INTERNAL AUDIT TODAY

INTERNAL AUDITORS
ENABLING BUSINESSES
TO RUN SUCCESSFULLY

THE INSTITUTE OF
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THE CONTENT

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THE INSTITUTE OF INTERNAL AUDITORS INDIA

Editorial Team:

Sana Baqai
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Bharat Garg
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K Vidyadaran
Advisor, Publications and Media Committee

Nikhel Kochhar
Advisor, Publications and Media Committee

FROM THE DESK OF CHIEF EDITOR

Sana Baqai
Chief Editor
IIA India

Dear Members,

At a blink of eye, we tread three quarters of 2020 in spite the slowdown in our life on account of pandemic and whilst we were working in the new normal with minimal travel, work from anywhere (mostly home), embracing technology to connect and meet our commitments. Over last nine months, if we take a flashback, you would agree we have got used to the digital way of working but craving for the erstwhile times.

Your Institute has been no exception to the digital way of working. One of the key objectives of your Institute is to advocate the internal audit profession, impart knowledge and upgrade skills through regular training and organize conferences/ events. Particularly, over last six months, at least ten webinars/training a month have been organized. The footfall at these e-trainings has been quite encouraging. To have the icing on cake, your Institute has organized first National Virtual Conference (using 3D technology) on October 9 & 10, 2020. Galaxy of eloquent speakers from across the world will make us spellbound by their words of wisdom as they share perspective on 'Internal Audit in the Virtual World', how internal audit professionals support businesses to be resilient by embracing technology and overcome the current pandemic times which has impacted the world including the business community. Having said so, we await to organize 'face to face' programs soon.

As a recap, September 26, 2020, has been an iconic date, your Institute launched the Jaipur Audit Club, increasing reach by IIA Delhi Chapter to Tier-II cities and on same day the first online event by Ludhiana Audit Club was organized covering 'Evolving Role of Internal Auditors' which was attended by 100+ participants. Insightful deliberations by speakers made these events memorable and received appreciation from the participants. All free webinars conducted by your Institute are available at its official YouTube Channel.

I am confident you enjoyed reading the September 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. This

month onwards your Institute has launched membership scheme 'Membership – Hall of Fame'. This is an opportunity for you all to get recognized. Kindly refer page 68 to gather insights.

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 October, 2020

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PROGRESS THROUGH SHARING

PRESIDENT'S COMMUNIQUE

Dear Members,

Warm greetings & Best Wishes for the festive season ahead. May the season bring good Cheer, Health, Optimism & Prosperity back in all your endeavours.

We, in Team IIA, had a hectic September 2020. All the committees were firing on their cylinders. The committee chairs presented their plans for the year ahead to the national BOG across all the 6 chapters in a well-attended town hall meeting, seeking their inputs to co-create, collaborate & to conquer the tall targets they have set themselves for the year. In the coming months, they will share their progress with you through this magazine.

The conference committee is very busy organising 1st virtual national conference scheduled for October 9 & 10, 2020. We do hope you have already registered for the conference and will benefit from the deliberations. The details of the conference are available in the magazine.

IIA India has also been quite active in the ACIIA (Asian Confederation of the Institutes of Internal Auditors) forum. The president and the chief advisor attended their AGM. We have invited the ACIIA leaders and their associate members to our virtual national conference. We already have a large number of registrations from the region.

The national training committee and their chapter coordinators have been very active during this phase, post-COVID. We had 66 webinars and 8 GTM programs attended by 7431 participants during the last few months. We are committed to providing quality skills and knowledge through well-structured training programmes in the coming months.

Chapters have been trying to activate and energise the internal audit clubs. We had very well attended events organised by the Lucknow, Jaipur & Ludhiana clubs. We look forward to engaging with our members at other non-metro cities across the country and sharing the best internal audit practices.

IIA Global has circulated a competency framework for the internal audit professionals to benchmark their personal competencies across 4 areas of professionalism, performance, environment and leadership & communication. This framework is available in the magazine this month, and the members may find this useful.

We look forward to your enthusiastic involvement in IIA's activities and feedback.

Best Wishes

Thiyagarajan Kumar
President
IIA India

MESSAGE FROM THE CHIEF ADVISOR

Dear Members,

With no end to the pandemic in sight, I do hope that you continue to stay safe and healthy.

Working from home has made many of us work even harder as no time is lost in commuting and the settling-in process. This seems to apply to IIA India as well. Our AGM on 25th July has resulted in a new team (with many familiar faces) led by our President Mr. Thiyagarajan Kumar (also known as TK) which has hit the ground running.

Several Committees have been constituted to achieve our ambitious plans. These include Membership, Training, Women's Forum, Student Development, Corporate Connect, Conferences & Events, Advocacy, Publication & Media, amongst others – indicating the priorities that have been set. All Committees have documented their plans, and Key Result Areas (KRAs) and these were shared in a Town Hall meeting, to which the Board Members of all Chapters were invited; thereby setting new norms for governance and inclusiveness.

Training continues at a scorching pace. IIA India has completed the conduct of over 70 webinars between April and September 2020; which may well be a record for IIA Affiliate activity. The Women's Forum announced its presence, in no uncertain terms, by getting our Chair of the Global Board of IIA Inc. Ms. Jenitha John to address the members at the end. We are also pleased to invite all members of the IIA Sri Lanka for our training as well as for circulation of the Internal Audit Today monthly. I am sure all members are pleased with its transformation from a quarterly to a monthly; as well as the qualitative improvement in content. With the launch of an Audit Club in Jaipur, the number of IIA India Audit Clubs will now stand at 9, a reflection of the dynamism of our Membership Committee.

Excitement is now building up for the first virtual National Conference of IIA India, which will be held on a 3D platform. A galaxy of eminent speakers including Jenitha John, Richard Chambers (President & CEO IIA Inc.), K V. Subramanian (Chief Economic Advisor), Suresh Narayan (CMD Nestle India), Mark Harrison (President ACIIA), Abdulqader Obaid Ali (Chair UAE IAA) and a host of other distinguished speakers and panellists have confirmed their attendance. We look forward to your publicising this event amongst your network, and corporate

Nikhel Kochhar
Chief Advisor
IIA India

connects to ensure the event is a success. Participation is free.

Our Membership Survey, results of which were published in the September Issue of the magazine as well as put up on our website, gives us extremely useful feedback on the views of our members. Whilst it was gratifying to know that an overwhelming majority (upto 89%) of our members were of the opinion that the IIA India Membership adds substantial value, the survey has provided us with many useful demographic and industry-wise inputs. Suggestions for improvement, received from some members, are being taken up seriously by the newly constituted Membership Services Committee. The need for a new, improved and user-friendly website is a suggestion which we have been working on for some time and hope that in the next 3-4 months we shall have it in place.

My best wishes to all to enjoy the coming festive season safely. We certainly look forward to your joining us for the upcoming conference themed "Internal Audit in a Virtual World" on 9th and 10th October, 2020.

With Warm Regards.

1st October, 2020
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Uday Khanna
Chairman & Independent Director

IN CONVERSATION WITH CHIEF EDITOR

Uday Khanna is a Commerce Graduate and a Chartered Accountant (FCA). He is currently on the Boards of Kotak Mahindra Bank Limited, Castrol India Limited, DSP Investment Managers Private Limited, Pfizer Limited and Pidilite Industries Limited. He was previously associated with Bata India Ltd., Lafarge India, Hindustan Unilever, Lever Brothers, Unilever – North America, and Unilever – Asia. He is the recipient of 'Best Independent Director' award by Asian Centre for Corporate Governance Sustainability in 2018.

Q 1. We are still in the grip of the pandemic with falling GDP. What is your view on strategy required to revive the Indian economy and corporate India? What are the areas you are emphasising at the boards?

The central issues are primarily to focus on safeguarding the health, helping the economically disadvantaged sections and reigniting growth. These areas need to form the basis for action both by Corporate India and by the Government.

So in all Company Boards, the emphasis/agenda is on the same issues as above, albeit on a more micro basis limited to the safety of its employees and the employees of its trading partners in the overall supply chain, ensuring that its CSR funds/employee activities are directed to help the most vulnerable sections of our society, and of course, the company sustains its activities into the future.

To recover from the COVID pandemic requires modifying/rethinking the strategies to ensure that the company:

● Survives and is able to function in the short term (3 to 6 months)

● Recover in the medium term (1 year)

● Thrive in the long term.

While remembering that no one size fits all, the new strategy must be based upon the Industry one is operating in. Furthermore, it requires, inter-alia, strengthening Governance and Culture, rebalancing the portfolio based on changing customer needs, creating new spaces and using digitalisation including analytics, AI and machine learning

to accelerate growth, with renewed emphasis on talent development and of course protecting the environment.

In terms of accelerating Industrial development for the Country, there is urgent need for, in my view, partnership between Industry and both State and Central Governments to work together in spirit of trust and cooperation. We need a National Consensus to create an enabling environment where both domestic capital/entrepreneurs and foreign capital will be encouraged as indeed has been demonstrated by Countries in East Asia including China, Korea, Taiwan, Vietnam and more recently by Bangladesh.

The Governments need to focus on building a strong infrastructure coupled with emphasis on education and reskilling to take advantage of our demographics. In terms of Industrial promotion and Fiscal policies, we need to ensure stability and reduce the adverse impact we have seen in the manner of enforcement, whether it is in Taxation or by the numerous Regulators. We need to change our system where increased regulations are being continually put on an entire industry because of a few wrongdoers who could not be found out or prosecuted – I am all for vigorous prosecuting of business offenders, as well as administrative action against Govt. functionaries who act malafide.

Q2. How can Internal Audit professionals contribute to this journey by being business partners?

As an ex Internal Auditor. I am a great believer in the value added by Auditors. An Internal Auditor is exposed, in due course, to the entire operations of the company and the interdependence of all functions in achieving the Corporate objectives. So I believe his mindset should be that of an internal management consultant always adding value during the course of the audit while of course, not deviating from his primary assurance function. I also believe that the Internal Audit

function should not be staffed entirely by career auditors and that the Audit function should also be staffed by high potential managers from all other functions as a career development opportunity. Such an interplay will also improve the quality of the audit function with cross-fertilisation of expertise and ideas and improve its credibility with operating management.

A good internal auditor is one who is often asked for informal advice by his auditees!

Q3. How do you see the quality of internal audit and their role evolving in the Indian corporate world compared to the MNCs? Are there any gaps? How do you see they converging?

Internal audit practices and standards in most large companies are on par with global standards, and I compliment the IIA for this achievement. In fact, Indian trained internal auditors are in great demand globally. The entry of specialist Internal Audit only firms as also Internal Audits by the large global firms have also accentuated this positive trend. However, the issue of the Chief Internal Auditor reporting to the CEO /Audit Committee rather than to the CFO needs to be more universally practised in India.

Q4. Do you see increasing pressure to cut audit costs (both statutory & internal audit) at the same time expecting high-quality standards? How should we address this dichotomy?

The increase in overall Audit costs is an area of concern, especially the practice of duplication of audits, especially in regulated entities, e.g. Banks etc. Over auditing tends to become routine and often fails to add value or provide reassurance and dilutes the operational accountabilities of the first line of defence apart from taking too much time detracting operational management from their normal duties.

However, like all Financial persons I like to see the rate of return on my audit costs – call it ROAC- So making the Auditors do a presentation on cost savings/productivity improvement arising from their audits including improvements in the overall control environment once a year improves the visibility of the function and blunts the criticism of a continuing increase in audit costs and showing their usefulness/contribution to the company in addition to fulfilling the statutory requirements and discharging the reassurance function.

Q5. How can internal audit & risk management integrate, and should they address the strategic business risks as well? Are the internal auditors equipped to challenge strategic decisions?

I think Audit and Risk management are two sides of a coin but may not need to integrate although strategic risks may get highlighted from either side.

In my view, Risk management is the essential role of operating management, and the CEO has to be fully accountable for it, and the audit scope should come out of the strategic/operational risks. Once the Chief Internal auditor report to the CEO that is where the two meets plus of course, the chief auditor also reports to the Audit Committee, where he can highlight any concerns.

I may also add that in my view, the Risk Committee should have all management Committee members of the company, including the head of HR given the importance of Culture and behaviour as a risk element.

Q6. Indian economy is facing massive job losses. Do we see India as a hub for global companies expanding their footprints in financial services taking India as base? Or a reversal of outsourcing post COVID job losses in the west?

As I said in my answer to your first question, we need to create an enabling environment that welcomes global capital and global knowhow and facilitates their operations. I think we also have the talent, which is a competitive advantage despite the need to be further skilled for the digital world. (use of AI/ML/Analytics/Blockchain, etc.).

Over-regulation and emphasis on rule-based stipulations rather than principle-based and continuous changes almost on a weekly/monthly basis along with dilution of the doctrine of promissory estoppel etc. are hampering investments to India -which we need as the only sure way to increase our GDP and welfare of the citizens.

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Webinar: Raising the Bar - The Role of Internal Audit in Fraud Risk Management

Kroll, a division of Duff & Phelps, the global leader in risk mitigation, investigations, compliance, cyber resilience, security and incident response solutions, along with the Institute of Internal Auditors (IIA) and Internal Audit Foundation, the nonprofit research and publishing arm of the IIA, recently conducted a survey of over 700 internal audit professionals across the globe and across industries. The findings include perceptions of the effectiveness of fraud risk management programs, the role of internal audit in fraud risk management, the tools used in the fight against fraud, instances of fraud versus perception and a tone from the top and resourcing for successful fraud risk management.

Kroll, in collaboration with IIA – India Chapter, will be hosting an **exclusive webinar** for IIA members to discuss the findings of the report, fraud and investigation experience in India and share insights on how internal auditors can better manage fraud risk.

Date: 30 October 2020
Time: 5:15 - 6:30 PM
Registration Link: http://bit.ly/IIAKrollWebinar
You will also receive an email invite in your mailbox affiliated with IIA India shortly.

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N G Shankar
CIA, QIAL, FCA, CISA
Consultant
ngshankar1990@gmail.com

INDEPENDENCE OF INTERNAL AUDIT – WHY IT MATTERS

OVERVIEW

The importance of independence of internal audit has to be recognized in the context of the legal evolution, practice of internal auditing and key stakeholders' expectations.

While internal audit was instituted in India in large business groups more than five decades ago, it first got legal recognition under the then Companies Act, 1956 with the introduction of the Manufacturing and Other Companies (Auditors' Report) Order, 1975. The statutory auditors had to comment, for certain class of companies, whether the internal audit system was commensurate with the size and nature of its business.

