (clear feeling/touching) while analysing the horoscope. This may seem to be unscientific, but the element of art in Astrology is influenced by God's grace.

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DOMES AND STEEPLES

by **Nikhel Kochhar**





NEW INITIATIVES - STUDENT SECTION (LUDHIANA CLUB)

IIA Ludhiana Audit Club, with an intent to take forward one of IIA's objectives of students outreach, organized a Webinar covering the topic of **'Importance of Internal Audit'** on 5th October 2020 **in association with Kamla Lohtia SD College, Ludhiana**. It was attended by more than 175 plus students of the college from commerce background. The webinar was a great success, and the students showed great interest in the field of Internal Audit and had a good Q&A session during the webinar.

The eminent speakers for the webinar included Mr. Nikhel Kochhar (Chief Advisor – IIA India), Mr. Saket Mehra (Vice President & Chair of

Student Committee – IIA Delhi Chapter), Mr. Gavish Uberoi (BOG - IIA Delhi Chapter) & Dr. Rajesh Marwaha (Principal – KLSD College).

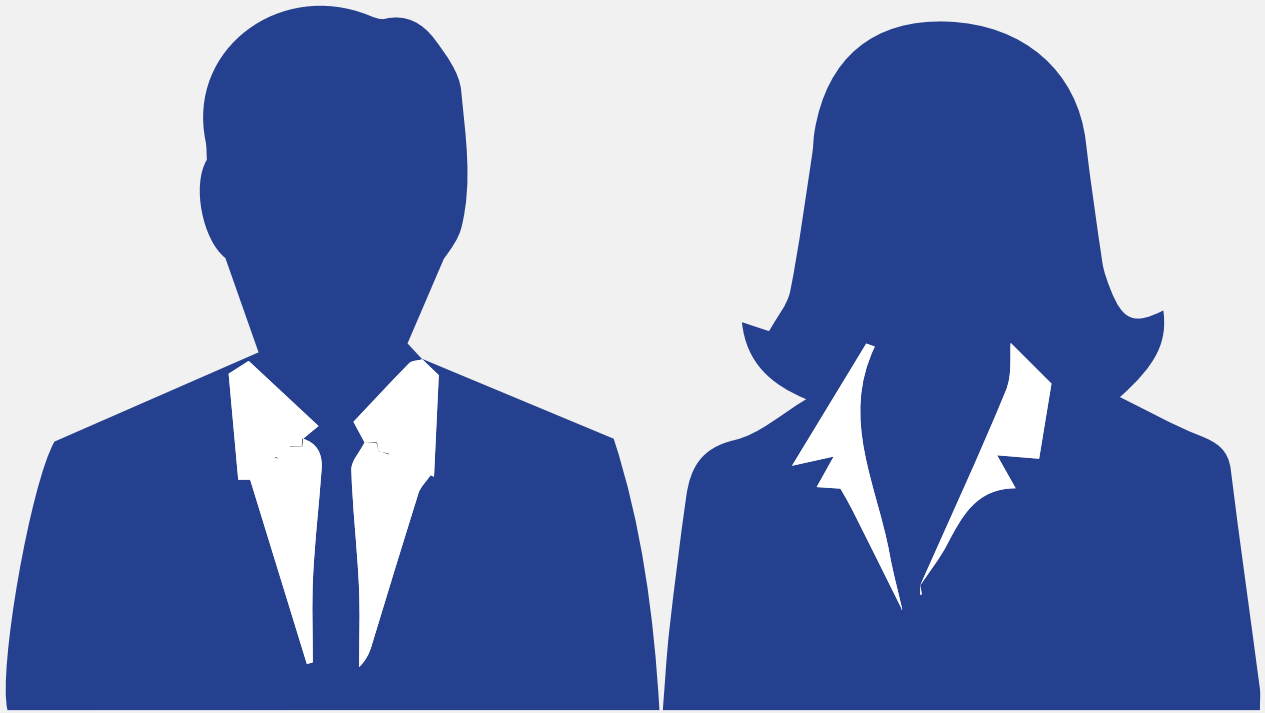
IIA Ludhiana Club is also planning to conduct couple of more webinars, as a part of student committee initiative, at the college level in Ludhiana in the upcoming months. We are trying to reach maximum number of students and members in our region with the objective of making students aware of the emerging opportunities in the Internal Audit area.