In February 2000, a booster dose was given to internal audit by the Securities & Exchange Board of India (SEBI) with the introduction of Clause 49 in the listing agreement. Internal audit was recognized as a key element of corporate governance, and its relationship with the audit committee was laid down for listed companies. Subsequent changes added newer requirements primarily relating to enhancing internal auditor independence. For example, the audit committee has to mandatorily review the appointment, removal and terms of remuneration of the chief internal auditor. These are now included as part of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Companies Act, 2013, introduced the mandatory appointment of an internal auditor by the board for all listed companies, certain class of other public and private limited companies. The internal auditor functionally reports to the audit committee or the board. This legislation has strengthened the role of internal audit, recognized it as a separate profession and enhanced its independence.

Internal auditors are the eyes and ears of executive management and are increasingly becoming a change agent and a business partner. They focus on risks that matter and deal with issues that are fundamentally important to the existence and prosperity of an organization. Internal audit plays a critical role in protecting and enhancing

organizational value. They give comfort to the Board or Audit Committee when they provide independent analysis, assurance and insight. Communicating significant audit results in an independent, effective and courageous manner is a major expectation from stakeholders.

GLOBAL IIA'S INTERNATIONAL PROFESSIONAL PRACTICES FRAMEWORK (IPPF)

Internal auditors worldwide are guided by the IPPF which includes a comprehensive set of core principles, definition of internal auditing, international standards, code of ethics, guidance and together with the suite of certifications, facilitate professionalism and commitment to excellence. Independence is embedded in the definition of internal auditing as it is referred to as an " independent and objective assurance activity". One of the core principles states that Internal Audit is "objective and free from undue influence (independent)". Attribute standard 1100 states that the "internal audit activity must be independent and internal auditors must be objective in performing their work."

WHAT IS INDEPENDENCE?

Independence of internal audit means independence from parties whose interests might be affected by the results of an audit. In other words, there should be no undue influence on the work and results of an internal audit.

The internal audit function must always be independent of the management team and report to the highest level in the organization, such as the board, audit committee or a similar body. In countries which have laid down governance requirements, internal auditors report directly to the audit committee or the board. The audit committee or the board places their trust on the internal auditors and expect that they will provide views and insights without any prejudice.

In certain geographies, independence is used synonymously with objectivity. However, there is a clear distinction between the two. While independence has to be ensured at a function or department level, objectivity is at the performance level and relates to the conduct of internal auditors while performing work.

It is important for the internal audit activity to be free from interference in all stages of the internal audit process - scope of audit, performing work and communicating results.

KEY ASPECTS OF MAINTAINING INDEPENDENCE

a. Structure & Reporting

In an in-house internal audit function, independence can be reinforced through the position of the chief audit executive (CAE), organization structure and reporting. In most organizations, there is a dual reporting structure for internal audit. The head of internal audit functionally reports to the audit committee or the board for strategic direction, reinforcement, and

accountability and to the CEO or MD for assistance in establishing direction, support, and administrative interface. Reporting to the CFO will not be perceived to be independent.

Where the internal audit activity is fully outsourced to an external firm, there must be a senior-level person within the organization to manage the internal audit activity. As a group audit head, I had a functional and administrative reporting to the Group Chairman and a functional reporting to the respective company audit committee.

b. Roles outside internal audit

Internal auditors must not have operational responsibilities. During my tenure as a Group CAE, I never had any additional role outside internal audit. However, it is recognized that in some organizations, they would like internal audit to have an additional responsibility such as those relating to ethics or risk management. In order to preserve the independence of internal audit, there must be adequate safeguards built into such roles, and prior approval must be obtained from the audit committee or the board.

c. Unrestricted access and no scope limitation

Internal auditors must have unrestricted access to all data, information, records, property, personnel, systems and processes, and there should be no interference to scope of work.

I recall an incident that occurred decades ago. The audit team was reviewing travel expenses of a very senior executive. The company CFO called me and suggested that the timing and period of review may be changed from what we had finalized. I objected and immediately informed the Managing Director. Within a few minutes, the CFO called me to say that I had misunderstood his advice! The matter was closed.

d. Communication to the board/audit committee

The internal audit head must engage directly with the audit committee or the board. If the CFO or another person outside the IA department delivers the internal audit presentation, it will impair the independence of the internal auditor.

CONCLUSION

If internal audit is to maintain its independence, it must take the time to invest in building relationships with the audit committee or the board, key business executives, providing impactful outcomes, sustaining a constructive dialogue with each party in order to gain the right place in the organization.

I often hear the refrain that being independent is a challenge. In my view, it surely does not need significant mental or physical effort to overcome. It needs courage to stand up to what is right. If there is a potential impairment to independence, the internal auditor should fearlessly highlight to senior management or the audit committee and have it resolved. There is no such thing as 98% independent. You are either independent, or you are not!

If you know that there is impairment to independence and do not take any steps to resolve the issue, then you lack integrity!

> "
> *What is right is right when no one else is doing it;*
> *what is wrong is wrong even if everyone is doing it.*
> *There is no right way to do a wrong thing.*
> "

DOCUMENTATION FRAMEWORK FOR INFORMATION SYSTEM APPLICATIONS

CA. K. Vidyadaran
Past President- IIA India
kvdharan@gmail.com

INTRODUCTION

In a Software Development company, various Computer Application Systems are developed for selling to clients. Systems Development Life Cycle (SDLC) is used for developing such applications so that the systems are developed in a controlled environment and will adhere to various standards of SDLC. It is pertinent to note that for the systems which are developed, adequate and effective documentations are to be prepared and kept for reference purposes. While new systems are developed, care must be taken to see that sufficient controls are built into the new systems to meet the new environments and the challenges posed by the new systems. The Controls are classified into:

● Applications Controls;

● Application Development Controls; and

● General Controls.

Documentation Controls Framework is one of the most critical Application Development Controls. In this article, we will see in a detailed manner what are these documents and their components which are forming part of the application systems.

WHAT IS DOCUMENTATION

"The term "Documentation" relates to the various forms of permanent records that are used to define the systems and programs in an Information Systems environment, their operation and control". Documentation is a method of communication in writing. It is a written record of various phases in a systems development process (Feasibility Study, Design, Testing and implementation). At every stage of SDLC, documentation must be completed so that the subsequent step is carried on with ease. Ultimately, the complete documentation of the system development project becomes a permanent file for reference by IS personnel and User Department personnel. In fact, it can also be stated that Documentation Phase is a Phantom Phase because it pervades into all the phases of SDLC.

Further, for clear understanding, we can say that the documentation is like a Wiring Diagram for the Electrical System in a building complex. This diagram serves as a useful document for electrical engineers for referring whenever they want to do any repair or up-gradation of the electrical systems in the building. Similarly, the Systems Analysts would refer to IS Documentation file whenever they want to amend or update the system during its life.

OBJECTIVES OF DOCUMENTATION

The objectives of Systems Documentation are:

- To provide communication between system design staff and programmers on the functioning of the system in an easily understandable manner;
- To describe the details of the system to computer operators in so far as it relates to the current operation of the system to enable efficient and smooth operation;
- To serve as source of reference for speedy and effective modification or expansion of system after its implementation; and
- To serve as ready reference in the event of a member of system design team leaving the organisation permanently or being assigned to another project while present is being developed

COMPLEXITY OF DOCUMENTATION

The level of complexity of Documentation depends on the system being documented, the time required to develop the system, the number of persons assigned for the job, and the number of user departments having an interest in the system. A system meant for one-time use does not require detailed documentation. A permanent system having a long life span will require complete and detailed documentation.

MAIN COMPONENTS OF DOCUMENTATION

The main components of Information Systems Documentation are:

- Specifications (in descriptive form)
- Documents (in graphical, pictorial or tabular form)

Specifications are further divided into three components:

- System Specification
- Program Specification
- Operations Specification

Documents comprise of the following:

- System Flow Chart
- Program Suite
- Program Run Chart
- Program Flow Chart
- Program Listing
- Record Formats
- Test Pack
- References & Notes

DETAILED CONTENTS OF DOCUMENTATION

The contents of each of the above-said components of System Documentation are described below:

System Specification:

- **Objectives:** A brief description of the system objectives.

- **Description:** A detailed description of how the objectives are achieved. For example, if the system aims to analyse inventory variance, the description would include the method of computation of variances, the formula used, what variances are computed etc.

- **Input:** What are the input data required for processing, how they are obtained, which department will furnish the data, in what form, etc.

- **Output:** What are the outputs of system, brief description of each output and the purpose for which it is required.

- **Processing:** How the processing sequence takes place, stages of processing. This part of the specification must be read with reference to the Programs Run Chart. By this way, the program run chart can be understood quite easily.

- **Controls:** In this section, control techniques to ensure completeness and correctness of input are described in detail. Master file controls (i.e. updating controls) and output controls are also mentioned. The procedure of correction and resubmission of input, in case of errors, must also be narrated. There are several control techniques by which completeness and correctness of input can be checked. For example, control totals, hash totals and computer matching are all control techniques for ensuring completeness of input. Therefore, it must be clearly stated what controls are actually employed and on what data fields and the purpose or reasons for selecting those data fields for control.

- **Volume:** Total number of transactions or records to be processed in each program run and the size of file areas required for input and output files are set out in this section. Anticipated increase in the volume of transactions in future and the consequent additional file areas are also given.

- **Frequency & Distribution:** How often the program runs should be carried out; is it a periodical job or one-time job; regarding the distribution of output, how many copies of print outs are must be given for extra copies needed who will authorise. Answer to these questions must be given in this section.

- **Amendment:** For amendments (modification & expansion) in the system or programs, who is entitled to authorise?; the format in which amendments should be given etc.

- **Constraints:** System design constraints and limitations within which the system has to be designed and methods, if any,

to overcome them are specified here. There are two kinds of constraints – hardware and software. Hardware constraints may be due to inadequate file media, and software constraints may be in respect of operating system and utility package capabilities.

Program Specification:

There can be more than one program in a system. For each program, a distinct program specification must be prepared. Likewise, a program flow chart must be drawn for every program. The following are the program specs:

- **Program ID:** Name of the program is mentioned here.

- **Function:** A detailed description of the function of the program must be given. Each program has a distinct function to do. It may be matching transaction file with a master file and picking relevant data, performing some arithmetic and logical operations, writing the results on a magnetic media or print a file etc.

- **Position in-suite and interface:** Position of this program in the program suite of the system is indicated. Position means the place in the processing order or sequence. The preceding and succeeding program runs are mentioned by which the position of this program would be known. The details of interfaces with other programs are also described.

- **Language & Technique:** Programming language and the technique used must be explained. A technique used in coding and testing of programs is structuring.

A structured program is a program that has been divided into easily manageable modules. Such details are required to be given.

- **Files used & Files created:** Files used and files created are respectively known as input files and output files. File name, its location and the purpose must be mentioned. The internal label and external label of each file must be given.

- **Record Formats:** The record formats of each input and output file must be given in tabular form. The table should give the details of data field names, the size of each field, whether numeric or alphanumeric etc. This information is vital because for referring any data, the location of data field and its characteristics are required in the manner in which these are available in file. Of course, this info is available in the program listing (forming part of documentation), but it is incredibly beneficial to give it in a tabular form with suitable explanations.

- **Processing:** This section must be read in conjunction with the program flow chart. This chart explains (in pictorial form) the steps of processing as followed in the procedure division of the program. To supplement the flow chart, explanations are given in this paragraph in a narrative form. If a programmer, other than the one who developed the program, should understand the logic of the program quickly and easily, then the program flow chart with narrations is essential. For that matter even if the same programmer who developed the program wants to recollect and understand its logic, the flow chart will be of great help because he cannot remember and recollect from memory the detailed logic of the program after a lapse of considerable time. For this purpose, the program flow chart and the narration forming part of it are very much essential in the documentation file.

- **Run time:** The total run time of the program (i.e. program execution time) in the computer is stated here. This is the time taken by the computer to read the input, process the data and write the results on output file. The starting time and the closing time are given in the output. The run time is dependent on the number of records to be processed, the complexity and the number of computations/operations to be performed by program.

- **Controls:** In this section, programmed procedural controls, i.e. the controls built into the program. Are stated. For instance, a number of data validation checks are made by the validation program to ensure that data to be processed are acceptable in all respects. Acceptable here means valid in all respects for processing. The details of these checks, i.e. what data fields are validated and how these are validated must be described.

Operating Specification:

This consists of two main parts:

i.   Peripheral Requirements; and

ii. Operating Instructions

- **Peripheral Requirements:** What types of file media are required; what size of printer stationery is needed; whether plain or pre-printed; how much volume is required; whether single part or multi-part. All these details are given, considering the maximum requirements.

- **Operating Instructions:** A list of job control language parameters for executing the job must be enclosed. These are coded instructions given to computer through the console to bring the peripherals online, allocate required file space and initiate program execution. These instructions may not be the same for all types of computers or models. Further, any special inputs (run time instructions) to be given to the computer when a program is under execution must also be described.

6.4 Documents

The following documents are forming part of the System Documentation:

- **System Flow Chart:** It is a pictorial representation of the information flow or logic of a system. It should depict the overall system with reference to collection, transcription and conversion of data, the sources of input, sequence of all procedures and the system output.

- **Program Suite:** It gives a brief description of the programs, their IDs, status and location in the storage media. The status means whether it is under testing, production, temporary suspension or obsolete. The location in source form and object form must also be given.

- **Program Run Charts:** This chart gives the details for each run in the system. For each run, there will be input for necessary processing. These details are clearly shown in the run chart in the form of diagrams using standard symbols.

- **Program Listings:** Listings of all the programs used in the system should be kept in the documentation file. These should be error-free listings of the programs compiled by the computer.

- **Program Flow Charts:** This chart shows the sequence of logical operations performed within a program. The logic used in the procedure division of the program can be easily understood with the help of this flow chart.

- **Record Formats:** Computer files may be made up of one or more record types. A number of files may be used in a program. Each record type has different format. The arrangement of data field in a record is called record format. For ready reference, each record format must be given a unique record code, and the exact format or layout should be presented in a tabular form.

- **Test Pack:** The pack consists of test data and test results/output. For testing the logic of a program test data should be prepared as exhaustively as possible, taking into account all possible combinations of data and the program executed with this data. Finally, when the program is proved, the test data and the output must be kept in the documentation file.

- **References and Notes:** Code numbers, reference numbers and other notations used in the system should be listed in this section with adequate explanations. Any special notes and features on the functioning of the system must also be given here to make the documentation complete.

RETENTION PERIOD

It is obvious from the objectives of documentation (vide para 3.0 above) that the documentation file must be retained throughout the life of the system and for a specified period thereafter for reference.
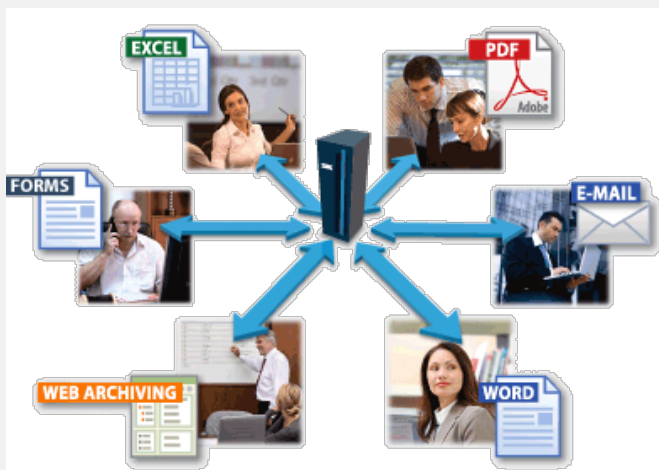
DISTRIBUTION & BACK UP

System documentation is a confidential record because it contains vital information about the computerised system. If a person with adequate systems knowledge tries to make fraudulent modifications in the programs, he can do so with the help of information in the documentation file provided he also has access to the program files and the computer. This necessitates strict access control for the documentation file too. As regards operating specs, a copy would be given to the computer operators whenever the job is executed.

The Systems Specs, Program Specs and other Documents must be kept in safe custody under the supervision of Systems Manager. These can be released to Systems Analysts and Programmers concerned whenever the system needs to be amended. A copy of the Documentation File must be given to the Internal Audit department where it would be kept in the safe custody of the head of the department. Besides, a backup copy must be kept in a remote secure place. In case of any eventuality such as destruction of computer installation, backup copy would be utilised in backup processing facility.

AMENDMENTS TO DOCUMENTATION

Programmers or Computer Operators should not be allowed to negotiate amendments. Request for amendments must come from the user department and be approved by Systems Manager. The Systems Analyst must scrutinise the specs of amendment before programmer carries these out. It is pertinent to point out here that an amendment should be distinguished from error correction for testing purposes when the program is being developed. Further, the amendment must be carried out in the backup copy as well as the copy kept in the Internal Audit department to keep them up to date.

CONCLUSION

It would be clear from the info given in this article that an adequate and effective Documentation of any computerised Application System is vital for smooth functioning of the system and its maintenance throughout its life. From the viewpoint of Auditors (Internal as well as Statutory Auditors), the Documentation is an auditable record, and so the system can be subjected to an effective review.

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Manish Kumar
B. Com (Hons),
MBA (Finance) and Ph.D.
in Corporate Governance
(Pursuing)
mpkumar.pune@gmail.com

DATA PRIVACY, NO MORE ALIEN TO INTERNAL AUDITOR

INTRODUCTION

Remember a scenario wherein at the time of check-in process in your favourite hotel, how unapologetically you are asked to produce your passport, Aadhaar, driving license etc. as identity proof. Copies of these documents which carry very personal information are profoundly being taken as proof of identity without giving you much of option to restrict or prevent unauthorized usage of these documents/information therein, and its destruction after the document has lived its purpose. Imagine, another one wherein job applicant in any company fills/ provides his/her personal details such as address, identify proof, blood group, photographs etc. on job application/interview form without being aware how their information will be stored, processed, retained and destructed by organization after their selection or rejection during screening and/or interview process. Alternatively, have you ever wondered how safely your health records and personal information are being maintained at the hospital/clinic you often visit for your routine health check-ups and ailments.

Most of these practices towards the legitimate use of one's personal data and the process around personal data management life cycle are expected to undergo significant change after upcoming India Personal Data Protection Bill which is currently being deliberated in Parliament for final touch up and ratification. Once enacted, organizations in India will be required to implement legal, technical and

organizational controls for protection of valuable personal data of their customers, employees and third parties in their possession. The proposed regulation is expected to bring forth several deterrents upon organization by imposing significant penalties (2% to 4% of annual global turnover or INR 5 to 15Cr) along with the reputational and legal consequences.

Once this bill becomes law, owing to its pervasive nature, organizations across industry should expect enterprise-wide impact not only on entity's business operations (i.e. Human Resources & Payroll, Sales, Purchases, Security, IT & Cybersecurity management etc.) but also in business decisions such as Merger & Acquisitions, Divestitures, New ERP/ software application implementation to name only a few. The magnitude and nature of privacy framework requirements would differ for B2C and B2B organizations, though.

Recognizing these challenges, Boards of Directors and CXOs of businesses across the globe are compelled or motivated to ensure that adequate Data Privacy practices are being implemented and followed in their organization. The purpose is not only to ensure compliance with applicable Data Privacy law but also to use it as a tool to build/enhance customer trust to help build a better brand. Amidst all and after the introduction of long-debated Personal Data Protection Bill, 2019, there is no reason why Indian companies stay far behind in their endeavour to deploy best in class data privacy framework.

DATA PRIVACY FOR INTERNAL AUDITORS

Now, let us get into real-life scenario related to our profession as Internal Auditors, imagine a scenario wherein we as Internal Auditor attending Audit Committee/ Board meeting of a company; low on maturity curve of Privacy framework. Because of COVID pandemic, wherein WFH, virtual working and virtual client services considered new business normal, the Board wants to understand processes and controls management has in place to address Data Privacy risk proactively. Often, these questions via CEO/CFO of the organization directed to CIOs/CISOs. CIOs/CISOs with best of their abilities explain every possible information security controls organization has in place; may or may not be fully addressing Privacy objectives and regulatory obligations. The Board/ Audit committee being cognizant of the increasing privacy breaches, rights of data principal, potential regulatory repercussions and existing practices of the organization around Data Privacy, resolves that Internal Audit function shall review organization's Privacy framework and Chief Internal Auditor should table findings of this review to the following Board/Audit Committee meeting.

On this premise, and acknowledging that most of us (including me) might still be considered Rookie so far as Data Privacy as subject is considered, I thought of putting together few thoughts/ focus areas that might be worth delving into while assessing or advising on the Data Privacy journey of any organization either in the role of assurance provider or our role as consultants.

GOVERNANCE & CULTURE

- Does your organization have privacy vision and mission statements in place and whether it is aligned to the vision and mission statement of organization and understood by every stakeholder within organization?

- Is privacy as a topic adequately addressed in applicable business process policies it is likely to impact, such as Information Security policy, Human Resource policy, Procurement policy, Sales policy, Security & visitor management (including Biomatrix practices), Health & Safety, Disaster Management and Business Continuity

policies etc. of your organization and fully aligned with Data inventory of these processes?

- Leveraging regulation applicability mapping statement, has your organization formally documented privacy strategy and dully deliberated and approved at highest level in the organization?

- Is ownership (including privacy champions/ professionals' requirements, Data protection officer if applicable) to run data privacy program of organization clearly defined and duly approved by management and/or Board?

  Note: One of the myths is that CIO/ CISOs are the owners, and controllers of Privacy while the fact is that they are nothing but the custodian of information and enablers to ensure integrity, accessibility, accountability and availability of information; Private or otherwise. It is imperative for any successful Data Privacy program that user/ data owner, i.e. data owners from HR, Marketing, Security, Sales, Health & Safety department etc. are an integral part of program.

- Are KPI and monitoring techniques defined for every element for data privacy framework? Is it adequately mapped to owners and periodically reviewed? #

- Are the ethical programs such as Code of Conduct, Whistle-Blower mechanism etc. of your organization been modified to include aspects relating to Data Privacy obligations?

PERFORMANCE

- Are there adequate budgetary provisions in annual budget of your organization for privacy and related initiatives, including budget for breach response? Are there adequate and relevant insurance policies such as cyber liability insurance etc. in place to look after privacy-related expenses, especially to cover privacy incident/ breach?

- Are all the privacy laws, regulations and obligations applicable to your organization been identified? Important to note here that organizations may also be subjected to industry-specific standards (such as Payment Card Industry Data Security Standard "PCI DSS" and OECD guidelines on the protection of privacy and transborder flows of Personal Data etc. are few such examples) which should be built into applicability mapping statement of organization. #

- Any successful privacy program is incomplete without a comprehensive view of the data organization library and process followed to construed data as personal and sensitive data. Questions around how this information is collected (including third party collection and transfer), stored, processed, retained, destructed as well as owner of this information is typically also integral to privacy program. Data Assessment exercise helps organizations build data inventories to track personal and sensitive information. Has your organization conducted data assessment and are personal & sensitive data mapped with regulation applicable to your organization? *

  Note: Data inventories are legally required to be maintained and produced by organizations operating under highly regulated sectors and geography and hence are more important to be maintained adequately for successful privacy program.

- Privacy assessment guidelines, methodologies and processes around the

assessment of data will vary depending on industry, business model, geographical location, country-specific regulatory requirements, sensitivity and types of data. Hence, one should use these factors to establish whether appropriate methodologies and approaches have been applied, and it caters to specific needs of the organization.

- Does your organization has documented data privacy framework covering all applicable business processes, privacy policies and enabling tools? Is the framework duly mapped with applicable laws and standards that is to guide privacy professional of your organization in privacy program management?

- Has your organization documented data incident/ breach guidelines? Is it align/ integrated with organizations BCP and tested periodically for its efficacy? *

- Does your organization have privacy change management program to deal with ongoing change requirements?

ENABLERS

- Most privacy act's requirements include the rights to receive timely notice for data usage, storage, retrievability, data access rights, retention, changes to personal data and disposal by the data principal. Is your organization's people, process and technology equipped to and capable of addressing/ adherence to these obligations? *

- Has your organization taken up Information security environmental assessment (physical, administrative and technical controls) from data privacy point of view to assess related threats; are mitigations/ security measures in place, adequately documented and periodically reviewed? *

- Has your organization invested in adequate information security measures

to proactively detect, notify, isolate and preserve impacted information system/ environment, once breached? *

COMMUNICATION & REPORTING

- Is privacy policy of your organization effectively communicated internally and externally? Are concepts of privacy policy and privacy notice well understood by relevant stakeholders for them to be able to exercise their rights or in case of employees, execute defined procedures?

- Does your organization have right set of training and awareness strategies and is it linked to all critical elements of Privacy framework including security incidents, breaches and regulatory developments? Does it cover right set of audience/ employees?

- Are the periodic employee self-certification programs such as Control Self-Assessment, COC Compliance includes provision for privacy related matters for employee to capture their affirmation? Are the employee induction program and periodic training calendars updated to include mandatory training and awareness sessions around Privacy?

- In case of risk incident/breach are internal and external communication protocols in place, including the one to be followed to proactively communicate to data principals, Board, authorities and media?

CONCULSION

The outcome of above checks may be documented in the form of Data Privacy Assessment report, and it may include aspects such as scope of assessment, applicable privacy obligations, risk assessment methodology, risk mitigation plan as provided by management, review limitations and conclusion while being compiled to report to the CXO or the Board of your organization.

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Professional with law background and understanding shall preferably be part during assessment.
* Professional with IT, IT security and Cybersecurity background and understanding shall preferably be part during assessment

ARTICLES

Aditya Kumar S

*Partner in R.G.N. Price &
Co., Chartered Accountants*
aditya@rgnprice.com

INTERNAL AUDIT OF CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES

> " *No success or achievement in material terms is worthwhile unless it serves the needs or the interests of the country and its people and is achieved by fair and honest means".*
>
> - JRD Tata "

BACKGROUND:

The Indian circuit is one of the oldest in world and has history of having practices to ensure that the people at large are benefited as an outcome of business or other activities of the State or otherwise. After all, the business exists for society, and their objective is to serve them. The philosophy of doing something more to give back to the society which has helped the business to flourish, is not a new concept at least in Indian scenario, wherein in a lot of our ancient and modern philosophers, business house, and decision-makers propagated the thought of social responsibilities. What was once a good practice and expected to be followed by one and all, had to be brought in as a law to bring in discipline and ensure accountability as well. The expectations of the stakeholders are just not about the top line and profits but also how sensitive is the organization to the environment, natural resource management, their commitment to the society etc., because these are some of the values when sustained over a long period of time would enable an organization to be a 'valued corporate citizen'.

INTEGRATION WITH BUSINESS OBJECTIVES:

Large business houses who have contributed to the society by building hospitals, public infrastructure, educational facilities, etc., which in a way build their brand, image, customer reach, making them socially conscious, relevant to the everyday lives and drives them to do more. Even from business point of view (if one would like to view from

monetary point of view), the CSR would bring in business opportunities as well, because of all the benefits it incidentally gives to the entity. As an internal auditor, one also has to look into the reputation risk, business relationships, sustainability of operations, etc., also. Therefore, an organization needs to ensure there is a culture of 'sharing, caring and giving' resources to sustain its very existence.

ROLE OF INTERNAL AUDITORS:

The IA should focus on multiple facets, including:

A. Compliance;

B. Governance;

C. Risk Assessment;

D. Partner in implementation

A. Compliance:

This is just one box to be ticked in the list of things to do and not the only objective. There is legal and operational risk that an entity faces and IA has a role in ensuring they proactively advise the management on compliance requirements. One also needs to appreciate that it is not only statutory or contractual arrangements that would have to be fulfilled but at times even constructive obligations, which are unwritten but arise due to past practices or policies or current statements that would have created valid expectations in people. Where a company operates in multiple geographies, it is all the more important for IA team to meet specific compliance requirements, which may or may not align with host country. In Indian scenario, amount to be spent on CSR activities under Section 135 of Companies Act 2013 is 2% of the average net profits of the immediately preceding three financial years. Further, there are other reporting requirements too like Gross amount required to be spent, amount actually spent/planned to be spent including the purpose of spending, cash flows, related party transaction etc.,

B. Governance:

Needless to say, how the Tone at the Top resonates their willingness and awareness for social obligations. The Board Meetings should include, among other aspects, setting up of CSR committee to monitor the activities and report on a quarterly basis. Ensuring adequate funds are made available from budgets. Participate in deliberations on fund allocation and resource management and encourage employees to take up activities and consider it as part of their work program. IA can help the management advice and execute on how to integrate and inculcate the CSR as part of job profile and also one of their KPI to measure their contribution to the company. One of the other areas which are important from Governance point of view is that contribution to a Trust, and the promoters or directors of the entity are the Trustees or hold key positions in the Trust. IA should educate the management on potential risks of transactions with related parties including potential case for conflict of interest, diversion of funds, lesser transparency in operations, end-use of funds etc., which though at times may comply with the 'letter of law' and not the 'spirit of law' and possibility of a case of lifting the corporate veil to know the true essence of the transaction. Substance over

form does matter after all an entity has to set an example of its excellence in dealing with social responsibility issues.

Ç. Risk Assessment:

The importance of compliance and governance is discussed above. Other risks could include reputation risk, operational risk (business partners hesitant to deal with entities not complying with acceptable standards), willingness of people to work in an environment which is not very supportive or not caring for the general well-being, frauds which could include misappropriation of funds, etc., could impact the long term business prospects.