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S. No.	Date	Time	Topic	IIA India/ Chapter/ Club	Type of webinar	Speaker (s)	Fees-Member (in Rs.)	Fees-Non-Member (in Rs.)	Payment Link/Webinar link
1	4-Nov-2020	7:30 pm to 8:30 pm	Vendor risk management (From due diligence to monitoring and improving)	Delhi	Free	Ms. Yukti Arora & Mr. Mukesh Gupta	Nil	Nil	https://attendee.gotowebinar.com/register/3812640541532159758
2	7-Nov-2020	2:00 pm to 3:30 pm	Resilience demonstrated by leaders in current COVID time	Hyderabad Women Circle	Free	Dr Arshad Punjani / Ms Shikha Goel / Namrata Tyagi Gill	Nil	Nil	https://attendee.gotowebinar.com/register/143612021984673035
3	7-Nov-2020	4:00 pm to 6:00 pm	Webinar on Fraud Indicators and Responsibility of Auditors	Calcutta	Paid	Mr. Mukesh Gupta	300	450	https://www.townscript.com/e/Webinar-on-Fraud-Indicators-and-Responsibility-of-Auditors
4	14-Nov-2020	5:00 pm to 7:00 pm	Auditor, protect thyself!	Hyderabad	Paid	Mr. Sharath Kumar	300	600	https://www.townscript.com/e/Online-Training-on-Auditor-protect-thyself
5	19-Nov-2020	4:00 pm to 5:00 pm	Innovative Methods to carry out Internal Audit	IIA Bombay Women Circle	Free	Mr. Avishek Banerjee	Nil	Nil	https://attendee.gotowebinar.com/register/7502030918015374347
6	20-Nov-2020	4:00 pm to 6:30 pm	Critical Thinking for Internal Auditing	IIA India	Paid	Mr. Deepak Wadhawan & Mr. Amit Sharma	1000	2000	https://www.townscript.com/e/Critical-Thinking-in-the-Audit-Process
	23-Nov-2020	4:00 pm to 6:30 pm							
7	26-Nov-2020	4:00 pm to 5:00 pm	State of Cyber Security	Hyderabad	Free	Mr. Subhajit Deb	Nil	Nil	https://attendee.gotowebinar.com/register/5569589754261170700

Note : For offline payment (otherwise than Townscript link) , Rs. 500 per participant will be charged extra for each training



JOBS IN INTERNAL AUDIT

Designation	Company Name	Min-Max Exp	Location	Bitly
Assistant Manager/ manager/senior Manager - Internal Audit -	Exelon Consulting	10-12 yrs	All metros	https://bit.ly/3oTjOWo
Deputy Manager Internal Audit	Rattan India Finance Private Limited	3-5 yrs	Amravati, nashik	https://bit.ly/34SmfH
Risk - Internal Audit - Consultant	GRANT THORNTON INDIA LLP	0-2 yrs	Bangalore	https://bit.ly/3mZstFh
Fresh CAs - Internal Audit - Business Risk Advisory	Protiviti	0-1years	Bangalore	https://bit.ly/3l56njK
Deputy Manager - Internal Audit Services - Business Risk Advisory	Protiviti	4-6 yrs	Bangalore	https://bit.ly/3enlgvt
Manager, Internal Audit	Shinewell Consultants	2-4 yrs	Bangalore	https://bit.ly/3mJT0Gg
Deputy Manager - Internal Audit - BFS	TalPro	1-3 yrs	Bangalore	https://bit.ly/3el7QA5
Lead Internal Auditor	UL	4-8 yrs	Bangalore	https://bit.ly/2HYrlgw
Senior Internal Auditor - SOX	Serving Skill	5-7 yrs	Bangalore	https://bit.ly/3jWqDmm
Internal Audit	ABC Consultants Pvt Ltd	10-16 yrs	Bangalore	https://bit.ly/385mbzo
Senior Manager - Internal Audit - NBFC - CA	Skillteam Consulting	6-10 yrs	Chennai	https://bit.ly/2HX3z9R
Manager/DM/SC (health Care)- Internal Audit	Protiviti	3-8 yrs	Chennai, Bengaluru	https://bit.ly/2TODSLy
Internal Auditor	Continental Device India Ltd	10-15 yrs	Delhi	https://bit.ly/38d2vKh
Internal Auditor	PC Solutions	2-5 yrs	Delhi	https://bit.ly/2TMAOPJ
Senior Manager Internal Audit	Max Life	8-10 yrs	Delhi NCR	https://bit.ly/3oS8cmM
Internal Audit Executive	SGT University	0-2 yrs	Delhi NCR	https://bit.ly/34SfMFL
Manager Internal Audit	"Laxmi India Finleasacap Private Limited	0-2 yrs	Delhi NCR	https://bit.ly/3ekohfY
Internal audit with sox compliance	Crown Solutions India (P) Ltd	1-5 yrs	Delhi NCR, Bengaluru, Gurgaon	https://bit.ly/2l3pUCW