D. Partner in implementation:

IA Team plays a pivotal role in ensuring there are policies and procedures in place, ensuring objectives are well defined and communicated, assessment of the progress of the projects from the time of planning to completion, supporting

internal and external communication, audit of activities to aid in financial and management reporting etc.,

INTERNAL AUDIT PROGRAM SPECIFIC TO CSR:

Some of the aspects to be considered in preparing an IA program specific to CSR are:

1. Culture of an organization - Is it that only compliance matters or is going beyond compliance? If so, what are the risks involved in having a limited vision;

2. Adequacy of documentation of roles and responsibilities

3. Quality of reporting in Management Reports and Financial Reporting

4. Benchmarking to best practices across the world

5. Fraud Risk Assessment (conflict of interest, tax evasion, inaccurate reporting, etc.)

IA Role in different phases:

Pre-Implementation	Implementation	Post Implementation
1. Formulating CSR Policy	1. Planning and Execution	Reporting
2. Governance Structure	2. Resource Management	Performance Assessment
3. Due Diligence of projects	3. Continuous monitoring	Compliance Reporting
4. Conducting Interviews	4. External Audit Support	Communication of results
5. Inquiries with stakeholders	5. Project Management	Documentation
6. Budgetary and Funding	6. Reporting	Briefing the Management
7. Vendor / Partner selection	7. Risk Management	
8. Communication		
9. Fraud and Other Risk Assessment		

IA REPORT CONTENTS ON CSR:

- Scope and Objectives of CSR
- Stakeholder Interest
- Project wise details of activities carried out
- Statement of Funds raised and utilized
- Discrepancies observed and corrective action taken
- Risk Assessment of activities
- Audit Procedures used
- Impact on the operations of the entity (financial and non-financial)
- Any non-compliance of law or contracts
- Future roadmap of projects

COSO FRAMEWORK AND CSR:

COSO	PRINCIPLE	IA FUNCTION
Control Environment	1. Demonstrate Commitment to integrity and Ethical Values	Ensuring Board and Management to commit and appreciate that CSR is part of business objectives. CSR activities to be monitored and supervised by Board on a periodical basis and accord importance to its management.
	2. Ensure Board exercises oversight responsibility	Ensuring that the job profiles include specific tasks on CSR. CSR committee to be formed to ensure the responsibility is fixed on execution and management of CSR projects.
	3. Establish structures, reporting lines, authorities and responsibilities.	
	4. Demonstrate commitment to a competent workforce.	Hire right people who appreciate the larger business objective. Train the resources and include/encourage and incentivize staff to work on specific projects.
	5. Hold people accountable	Ensuring projects monitored closely and KPI include performance in CSR activities.
Risk Assessment	1. Specific appropriate objectives	To defined why CSR is required and how it helps the business and community at large. It is just not about compliance. To consider risk of reputation, brand, public image, social consciousness, compliance, financial reporting, operational, long term sustainable and other risks.
	2. Identify and Analyze Risk	
	3. Evaluate Fraud Risks	Possibility of misappropriation of funds, 'ghost projects', inaccurate financial reporting, etc.,
	4. Identify and analyze changes that could affect internal controls.	Continuous monitoring of the activities will help in recognizing new risks as they emerge due to various reasons, either on account of governance, government regulations, financial reporting, operational changes, expectation of the stakeholders, etc.,

COSO	PRINCIPLE	IA FUNCTION
Control Activities	1. Select and develop control activities that mitigate risk	Ensuring CSR activities also have appropriate control structure like delegation of authority, supervision and monitoring, adequate reporting structures.
	2. Select and develop technology controls	Post-COVID 19 days, remote monitoring, video conferencing, digital authentication, online and current reporting, etc., have become part of daily life. Use of project management applications to monitor the project, authenticating documents, having online meetings, etc.,
	3. Control Activities through procedures and controls	
Information and Communication	1. Using relevant, quality information to support internal control function	Information about project management, fund allocation and utilization, availability of internal and external resources helps to ensure smooth functioning of CSR activities.
	2. Communicate internal control information internally	Use broadcasts, all-hands meeting, periodic emails, invite to meetings, judicious use of social media to communicate the progress, encourage people to participate, and make them accountable.
	3. Communicate internal control information externally.	
Monitoring	1. Perform periodic evaluations	Having a robust MIS to monitor the progress.
	2. Communicate internal control deficiencies.	Review of the controls in CSR activity, report and suggest ways to improvise the existing systems and procedures.

Technical Standards: IPPF Practice Guide - Evaluating Corporate Social Responsibility / Sustainable Development by IIA

Conclusion: IA has not only a role in ensuring compliance of CSR but look at it from the point of integrating it with business objectives and making it an essential element of what the entity stands for.

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NITI (POLICIES) AND NIYAT (INTENTIONS)

Policy and Procedures are the rules that lay down the way a Company or a Society interacts or behaves. These can popularly be referred to as **NITI**.

The policies are made to uphold certain principles of conduct that reflect the culture, belief and values of the owner of business and/or its management. The ethical stand of the corporate on various issues is spelt out in the policies and procedures that have an impact on the style of governance.

> **Business decisions are inspired by the dictates of the Policy and are often a reflection of the Core Values and Beliefs of an organisation.**

Niti can be seen as a compilation of duties and responsibilities of each person, the ruler, teacher, government, employee, priest, parents and children in all situations of life. In other words, it is a guide as to how one should conduct herself or himself in any situation that is presented by life. Niti is the federation of the justice system, administration and relationship norms for the society at large.

With the increase in the scale of operations and divorce between owner and management, it has become essential to spell out the policies of governance a corporate or all corporates need to follow in conduct of the business. The laws have also been suitably amended to keep the corporates on the straight and narrow to protect the dispersed shareholders, employees and society, in short, all stakeholders.

The policies of an organisation are often codified in the Code of Conduct, Values & Belief Statements of an organisation and its Standard Operating Procedures (SOPs). All these can broadly be termed as pronouncements of the NITI.

NIYAT (Intentions) of an individual, on the other hand, or a corporate, go beyond the written documents on the policies and procedures. The cultural overtones get heavily influenced by the intentions of an individual as well as any corporate. The sincerity of the intention behind a thought or action can be described as NIYAT.

Dinesh Bahl
*Founder & Managing Partner,
Sahani Natarajan & Bahl
dineshbahl@snbindia.com*

Experience shows that the policies are successful only if there is an intention to follow the policies. However, detailed code of conduct or standard operating procedures may be designed. They have a bleak chance of success unless the management employees and the individuals have an intention to follow them. It may be appropriate to remember the repeated adage of taking a horse to the well but making it drink water being two separate things.

Many policy dictates are found biting the dust if the intention to honour and follow them is absent. Doubts can arise that if the intention is so powerful an element, is there a need to lay down elaborate policies and processes. Let us understand it in detail.

> **The Policy document is so drafted to ensure that the intention of the business owner and the management is clearly reflected in its governance style and practices. However, one finds a yawning gap between word and deed in almost all fields of human interactions.**

The earliest example of codifications is religious texts. The implementation has been largely dependent on people and societies. The societies and individuals have over the time followed the religious dictates according to the interpretations that have found favour at that prevailing time.

Maybe a clue can be found here. The problem is not so much between detailed policy announcements and the detailed standard operating procedures being laid but, on the interpretations, placed on them by the people.

Corporates over time have pondered as to how the distance between professed intention and the real intention can be eliminated so as to ensure that the society or the corporates follow an ethical way of functioning. Societies take elaborate care to pontificate and proliferate the moral values.

> **In the corporate world, after much deliberations between the wise folks, Corporate Values and Beliefs are laid down, Codified and Communicated. Yet in real life, we find that following ethical norms remain more or less a personal choice.**

Societies have spent considerable time and effort in educating the populations about the virtues of upholding certain morals. But they have had limited success. One may also consider that there is something wrong in the way moral education is being imparted. The teachers and the parents repeat the messages ad-nauseam, yet they themselves are seen, not being as particular in practising those very values. One sincere person upholding ethical values is perhaps better than umpteen messages contained in the textbooks. Society needs to set better examples.

Unfortunately, we are taught "Honesty Pays". It seems to be to reassure people that if you are honest, you may face some hardships but remember Honesty Pays. As if by being honest, one is making an investment which will yield rewards in the long term. Perhaps society is not convinced that being honest in itself is a reward.

Sincerity is a trait that is easily taught by simply practising. Somewhere, society has found out that sincere people do not make much progress economically compared to the smart, slightly insincere people in all the spheres of life. That is a pity.

Corporate do not just have to possess nicely worded ethical values statements, but they have to be ethical. Values, when practised, become virtues. Corporates need to treat not just their employees but all the stakeholders ethically. The question to be asked is "Do the corporates actually live the values they espouse? A parent cannot be successful in teaching the value of honesty to her children if she herself is seen as lying even harmlessly just to get out of a tight situation.

Corporates have to lay down norms of ethical behaviour, communicate it and follow it themselves. Odd cases of infractions need to be swiftly tackled and publicised. Both Niti and Niyat are needed for the rule of good governance. Ethical conduct should also be recognised as a mark of respect. Sincere people are sometimes even seen as simpletons.

Our ethos is replete with stories of intention influencing even our destiny. Some people interpret Niyati as "so ordained". Upanishads say that our words or actions are a result of our intention. In turn, our intention becomes the cause of action or inaction, thereby impacting our persona and eventually our destiny. This is broadly called Niyati.

Time has come to pay more attention to cultural controls. As we know, proprietary, result-oriented, bureaucratic and cultural are four ways through which controls are exercised by the corporate. For cultural controls to become effective, they have to reflect in the thinking and behaviour of the people at the top. This must start with how decisions are made.

" **As Ben Horowitz says "CULTURE IS HOW YOUR COMPANY MAKES DECISIONS WHEN YOU ARE NOT THERE"** "

Ethical values will have to actually be practiced so that they become virtues and penetrate into the DNA of the corporate. With a greater churn of the talent, corporates may struggle to uphold certain values given the fact that newcomers bring their own unique experiences and viewpoints into a setup. However, it is seen that all newcomers quickly fall in line if the existing group of employees behaves in a way that values are actually being lived. Those who do not fall in life can easily be spotted.

Niyat (Intention) has a lot to do with the feelings of the individual involved. Some people nurse a grievance against the system, or the corporate or are irked by some decisions of their bosses. Corporates have to try to be cautious and fair in taking decisions that impact the employees.

" **As Ben Horowitz says, "You are – how people talk about you when you are not around".** "

This cannot happen unless corporates in day to day life take decisions upholding the professed moral values even when it is inconvenient.

" **In his book "What you do is Who you are", Ben Horowitz says, and I will like to quote, "Integrity, honesty and decency are long time cultural investment.** "

This value does not come cheap; the organisation has to pay a cost. However, failure to enforce good conduct often brings companies to their knees. You cannot lie to your employees, perhaps that is easy, but you have to be honest with your customers also.

We have to give equal emphasis on living by universal ethical values, and that is the only way to reduce the lack of intention or lousy intention derailing the policies and the procedures of a corporate or society.

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Kartik Radia
Managing Partner,
Mazars in India
Kartik.Radia@mazars.in

SMART AND DIGITAL WAY OF INTERNAL AUDITING IN THE DIGITAL WORLD

Kartik believes that COVID 19 is a "course changing event" and a "turning point" in the human history that has a long-lasting impact on all generations and for at least next 3 decades and it has lessons for all professions and professionals – In all streams and spheres of human life. As Businesses and Corporates have learnt lessons related to Goals Rationalisation, Power of Conservatism, Smart and Digital way of transacting business, Integration of Technologies between various platforms, the Internal Auditors have very many important lessons to learn on Smart and Digital Way of Conducting Internal Audits.

The Smart and Digital Way of Internal Audits invariably include Automated Internal Audits using Artificial Intelligence and Remote Execution Techniques and the role for Internal Audit is enhanced to areas such as Resilience Framework, Assurance on Growth Strategies and Business Model Evaluation and Business Continuity Strategy.

The Internal Audits role is expected to evolve to a level in the Organisation where Internal Audit is expected to play a strategic role in assuring the Leadership and the Management, as a part of the Planning and Decision Making Process, while maintaining Full Independence and at the same time playing a role of assurance by evaluating the key business strategies and decisions. Much of the time spent by the Human Internal Auditors should be on evaluation and audit of the Business and Financial Models, evaluation and audit of business strategies, evaluation and audit of stress testing frameworks, evaluation and audit of scenarios and simulations, audit of integration of business technologies and applications (business legacy applications and emerging technology platforms) and audit of cybersecurity and compatibility

as well as security of opensource technologies that have been used for business applications.

Much of the current work done by Internal Auditors should be rather executed in a smart manner using Data Analytics and Robotic Process Automation. It would involve a good investment of time and resources, in preparing these systems and machines to take over the mundane and repetitive activities and jobs that are currently being done by Internal Auditors, in the manual regime. A 2 to 3 years timeframe should be prepared for automating all the internal audit processes using RPA and Data Analytics. The use of technology will enable a relatively Cost-Effective Internal Audit, that is done in a real-time manner with red-flags and exceptions that are to be solved by human interventions and with most of the routine observations and findings to be dealt with, in an auto-pilot manner.

There are a few myths and fears that exist about using Emerging Technologies like RPA and Artificial Intelligence, as a part of internal Auditing. They are:

1. These Emerging Technology Platforms involve an expensive proposition;

2. The use of technologies eliminates the human touch;

3. The use of machines will replace humans and make them redundant.

Each of the myths or fears mentioned are mere myths and have no connection to any reality. Use of the Emerging Technologies has potential to save costs by more than 60% in the long run basis and by more than 25 to 30% in the short run. The use of technologies, in fact, enhances the experience with the auditees and stakeholders, and human touch can be applied at an appropriate level. Also, the usage of machines and emerging technologies

for Internal Auditing, instead of replacing humans will, in fact, enable human Internal Auditors to give away mundane, repetitive jobs to machines and in turn will enable them to focus on creative, innovative and intuitive areas of business that have strategic importance and have high impact. Each of the earlier Industrial or Agricultural modernisation or mechanisation or automation or even the IT or ERP Revolutions have provided us with the empirical experience that each of these automation or mechanisation or modernisations have in fact enabled the organisations and economies to pursue the next level of growth.

Integration of different technologies – the Business Legacy Systems or ERP Systems with the emerging technology platforms pose a very different kind of challenge, and this concept of integration of different technology platforms is called as "Technological Convergence". It is important for Internal Auditors to evaluate the integration process of different technologies, Process Resilience and Process Robustness and whether all different functional processes across the organisation are bound by a common organisational theme and an approach or are still representing the functional silos, as each of the functions has evolved over a period of time.

Finally, the Internal Auditors should evaluate the usage of chatbot function for enhancing the experience of all the stakeholders of Internal Audit. All the stakeholders of Internal Audit – the Human Internal Auditors, the Board and Audit Committee Members, the Auditees, the third parties, the Senior and Middle Management can get the enhanced Internal Audit Experience through the use of chatbot function that can help build up an on-demand dynamic internal audit program, that can ask the right questions to the auditees and can produce any of the reports on demand from the history and library and also the dynamic on-demand statistical data analysis. The Internal Audit chatbot can help in producing the dynamic internal audit report and also the internal audit presentation to the stakeholders and auditees. Likewise, the usage of industrial drones can be evaluated for conducting physical verification of inventories and fixed assets, as these drones can go to the various places with ease which may be difficult for humans to visit, in person for dips, measurements, surveying and verifying the presence or temperature.

INTERNAL AUDIT
COMPETENCY
FRAMEWORK

PROFESSIONALISM

PERFORMANCE

ENVIRONMENT

LEADERSHIP & COMMUNICATION ©

PROFESSIONALISM

- Mission of internal auditing
- Internal audit charter
- Organizational independence
- Individual objectivity
- Ethical behavior
- Due professional care
- Professional development

PERFORMANCE

- Organizational governance
- Fraud
- Risk management
- Internal control
- Engagement planning
- Engagement fieldwork
- Engagement outcomes

ENVIRONMENT

- Organizational strategic planning and management
- Common business processes
- Social responsibility and sustainability
- Information technology
- Accounting and finance

LEADERSHIP & COMMUNICATION

- Internal audit strategic planning and management
- Audit planning and coordinating assurance efforts
- Quality Assurance and Improvement Program

©

PROFESSIONALISM

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Competencies required to demonstrate the authority, credibility, and ethical conduct essential for a valuable internal audit activity.

KNOWLEDGE AREA	COMPETENCY LEVEL		
	GENERAL AWARENESS	APPLIED KNOWLEDGE	EXPERT
Mission of internal auditing	Describe the purpose, authority, and responsibility of the internal audit activity; distinguish between assurance and consulting services.	Demonstrate ability to conduct both assurance and consulting engagements in conformance with the *Standards*.	Review the internal audit activity's ability to conduct both assurance and consulting activities to add value and improve the organization's operations.
Internal audit charter	Describe the purpose of an internal audit charter; identify the required elements of an internal audit charter, according to the *Standards*.	Prepare an internal audit charter in conformance with the *Standards*, and receive approval from the board.	Evaluate and revise an internal audit charter to achieve conformance with the *Standards* and promote world-class performance.
Organizational independence	Describe the importance of organizational independence of the internal audit activity; identify the elements that affect independence.	Detect any potential impairments to internal audit independence and the impact.	Address any potential impairments to internal audit independence to achieve conformance with the *Standards*; communicate the impact of any remaining impairments.
Individual objectivity	Describe the importance of internal audit objectivity; identify factors that may impair, or appear to impair, objectivity.	Detect and manage any real or perceived impairments to an individual internal auditor's objectivity; assess and maintain internal audit objectivity.	Develop and maintain policies that govern objectivity; recommend strategies to promote objectivity.
Ethical behavior	Describe the importance of a code of ethics for internal auditors; identify the principles of The IIA's Code of Ethics.	Demonstrate individual conformance with The IIA's Code of Ethics.	Assess the internal audit activity's conformance with The IIA's Code of Ethics; recommend strategies to maintain and promote the highest ethical standards for internal auditors and the internal audit activity.
Due professional care	Describe due professional care.	Demonstrate due professional care.	Evaluate and conclude on the application of due professional care.
Professional development	Recognize the knowledge, skills, and competencies needed to fulfill the responsibilities of the internal audit activity and the need for continuing professional development.	Demonstrate internal audit competency through continuing professional development.	Assess the competencies required to fulfill the responsibilities of the internal audit activity; promote professional development.

PERFORMANCE

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Competencies required to plan and perform internal audit engagements in conformance with the *Standards*.

KNOWLEDGE AREA	COMPETENCY LEVEL		
	GENERAL AWARENESS	APPLIED KNOWLEDGE	EXPERT
Organizational governance	Describe the concept of organizational governance.	Detect risks related to the organization's governance policies, processes, and structures.	Recommend improvements to the organization's governance policies, processes, and structures.
Fraud	Recognize types of fraud, fraud risk, and red flags for fraud.	Evaluate the potential for fraud and how the organization detects and manages fraud risks; recommend controls to prevent and detect fraud and educate to improve the organization's fraud awareness.	Apply forensic auditing techniques in fraud prevention, deterrence, and investigation.
Risk management	Describe fundamental concepts of risk and risk management; describe risk management frameworks.	Use a risk management framework to identify potential threats; examine the effectiveness of risk management within processes and functions.	Appraise the methods used to assess the effectiveness of risk identification and management.
Internal control	Identify types of controls.	Use an internal control framework to examine the effectiveness and efficiency of internal controls.	Evaluate and recommend improvements to the organization's internal control framework; assess the organization's implementation of its internal control framework.
Engagement planning • **Objectives and scope** • **Risk assessment** • **Work program** • **Resources**	Describe the key roles and activities involved in establishing the objectives, evaluation criteria, and scope of an engagement.	Determine the objectives, evaluation criteria, and scope of an engagement.	Evaluate the audit engagement's objectives and scope to ensure the quality of the engagement.
	Describe the purpose of performing a risk assessment during engagement planning and the steps involved.	Complete a detailed risk assessment, including prioritizing key risks and controls.	Evaluate the risk assessment process during the audit engagement.
	Describe the purpose of an engagement work program and key components.	Prepare an engagement work program.	Assess the audit engagement work program.
	Describe the factors that influence planning for staffing and resource planning for an engagement.	Determine staff and resources for an engagement.	Evaluate audit engagement staffing and resources.

PERFORMANCE

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Competencies required to plan and perform internal audit engagements in conformance with the *Standards*.

KNOWLEDGE AREA	COMPETENCY LEVEL		
	GENERAL AWARENESS	APPLIED KNOWLEDGE	EXPERT
Engagement fieldwork • **Information gathering** • **Sampling** • **Computer-assisted audit tools and techniques** • **Data analytics** • **Evidence** • **Process mapping** • **Analytical review** • **Documentation**	Describe the purpose of preliminary surveys of the engagement area, checklists, and risk-and-control questionnaires.	Perform a preliminary survey of the engagement area; develop checklists and risk-and-control questionnaires; examine relevant information during an engagement.	Evaluate engagement information-gathering activities.
	Describe the various approaches to sampling, including advantages and drawbacks of each.	Apply appropriate sampling techniques.	Evaluate audit engagement sampling activities.
	Describe the purpose, advantages, and disadvantages of using computer-assisted audit tools and techniques.	Use computer-assisted audit tools and techniques.	Evaluate the use of computer-assisted audit tools and techniques during the audit engagement.
	Describe data analytics, the data analytics process, and the application of data analytics methods in internal auditing.	Apply data analytics methods.	Evaluate the use of data analytics in internal auditing.
	Recognize potential sources of evidence.	Evaluate the relevance, sufficiency, and reliability of potential sources of evidence.	Develop guideline to ensure evidence is relevant, sufficient, and reliable.
	Describe the purpose, advantages, and disadvantages of various process mapping techniques.	Apply appropriate analytical approaches and process mapping techniques.	Evaluate process mapping of the audit engagement.
	Describe the purpose, advantages, and disadvantages of various analytical review techniques.	Determine and apply analytical review techniques.	Evaluate analytical review techniques implemented during the audit engagement.
	Describe documentation and workpaper requirements.	Prepare workpapers and documentation.	Evaluate audit engagement documentation.

PERFORMANCE

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Competencies required to plan and perform internal audit engagements in conformance with the *Standards*.

KNOWLEDGE AREA	COMPETENCY LEVEL		
	GENERAL AWARENESS	APPLIED KNOWLEDGE	EXPERT
Engagement outcomes • **Communication quality** • **Conclusions** • **Recommendations** • **Reporting** • **Residual risk and risk acceptance** • **Management action plan** • **Results monitoring**	Describe the elements of quality engagement communications.	Demonstrate quality engagement communications, including preliminary communication with engagement clients.	Evaluate audit engagement communications.
	Recognize the elements of an appropriate engagement conclusion.	Summarize and develop engagement conclusions.	Evaluate audit engagement conclusions.
	Recognize the importance of providing recommendations.	Formulate recommendations to enhance and protect organizational value.	Evaluate audit engagement recommendations.
	Describe the engagement communication and reporting process, including interim reporting, the exit conference, obtaining management's response, the report approval process, and distribution of the report.	Prepare an interim report; prepare a final audit report, seek approval, and distribute to appropriate parties.	Review and approve engagement reports; recommend distribution of the report to appropriate parties.
	Describe the chief audit executive's responsibility for identifying and assessing the residual risk and the process for communicating management's acceptance of risk.	Identify residual risk.	Assess the impact of residual risk; communicate management's acceptance of risk to senior management and the board.
	Describe engagement outcomes; describe the purpose of a management action plan.	Assess engagement outcomes, including the management action plan.	Evaluate the collective outcomes of engagements performed by the internal audit activity.
	Recognize the importance of monitoring and follow-up on the disposition of audit engagement results communicated to management and the board.	Manage monitoring and follow-up of the disposition of audit engagement results communicated to management and the board.	Evaluate monitoring and follow-up performed by the internal audit activity.

ENVIRONMENT

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Competencies required to identify and address the risks specific to the industry and environment in which the organization operates.

KNOWLEDGE AREA	COMPETENCY LEVEL		
	GENERAL AWARENESS	APPLIED KNOWLEDGE	EXPERT
Organizational strategic planning and management • **Structure** • **Performance measures** • **Organizational behavior** • **Leadership**	Identify the risk and control implications of different organizational structures.	Evaluate the organization's governance structure and the impact of organizational structure and culture on the overall control environment and risk management strategy.	Recommend improvements to the overall control environment and risk management strategy.
	Describe the strategic planning process.	Analyze the organization's strategic planning process.	Recommend improvements to the organization's strategic planning process.
	Describe common performance measures.	Examine performance measures used by the organization.	Select appropriate performance measures.
	Explain organizational behavior and performance management techniques.	Examine existing organizational behavior and performance management techniques.	Recommend appropriate organizational behavior and performance management techniques.
	Describe management's effectiveness to lead and build organizational commitment.	Examine management's effectiveness to lead and build organizational commitment.	Recommend actions to improve management's approach to leading and building organizational commitment.
Common business processes	Describe the risk and control implications of common business processes (human resources, procurement, contracting, product development, project management, sales, marketing, logistics, management of outsourced processes, etc.).	Examine the risks and controls related to the organization's business processes.	Recommend actions to address risks related to the organization's business processes.
Social responsibility and sustainability	Describe corporate social responsibility and sustainability.	Examine the organization's approach to social responsibility and sustainability.	Recommend actions to improve the organization's approach to social responsibility and sustainability.
Information technology • **Data analytics** • **Security and privacy** • **IT control frameworks**	Describe the basic concepts of IT and data analytics.	Apply data analytics and IT in auditing.	Evaluate the use of data analytics and IT in auditing.
	Describe the various risks related to IT, information security, and data privacy.	Identify and assess various risks related to IT, information security, and data privacy.	Recommend actions to address IT risks, information security, and data privacy.
	Recognize the purpose and applications of IT control frameworks and basic IT controls.	Apply IT control frameworks.	Evaluate the use of IT control frameworks.
Accounting and finance	Identify various financial and managerial accounting concepts and underlying principles.	Conduct financial analyses; examine and interpret financial statements.	Evaluate financial statement accuracy and provide assurance.

LEADERSHIP & COMMUNICATION

Competencies required to provide strategic direction, communicate effectively, maintain relationships, and manage internal audit personnel and processes.

KNOWLEDGE AREA	COMPETENCY LEVEL		
	GENERAL AWARENESS	APPLIED KNOWLEDGE	EXPERT
Internal audit strategic planning and management	Recognize the importance of aligning the internal audit strategic plan with the organization's strategy.	Create the internal audit strategic plan in alignment with the organization's strategy, risk profile, and risk management strategy; create an effective and efficient budget for the internal audit activity.	Assess the internal audit strategic plan; evaluate and recommend improvements to the budget for the internal audit activity.
	Differentiate various internal audit roles, including the engagement supervisor and chief audit executive.	Manage internal audit personnel (including recruiting, developing, motivating, managing conflict, building teams, delegating, retaining talent, and succession planning); create policies and procedures for managing internal audit operations.	Assess the talent management efforts of the internal audit activity; appraise policies, procedures, and administrative activities of the internal audit activity.
	Identify key activities in supervising engagements.	Supervise engagements.	Assess engagement supervision activities to ensure the quality of the internal audit activity.
Audit plan and coordinating assurance efforts	Identify sources of potential engagements, including industry trends and emerging risks.	Conduct a risk assessment, prioritize engagements, develop a risk-based internal audit plan, and obtain board approval.	Evaluate and revise a risk-based internal audit plan to meet the organization's evolving needs.
	Describe coordination of internal audit efforts with the external auditor, regulatory oversight bodies, and other internal assurance functions, and potential reliance on other assurance providers.	Prepare a risk assurance map.	Coordinate assurance efforts with other providers to ensure proper coverage and minimize duplication of efforts.
Quality Assurance and Improvement Program	Describe requirements of the Quality Assurance and Improvement Program.	Schedule and complete internal and external quality assessments to meet requirements and report results.	Assess the internal audit activity's quality assurance and improvement practices and assess conformance with the *Standards*.
	Identify appropriate disclosure of conformance vs. nonconformance with The IIA's *International Standards for the Professional Practice of Internal Auditing*.	Formulate appropriate disclosures of conformance vs. nonconformance with the *Standards*.	Assess the internal audit activity's disclosures of conformance vs. nonconformance with the *Standards*.

LEADERSHIP & COMMUNICATION

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Competencies required to provide strategic direction, communicate effectively, maintain relationships, and manage internal audit personnel and processes.

KNOWLEDGE AREA	COMPETENCY LEVEL		
	GENERAL AWARENESS	APPLIED KNOWLEDGE	EXPERT
Communication • **Advocacy** • **Relationships** • **Reporting** • **Soft skills** • **Innovation**	Recognize the value of advocacy and the importance of maintaining stakeholder relationships (e.g., board, senior management, audit clients, other assurance providers, external stakeholders).	Manage the internal audit activity's reputation and stakeholder expectations; demonstrate sincerity, honesty, and empathy in communications with stakeholders to build trust and maintain relationships.	Assess stakeholder relationships and recommend actions to achieve improvements; evaluate the advocacy efforts of the internal audit activity.
	Describe appropriate communications between internal auditors and stakeholders, including key performance indicators; recognize that the chief audit executive reports on the overall effectiveness of the organization's internal control and risk management processes to senior management and the board.	Prepare relevant and appropriate communications for internal audit stakeholders, including reports to senior management and the board (e.g., significant risk exposures, key performance indicators, etc.).	Assess internal audit communications with stakeholders, including key performance indicators to evaluate the success of the internal audit activity, and recommend improvements.
	Recognize the importance of written and verbal communication skills, including soft skills such as conflict management, influence, and persuasion.	Demonstrate soft skills (conflict management, influence, and persuasion); provide insightful consultation to contribute to the organization's effectiveness; detect opportunities for change and facilitate change.	Assess the internal audit activity's written and verbal communication skills, soft skills, and innovation; recommend improvements.