Designation	Company Name	Min-Max Exp	Location	Bitly
Internal Audit SOX compliance	Crown Solutions India (P) Ltd	4-8 yrs	Delhi NCR, Bengaluru, Gurgaon	https://bit.ly/2TQWvhS
Assistant Manager Internal Audit	Fortis Healthcare	0-3 yrs	Gurgaon	https://bit.ly/3jMROQE
Internal Audit	Nestle	2-4 yrs	Gurgaon	https://bit.ly/3ekL2Am
ASSISTANT MANAGER INTERNAL AUDIT	ACT	1-3 yrs	Gurgaon	https://bit.ly/35YkoK2
Associate Director-Internal Audit-BIG 4 Firm in Gurgaon	ACZ Global Private Limited	15-24 yrs	Gurgaon	https://bit.ly/3kULrMn
Sr. Manager/ Manager/ Asst Manager - Internal Audit	TalentAhead India	2-5 yrs	Mumbai	https://bit.ly/2Gqrkqw
Chief Manager - Internal Audit (Corporate Credit Audit Group)	Kotak Mahindra	7-12 yrs	Mumbai	https://bit.ly/2TNhmT1
Senior Manager - Bank Auditor , Internal Audit	Morgan Stanley	4-9 yrs	Mumbai	https://bit.ly/3mT5Zpn
Internal Audit - Associate	Axis Bank	0-2 yrs	Mumbai	https://bit.ly/3jRMICJ
AM- Internal Audit	Tech Mahindra	3-9 yrs	Mumbai	https://bit.ly/34R892i
Senior Executive Internal Audit	ANB Consulting	2-4 yrs	Mumbai	https://bit.ly/2Jm1Xaj
Internal Auditor- Balajee Infratech	Balajee Infratech And Constructions Pvt. Ltd.	4-8 yrs	Mumbai	https://bit.ly/35YETpU
AVP - Internal Audit - BFSI	SR Executive Search	8-12 yrs	Mumbai	https://bit.ly/388bn3O
Internal Auditor	Callisto Search (OPC) Pvt Ltd	3-6 yrs	Mumbai	https://bit.ly/384fj5u
Associate - Internal Audit - BFSI - CA	CA Careers.Com	2-4 yrs	Mumbai, Bangalore	https://bit.ly/3oPEVsF
Internal Auditor	3i Infotech	3-6 yrs	Navi Mumbai	https://bit.ly/3emoLCh
Manager - Internal Audit (Branch Audit) - Noida	Kotak Mahindra	1-6 yrs	Noida	https://bit.ly/362LrE5
Internal Audit	Mangalam Placements Pvt Ltd	2-6 yrs	Patna	https://bit.ly/35XBgR3
Asst. Manager Internal Audit	URRI HR INDIA PVT. LTD	7-9 yrs	Pune	https://bit.ly/328GOag
Internal Auditor	MyCityPune	4-8 yrs	Pune	https://bit.ly/3jQKsvh
Internal Audit - Executive	Udaan	0-5 yrs		https://bit.ly/34PoOn6

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ANSWER TO CIA QUIZ

Q1.B • Q2.D • Q3.C • Q4.C • Q5.B • Q6.B

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