TIPS FOR SUCCESSFULLY PASSING THE CIA EXAM

1) IDENTIFY SOME CIA SPECIFIC STUDY MATERIAL & TOOLS

In order to pass the Certified Internal Auditor certification exams, you first need to look at the exam syllabus to get you started. Additionally, you need to look for course materials that match you study style and your budget. You can refer to multiple review courses available in the market. Do make sure to check out the IIA International website for a list of CIA preparation sources. Other than this, there is a plethora of information available on the IIA international website in the form of CIA preparation resources and study guides. Please make sure to refer to the IIA IPPF (International Professional Practices Framework) standards, practise advisories and implementation guidance as well. This will help you immensely in understanding the practical implementation of the standards, something the CIA exam anyways, expects you to cover as part of your preparation. Finalize an ideal CIA review course which has detailed course material on the syllabus topics with clear and relevant explanations, have lots of multiple-choice questions in the question bank and have lots of practice tests which emulate the format and functionality of the CIA exam. This will make your exam preparations more focused and effective.
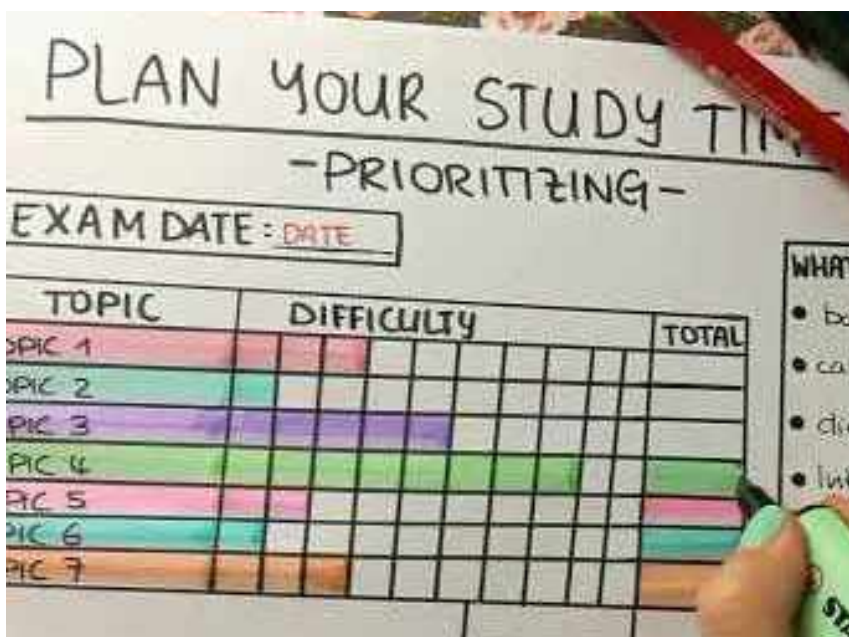
Amit Sharma
Chairperson, Training Committee - IIA Delhi Chapter
amitsharma5@hotmail.com

2) CREATE A REALISTIC STUDY PLAN

Something that will really help you with a focused approach towards clearing the CIA exam is to create a study plan. It is crucial to develop a study plan based on the time you can realistically devote to your CIA preparation. Make sure to make the plan as practical as possible, it is not feasible to plan to study four hours a night, every single weeknight, and then try to fit another eight hours on Sunday. Few people have the time or energy to do that, even if they are full-time students. It is essential to create a study plan that you will be able to manage as part of your day to day routine.

3) PRIORITIZE ON RELEVANT TOPICS

While studying for respective parts of the CIA

exam, do make sure to identify topics and areas which are asked more frequently asked in the exam. Also, try to identify your weaker areas and make sure that you spend more time on this as part of your study schedule. Make sure to spend time understanding the key concepts in detail, summarizing them or making notes for faster recall and future reference. This will also significantly improve your ability to recall the information weeks later. Therefore, they are all completely worth the extra time and effort. Further, given that the CIA exam syllabus is vast and covers a lot of diverse topics, do ensure that you cover all these areas as well. Even though some minor topics may not seem too important, it is difficult to predict the CIA exam and topics which will eventually be in the actual exam.

4) APPLY EXAM CONCEPTS TO YOUR DAY TO DAY LIFE

If you work in internal auditing, you should try to use the concepts of the CIA exam in your day to day work. Discovering how these concepts apply to your regular work activities is an excellent way to deepen your retention and your understanding of them. Auditing principles you can put in to practice on the job include cost accounting, variance analysis, or internal control. So, keep an open mind and look for opportunities to practice the skills you need to pass the exam at work every day.

5) UNDERSTAND THE CIA EXAM PATTERN

The CIA exam is an MCQ (multiple choice question) based exam format, so it is important to devise strategies to prepare for MCQs exam. The CIA exam always asks you to choose the best possible answer out of 4 possibilities, so you need a specific strategy for fulfilling the task. It would be best if you learned to eliminate at least 2 of the 4 choices on the immediate reading of the options. Then, further deliberate on the best possible answer from the remaining 2 choices. It would help if you came up with an intelligent way of understanding why 3 of the options are not correct and why the 1 option is correct.

It would be best if you learned to make an 'educated guess', from the choices, by simply eliminating obvious wrong choices and using your preparation (and sometimes your instinct) for the coming up with the correct choice. Try to identify answer choices which are there to distract you by being factually correct but irrelevant to the actual question asked. As part of the response, learn to look for absolute statement. Absolutes are extreme, and extreme

is usually not the answer in auditing. Examples of absolute statements include "always," "every," "never," and "none."

Furthermore, when you see one of these in a potential CIA exam question response, you should consider it a pretty good clue that such response is not the answer you want. Also, while reading the questions or choice, do look out for 'double negatives' The question stem may also confuse you by including negatives, double negatives, and 2-part statements. Look out for words like "not" or "all of these except". This will help you readily identify the correct choice.

Further, do make sure to practice with enough MCQ questions as part of your preparation. This will not only help you hone up your instincts to come up with the right answer but also help you learn to make educated guesses. While practising, do make sure to understand the actual reasons for choice being wrong. Identify your weak areas and ensure adequate time is spent on improving the concepts from these areas.

6) KEEP YOUR COOL DURING THE EXAM

Remember that the CIA exam has a different exam duration for separate parts. Part 1 has 125 questions, and you get 150 minutes to answer them. Part 2 and Part 3 each have 100 questions, and you get 120 minutes to finish. Hence, while taking the actual CIA exam, ensure adequate time management is done while responding to all questions. Try to allocate at least 60 - 65 seconds to every question. Leave at least 15 – 20 mins for a quick revision of all the responses given.

Additionally, make sure to answer all questions in the exam. Remember, the IIA positively grades the CIA exam. Therefore, even blind guessing gives you a 25% chance of answering correctly. Make sure to read all the choices carefully before attempting to answer.

I hope the above tips will help you successfully pass the CIA exam and attain the coveted 'Certified Internal Auditor' designation. Best of luck!!!

Invitation to Write Articles

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.
- ❏ **Originality:** It should be original in nature. It should not have been published or sent for publishing in any other print or electronic media
- ❏ **Clarity/Readability:** The article should be written in clear and concise manner.
- ❏ **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**

The Institute of Internal Auditors India

CIA QUIZ

Q 1. During an audit of financial contracts, an auditor learns that a relative has a substantial loan with the organization. The auditor should:

A. Exclude the relative's information from the audited work and proceed with the audit engagement.

B. Proceed with the audit engagement but disclose in the engagement final communication that the relative is a customer.

C. Immediately withdraw from the audit engagement.

D. Notify management and the chief audit executive (CAE) and have the CAE determine whether the auditor should continue with the audit engagement.

Q 2. Which of the following situations allows for the most objectivity on the part of an internal auditor?

A. Assessing testing procedures in a new computer system.

B. Performing a risk assessment of a new financial instrument.

C. Drawing conclusions from a sample of financial transactions.

D. Comparing current environmental activities against legislation

Q 3.Using the internal audit department to coordinate regulatory examiners' efforts is beneficial to the organization because internal auditors can:

A. Influence regulatory interpretation of law to better match corporate practice.

B. Recommend changes to the scope of the regulatory examiners' review.

C. Perform fieldwork for the regulatory examiners and thus shorten the regulatory examiners' review.

D. Supply evidence of adequate compliance testing through internal audit workpapers and reports.

Q 4. A quantitative risk assessment model has all of the following advantages except:

A. Accommodating a large number of risk factors in the assessment.

B. Providing documentation for the chief audit executive, who must defend the long-range audit plan.

C. Providing a systematic method of applying weightings to risks and priorities.

D. Removing the need for judgment on the part of the chief audit executive.

Q5. The chief audit executive for an organization has just completed a risk assessment process, identified the areas with the highest risk, and assigned an audit priority to each. Which of the following statements is true and consistent with the International Professional Practices Framework?

I. Items should be ranked in the order of quantifiable dollar exposure to the organization.

II. The audit priorities should be in order of major control deficiencies.

III. The risk assessment, though quantified, is the result of professional judgments about both exposures and probability of occurrences.

A. I only

B. III only

C. II and III only

D. I, II, and III.

Answers are printed on the last page.

Contributed by "Dr. Paul Jayakar"

CIA EXAM @ HOME

ENSURING THE BEST FOR YOUR CONTINUOUS LEARNING DURING THESE CHALLENGING TIMES

1. What is CIA Exam @ Home

To continue professional education and development of the internal audit fraternity amidst COVID times, IIA Inc. is providing facility to appear and give CIA exams online. Online testing will allow candidates to take the CIA certification using their own computer from any place (home, office etc.)

2. How would the set-up of exam@home look like?

Online CIA exams would be conducted through Person VUE's OnVUE online proctored exams platform. It would allow you to take an exam from the confirm of your home or any other place while being monitored by an offsite proctor through webcam.

Refer Pearson VUE Online Proctor Page for more details.

3. What would be the system/technology requirements for appearing in the online CIA exam?

The detailed procedures and system requirements for the online CIA exam are listed on the IIA website. The three primary requirements are:

- Quiet and private space
- Reliable system with a Webcam
- Strong Internet Connection

Refer to IIA's CIA Online Exam page for details.

4. Is there any additional fee for the CIA online exam?

No, there is no additional fee for the online exam.

5. How will I be notified about the CIA exam results?

After 24 hours of completion of your online exam, a system-generated email will be sent to you by IIA notifying available of the exam score. It can also be accessed from the CCMS (Certification Candidate Management System)

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LET'S HEAR FROM CIAs
THOUGHTS...EXPERIENCE...ADVISE...!!!

Kaushal Mehta

CIA, CAIIB, Certified Six Sigma Black Belt, Certified Manager of Quality and Organization Excellence, Certified Master Black Belt, MBA(Finance)
Vice-President, RIL

As a professional who has the responsibility to strengthen Governance mechanism, I looked at CIA Certification as vital in helping align my understanding of critical areas like auditing practice and risk management with international standards.

Working towards my CIA, along with my existing work responsibility was definitely a challenge, but it went a long way to demonstrate a commitment to ongoing professional development. One important factor contributing to success in CIA is inspiration and encouragement which the CIA fraternity can extend to the aspirants.

After an 18-month journey, when I cleared my Part 3 paper, I was elated to be part of the elite, globally recognized Internal Audit certification programme. I am sure CIA certification has now equipped me with a better understanding of Internal Audit concepts and help me achieve my objectives more effectively.

Swetha M.S

B.Com, CIA, PGDBA (Symbiosis Center of Distance Learning)
Manager-Internal Audit, Ocwen Financial Services Pvt. Ltd

I was made aware of CIA after I joined Ocwen as an Internal Auditor, and that is how I began pursuing it. While the first 2 parts were relatively easier, the third one was challenging, and when I cleared it last year, I was overjoyed. Along with the study material, MCQs and on job experience; I attended various webinars conducted by IIA India, which helped me in clearing exams. These webinars provide insight into current trends in the industry and how internal auditing needs to change with changing environment, which is very useful.

Tushar Swain

CIA, MBA (Finance), CA(Inter), CWA(Inter), BCom (Hons)
Internal Audit Practice Manager, HP Inc.

I have 15+ years of experience in Internal Audit, Accounting and Compliance. I had an incredible journey in CIA. Before starting off the certification, I was not sure about the contents and was thinking that it will be like the audit chapters studied in my other accounting qualifications. I was surprised by the contents and the detailed level of testing in the examination, which makes you fundamentally clear about the Internal Audit profession.

I started the certification post joining Internal Audit and enjoyed studying as I was able to relate it to my daily job. When I joined in Internal Audit team of my organization, I was given necessary training and resources to follow Internal audit practice guidelines. Although, I was following the guidelines diligently but was not able to understand it's relevance entirely. The certification helped to understand the practice and the requirements of various audit life cycle guidelines in a much better way. I got a better understanding of risk, controls and governance. This certification really helps me in my career as it is globally recognized, and I have gained more confidence while performing in my job.

S S N Badya

CIA, CISA, ACS, FCA, CPA (US) I
International Liaison Partner, Crowe Horwath

Even though I came across CIA course during 2016 and found it to be interesting, I could take the exam in 2019. The exam tests one's knowledge and concepts, and it isn't easy to pass the exam unless one is strong in concepts. CIA has enhanced my knowledge, particularly in the field of internal audit and added value to my profession.

Monica Lim
Managing Director,
Goldman Sachs

EVERYTHING IN LIFE HAS TO HAVE BALANCE

Monica Lim is Managing Director and Head of Internal Audit at Goldman Sachs in Bengaluru. She also worked in the audit and advisory practices of KPMG in Singapore. She is a member of the IIA Singapore and the Institute of Singapore Chartered Accountants.

It was a significant milestone in my career to be named a managing director in 2017 as I did not think it as an achievable promotion when I joined Goldman Sachs in 2006 as a lateral hire. As I look back into my career journey, there were a few key insights that I continue to hold onto as I continue to manage my professional and personal life.

1) ALLOW YOURSELF TO AIM HIGH

When I started at Goldman Sachs, being promoted as a managing director was a distant dream. As such, I tend to defer myself when there were more senior persons in the room and automatically assumed a more junior role in a project or in a meeting. However, once I was convinced about my capabilities to be considered for promotion, I noticed that my behaviour naturally evolved. I became more assertive and confident to talk about my career progression with my managers, and in return, I received clearer directions on what were the behaviours and competencies I needed

to demonstrate and work on to support my eligibility. The transition journey in my mindset was enlightening and motivating.

2) DO NOT COMPROMISE ON YOUR IMPORTANT PERSONAL PRIORITIES AND VALUES

Every individual must identify and fiercely protect one's key personal priorities. If you do not take care of your key priorities, you cannot bring your best self to work. This could be taking care of your health, making time for your passions, and having quality interactions with your family and friends. In addition, if you do not align your actions with your values, or you are compelled to behave in a way that is not aligned with your values, you will not be able to bring your authentic self to work.

Personally, I need to take care of myself and having quality time with my mother in Singapore. As such, while my work schedule is busy, I make efforts to plan and block my vacation a year in advance to visit my mother and for my personal travels, and also block time in my calendars every week for my hobbies and personal care.

My favourite inspirational quote is by one of my favourite salsa dancers, Johnny Vazquez.

> "*Live for a cause, not for applause. Live to express not to impress. Don't strive to make your presence noticed; just make your absence felt.*"

He said:

This quote aligns with my values, how I want to live my life and leave my legacy.

3) BE WILLING TO LET GO OF YOUR PAST SUCCESS

One important lesson I learnt during my career was to let go of past success so that you can receive new successes. There is a tendency to hold on to a function or an initiative that you have proven success track record and had been positively recognized on. However, these old successes become your stumbling blocks for future growth as you will not have the capacity to take on new stretch assignments and opportunities, and showcase your versatility and your potential.

4) CREATE "THINKING-TIME" REGULARLY

It is easy to lose track of where your career or your personal life is going as our brains are crowded with daily tasks, ad-hoc issues and even social media. If you do not create time to reflect and think about where you are now and determine the next steps, you inhibit yourself from achieving your goals and the life you would want to live, as you are not spending your time and your resources productively for yourself. I have observed various senior leaders who religiously blocked time in their calendars regularly for thinking and reflecting so that they can assess and determine the strategies to bring their teams to the next level.

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DON'T JUST WISH BUT WORK FOR IT

BRIEF INTRODUCTION.

Presently working as Director, Financial Planning and Analysis (FP&A) at Fidelity International and has diverse experience in the various finance profiles.

WHAT EMPLOYMENT GOAL(S) DID YOU ACHIEVE?

I currently head the FP&A shared services team in India. We work closely with the various leadership teams to formulate the business's medium to long term strategic plans. I am responsible for managing and developing multi-disciplinary and matrix teams to optimize the operating model. I also partner with the global stakeholders of HR and General Counsel to provide support in decision making and delivery of management reports.

My significant professional accomplishments have been the following:

COMPLEX CORPORATE DEALS:

I have led complex corporate deals in the past. I was a core member of the team involved in the sale of Fidelity India AMC to L&T Holdings to contribute to the right deal value,

Anuja Bhargava
Director, Financial Planning and Analysis, Fidelity International
Anuja.Bhargava@fidelity.co.in

money movement, and tax implications on the organization.

As the Finance head of Old Mutual, I led the strategy formation to enter the Indian market for asset management and distribution. However, this could not take off due to capital adequacy at a global level. I then led

the shutdown of the India office with least exposure to the company and its employees.

DEVELOP SECOND-GENERATION LEADERS:

By building strong, high-performing teams, I have been able to think differently and focus on several strategic initiatives. I have consistently endeavoured to inspire and motivate team members to help them achieve their goals.

WHAT KEEPS YOU GOING?

The big smile on my daughter's face when I tell her about my achievements! To show her appreciation, she pastes a small star on my hand. These stars on my fist are not just stars, to me, they are kind words of support to that say – "Go mummy, go! I am here supporting you!"

HOW DID YOU OVERCOME INITIAL MINDSET CHALLENGES?

Well, I was blessed to be born in a family that treated girls and boys as equals and did not differentiate in what could be the goals for either gender. I was allowed to work, even crazy hours, while I was auditing and pursuing my dreams.

However, I did deal with fixed mindsets of peers, bosses, and not to mention my juniors as well when I started my corporate career. There was always a question in my peer's eyes - will she be competitive enough? My boss speculating - will she get married and leave the project I assign to her? My juniors wondering - will I be strong enough with my male colleagues to get them a fair chance of success?

Even after a lot of corporate programs, awareness initiatives, and the world talking about D&I, I keep hearing these unconscious biases that people have and how they become obstacles for women at work.

I have dealt with these unconscious biases through a two-pronged strategy:

● Actions speak louder than words - Keep doing the right thing. Do not get bogged down by what others think and focus on achieving your goals. While I say actions speak louder than words, everyone will not have an opportunity to look at the actions, so do not feel shy to showcase your work at the right time and setting, to the right people.

● You are not a pizza, and you cannot make everyone happy - I read this on a poster when I was younger on someone's desk. I think I internalized it! There will be people who will not like you, not believe you. You have to realize that it is ok. You do not have to win everyone's heart to be successful. Find the right sponsors for yourself and people who would like to work with you.

WHAT WAS THE MOST CHALLENGING PART OF YOUR JOURNEY TILL NOW?

The biggest challenge for any professional is the ability to adapt to the latest technologies, environment, and culture consistently. It is vital to accept things as they are because it is true that nothing is constant except change. Things will change, whether you like it or not, be ready to mould yourself to adapt to it.

WHAT IS YOUR LIFE'S SUCCESS-MANTRA? ANY INSPIRATIONAL QUOTE ETC.

I firmly believe that 'we rise by lifting others'. A study by Forbes says high-performance teams are a group of people who share a common vision, goals, metrics, and then go ahead to collaborate efforts, challenge each other, and are accountable for achieving outstanding results. Early in my career, I understood the value of investing in a team; a high-performing team will always deliver results, and it can only be built by:

- Taking people along in the journey and ensure they grow with you.

- Ensuring high energy and enthusiasm keeps the team inspired and motivated towards achieving their goals.

- Building a trusting and loyal team makes it easier to deal with pressing matters like conflicts and objective issues, among others. Things are discussed openly, and the team is confident in taking risks, creating innovative ideas, and achieving results that matter and make a real difference.

- Shared vision leads to synergy towards achieving the goal. Team dynamics shape the team's character, thus enabling them to achieve extraordinary things.

Tips would you like to give other women who want to achieve higher goals; Moment of proud in your journey?

Here are a few insights I would like to share:

Believe in yourself: If you notice, successful people genuinely believe that they can achieve their goals. You must push away the negative thoughts, and think about the positives. You have to make things happen for you!

Never give up: The other thing which I would advise is - never give up. Keep trying and pushing ahead - failures and discouragement are a part of learning; do not stop.

I genuinely believe that the world recognizes people who do not give up. People stop being obstacles on your path. Eventually, all your determination will pay off.

Share any behavioural attribute which you think makes a person more productive and successful.

Having seen and interacted with a lot of successful people, I have observed that all successful people have 'ambitious goals'. The process of goal setting is very personal and unique to everyone, and I have seen people making varied types of goals. Setting goals and an ambition to pursue them helps you to stay focussed, learn new traits/skills to achieve the goals.

OUT OF THE BOX

KURMA AVATAAR

In continuation of the Dasha Avataar series, today I delve upon the Second Avataar of Lord– The Kurma Avataar (viz the Tortoise). Tortoise, as we know, is an amphibian and can survive both in water as well as land thereby signifying the evolution from Fish (Matsya Avataar) discussed in my previous note (the first in this series).

In every organization, there comes a time when certain procedural and operational crisis is witnessed, calling for an immediate and a large-scale focus to rectify the same. The crisis could be in form of Disputed Customer/ Vendor Balances, Non-Traceability of Distributed Assets etc. These may come to Management knowledge thru regular operation reviews of through Audit Observations viz high scale of Customer / Vendor open line items, low productivity of assets so on and so forth.

So the question of what role should an Internal Audit play in these situations or what avatar should he do.

In the epic war (problem in our current context) between the Asuras (inhabitants of the Netherworlds) and the Devas (dwellers of the Heaven), the churning of ocean was

Sivaram Subramoniam

Head Of Internal Audit at Titan Company Limited

supposed to be a Project to generate nectar to provide a competitive edge to the Devas.

When this Project of the ocean being churned was undertaken, various people gave support - Mount Mandar and Vasuki the Snake was used as the Churning Rod and the Churning rope respectively. Still the Project was not moving ahead because the Mountain was slipping down. This is a typical feature of any project failing for not having been resourced adequately.

This is the time when the Internal Auditors should reach out to the management and act as a support, viz. the Kurma Avatar. The Kurma Avataar allowed the Churning Rod to stay afloat by providing the support and thereby facilitate the Churning rope to turn and twist the Mountain to allow proper churning.

So while the IT can act as the Churning Rod and provide the necessary tools and the Operations can act as the Churning Rope, Internal Audit provides the right kind of support by giving ideas on the analytics, tasks and checks to be performed to get the valid and required output.

Therefore the Auditor who:

- Knows the problem
- Understands the Root Cause
- Resources the Team which

- Manifests the skill sets to
- Arrive at a logical conclusion

Takes the KURMA Avataar.

So when you see a challenge in the Company, be it strategic or operational, do not hesitate, roll up your sleeves and be proactive to give the support to your Business. Of course, you may need to take your Audit Committee's approval for the same

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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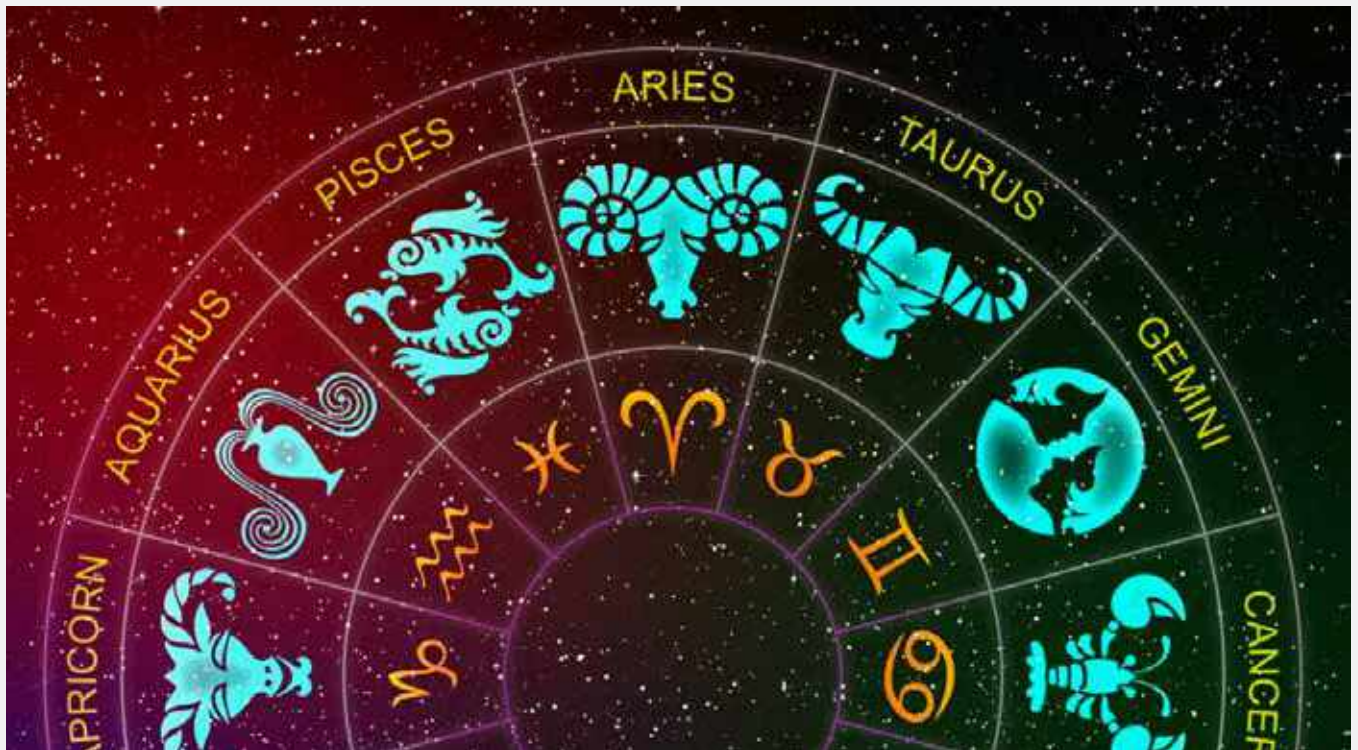
PROFESSIONAL EXCELLENCE THROUGH ASTROLOGICAL GUIDANCE

In continuation to my last article on 'Astrology - Common Myths' published in 'Internal Audit Today' magazine September 2020 edition, I unfold and share with you select criteria on how astrology can provide direction to attain professional excellence. Ever wondered how so many people born at the same date, time and place have different destinies. There is a concept 'DKP' (Desh, Kaal, Patra) briefly explained below which answers this to some extent as we cannot discount the importance of Karma (which gets signified by placement of Moon in a natives birth chart):

Desh (D): Culture and practices prevalent in a Country (Desh) has an influence on an individual destiny. In a developing economy perhaps most of the times one perceives a low profile job (blue collar) will be performed by not so educated native unlike in some developed economies where the perception may be otherwise.

Kaal (K): The Samay (Kaal) an individual has taken birth on earth. Whether native is born in 16th century or 20th century

Sidheshwar Bhalla
Qualified 'Jyotish Acharya' from Bhartiya Vidya Bhavan Delhi

and so on. Example: What career prospects a native can expect today (post Globalization in India) would perhaps not have been possible say in 1970's or 1980's.

Patra (P): The family background of the native (Patra). Results of similar yogas (certain specific planetary combinations in a chart) get influenced on the family background of the native.

Before elaborating on this topic further, let me highlight the derivation of the word 'Astrology'. 'Astrology' is a branch of Veda (Vedanga). 'Astrology' is derived from the words aster (stars) + logy (language) which means that 'Astrology' is 'Language of Stars'. Thus, astrology is science of stars and an art where the astrologer is expected to interpret. Same way as a Medical Doctor would study symptoms, diagnose and recommend treatment.

Below is a generic birth chart that will enable us understand what should be considered to seek direction to attain professional excellence through astrological guidance:

D – 1 (Lagna Chart)

House 2 — money matters, gain or loss

House 12 — expenses, fraud, debts, secret enemies

House 3 — mental inclination, intellect, courage

House 1 — honour, dignity, prosperity, struggle for life

House 11 — Ambitions, success in undertaking, profits

House 4 — academic education, sukh sthan

House 10 — name, fame, success, status, respect, reputation, promotion, profession

House 5 — higher education, wisdom

House 7 — business, partnership, foreign land

House 9 — fortune, long journeys

House 6 — service, employees, subordinates

House 8 — misery, misfortune, disgrace, dejection

The aforesaid chart is highlighting select significations (Karka) of each house which may be considered while analysing profession in a native birth chart. In addition the following illustrative points may be considered while analysing a horoscope in particular to seek direction for attaining professional excellence:

• lanetary combination in House 10. Example: audit is signified by Venus, accounting is signified by Mercury, management is signified by Jupiter and so on.

• Planetary influence as per Vimshottari Dasha which the native is undergoing and

the placement of those planets in D-1 chart of the native.

- Planetary influence as per transit (current position of planets) on D-1 chart of the native. Here, the role of Saturn and Jupiter takes prominence.

- Yogas formed (certain specific planetary combinations in a chart) in D-1 chart.

- D – 9 chart (Navamsa) to estimate the strength of planets and also to assess their auspiciousness.

- D – 10 chart (Profession) of the native. Particularly House 10 in D-10 chart.

- Number of points in House 6 (service) & House 7 (business) as per Ashtakvarga

calculation. The native will benefit in service or business depending on which house has more strength (points).

- Number of points in House 10 & House 11 as per Ashtakvarga calculation. The native will have chances of better returns from Karma in case House 11 has more points compared to House 10.

It may be noted that position of planets, their aspects, inherent results (malefic, benefic), strength of planets and combinations which they form in various Houses in the native birth chart has to be analysed and interpreted collectively. Based personal experience, I can safely say that meditation by an Astrologer plays a significant role.

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Think Out of the Box
Something Interesting

Short Story · Drawing
Anecdotes · Painting
Jokes · Poetry
Quotes · Puzzle
Sketch · Photography

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ASHA BHOSLE SKETCH

by **Nikhil Kenjale**

निखिल केंजळे
५ सप्टेंबर २०२०

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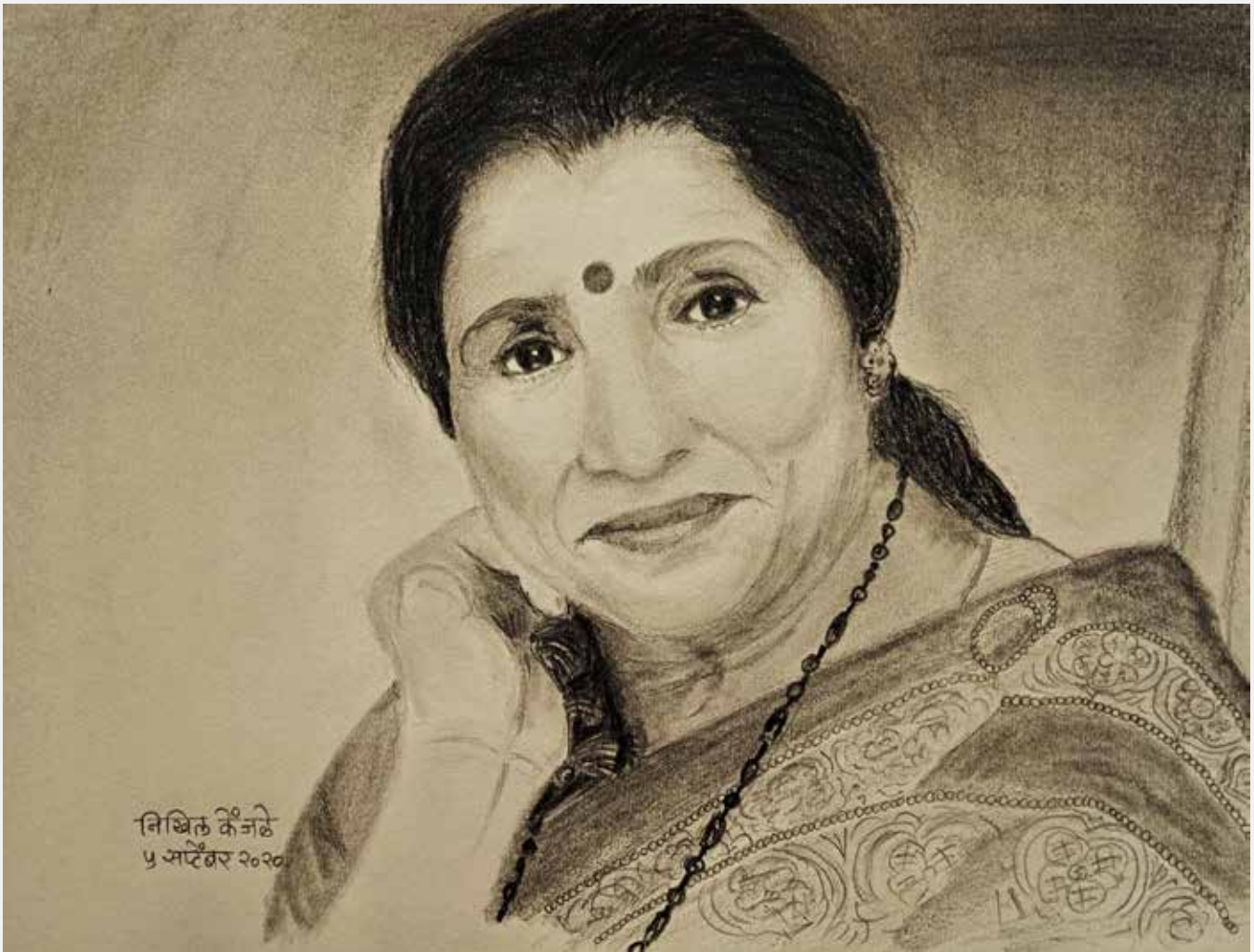
BIRDS ALL AROUND

Photography by **Nikhel Kochhar**

MANDALA SKETCH

by **Sunali Gupta**

BEAUTIFUL SKETCHING

by **Divya Chugh**

LAUNCH OF IIA INDIA JAIPUR AUDIT CLUB

One more step has been taken to achieve the mission of IIA India to advocate and promote the internal audit profession. 26th September, 2020 - the iconic date when IIA Delhi Chapter spreads its wings, achieved another milestone and successfully launched the IIA Jaipur Club.

The launch of the IIA Jaipur club happened in the presence of Thiyagarajan Kumar – President IIA India, Nikhel Kochhar – Chief Advisor IIA India, NG Shankar – Member Professional Certification Board The IIA, Inc., Sidheshwar Bhalla - President IIA Delhi Chapter, Saket Mehra - Vice President IIA Delhi Chapter, Bharat Garg - Secretary IIA Delhi Chapter, Rajiv Puri - Treasurer IIA Delhi Chapter and new and prospective members of IIA Jaipur Club.

Sana Baqai is appointed as President of IIA Jaipur Club and Apoorv Mathur is appointed as Secretary of IIA Jaipur Club.

Sana Baqai
President, IIA Jaipur Club

Apoorv Mathur
Secretary, IIA Jaipur Club

'MEMBERSHIP - HALL OF FAME'

THE INSTITUTE OF INTERNAL AUDITORS INDIA

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.

Upcoming Online TRAININGS WEBINAR

S. No.	Date	Time	Topic	IIA India/ Chapter/ Club	Type of webinar	Speaker (s)	Fees-IIA Member (in Rs.) +GST	Fees-Non IIA Member (in Rs.) +GST	Payment Link/Webinar link
1	07th Oct	4:00 pm to 5:00 pm	Conversation between CFO and CAE	Bangalore	Free	Mr. S Subramaniam & Mr. Sivaram Subramoniam			https://attendee.gotowebinar.com/register/3120029580443308043
2	08th Oct	4:00 pm to 6:00 pm	Webinar on 'Reporting on Internal Audit function under CARO 2020 - Various Aspects"	Bombay	Free	CA Himanshu Kishnadwala			https://attendee.gotowebinar.com register/8146505260515843851
3	12th Oct	5:30 pm - 7:00 pm	Internal Audit - Myth & Mythologies	Delhi	Free	Mr. Sivaram Subramoniam			https://attendee.gotowebinar.com/register/5502282050701242640
4	14th Oct	4:00 pm to 6:00 pm	Fraud Analytics @ Work	Bombay	Free	Mr. Deepjee Singhal & Mr. Jairam Rajshekhar			https://attendee.gotowebinar.com/register/3280519795192131853
5	15th Oct	5:30 pm - 7:00 pm	Financial Risk Management - Role of Global Treasury function'	Delhi	Free	Mr. Saurabh Batra			https://attendee.gotowebinar.com/register/1372603238168328461
6	16th Oct	6:30 pm to 8:00 pm	Automating & Audit of Controls in Internal Audit.	Madras	Free	Mr. Ramachandran Karthik			https://attendee.gotowebinar.com/register/2722323030422181644
7	17th Oct	4:00 pm to 6:00 pm	Webinar on Risk Management in International Taxation	Calcutta	Paid	Mr S Kalyansundaram	300	450	https://www.townscript.com/e/Role-of-Internal-Auditor-in-International-Tax-Risk-Management
8	22th Oct	4:00 pm to 6:30 pm	Online Training on Tools & Techniques for New Internal Auditor -Session I	IIA India	Paid	Mr. Deepak Wadhawan	1000	2000	https://www.townscript.com/e/webinar-on-tools-techniques-i-new-internal-auditor
9	23th Oct	4:00 pm to 6:30 pm	Online Training on Tools & Techniques for New Internal Auditor -Session II	IIA India	Paid				
10	24th Oct	4:00 pm to 6:30 pm	Online Training on Tools & Techniques for New Internal Auditor -Session III	IIA India	Paid				
11	27th Oct	6:30 pm to 8:00 pm	Emerging Risks in Supply Chain Management	Madras	Free	Mr Badhrinath Kidambi			https://attendee.gotowebinar.com/register/1001868807929465356
12	30th Oct	5:15 pm to 6:30 pm	Webinar: Raising the Bar - The Role of Internal Audit in Fraud Risk Management	IIA India	Sponsored				Register Now

Note : For offline payment (otherwise than Townscript link) , Rs. 500 per perticipant will be charged extra for each training
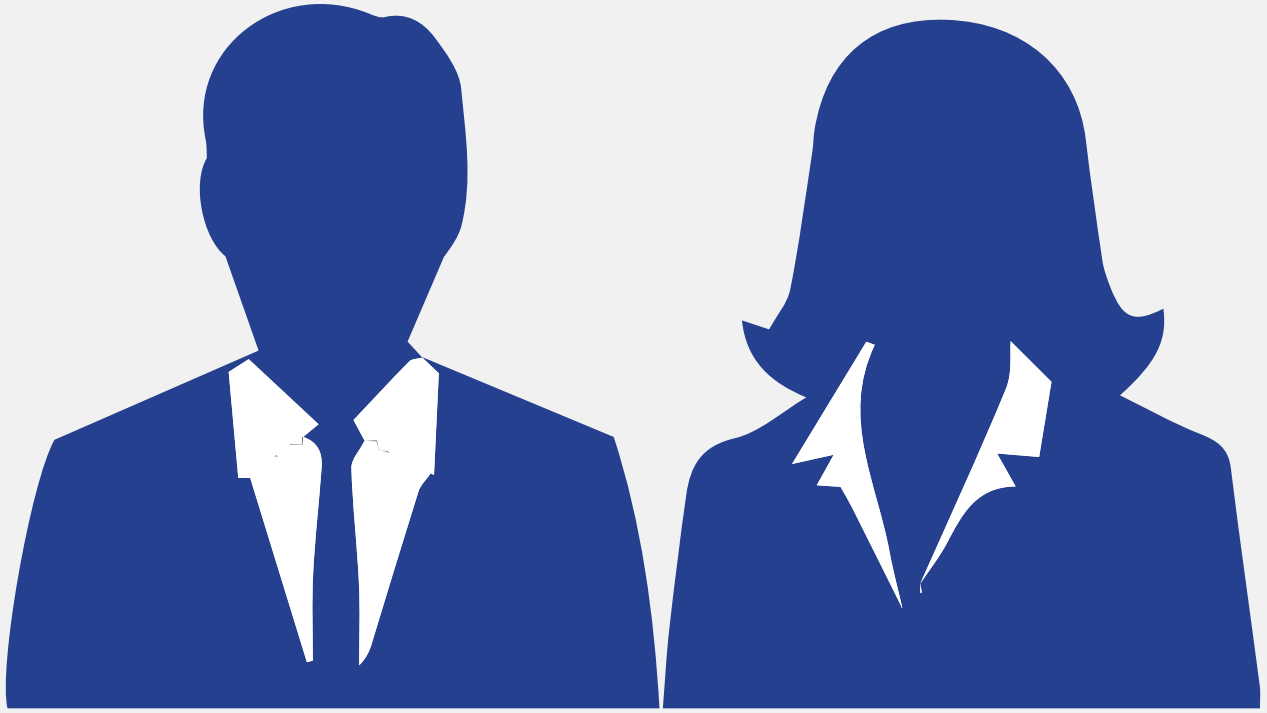
JOBS IN INTERNAL AUDIT

Designation	Company Name	Min-Max Exp	Location	Bitly
Finance Manager/ Internal Auditors	Lulu International Shopping Mall Pvt Ltd	4-9 yrs	Delhi NCR, Dubai/ UAE, Kochi	https://bit.ly/36Am7Hb
Senior Internal Auditor	Snaphunt	4-8 yrs	Mumbai	https://bit.ly/33wmvEJ
SR INTERNAL AUDITOR	Extreme Networks India Pvt Ltd	3-7 yrs	Bangalore	https://bit.ly/3llPdy3
Internal Auditor	D.Y. Patil Medical College	2-5 yrs	Pune	https://bit.ly/36xEvRb
Internal Auditor	JoulestoWatts Business Solutions Pvt Ltd	1-4 yrs	Chennai, Pune, Delhi NCR, Mumbai, Bengaluru, Gurgaon	https://bit.ly/2StCjBI
Internal Auditor	Hire Technologies	4-7 yrs	Pune	https://bit.ly/2Sv7OLR
Internal Auditor	INFO Properties	3-4 yrs	Guruvayur Guruvayur	https://bit.ly/2SvqiMd
Asst. Manager / Manager - Internal Auditors	SPi Global	2-7 yrs	Chennai	https://bit.ly/2HQXeN5
Internal Auditor (NBFC)	Aneja Associates	2-5 yrs	Mumbai	https://bit.ly/36C9U4I
INTERNAL AUDITOR	Apeejay Education Society	5-10 yrs	Delhi	https://bit.ly/3npV8V0
Sr. Manager - Sox Compliance Bangalore	Yellow Box HR Services Pvt. Ltd.	7-12 yrs	Bangalore	https://bit.ly/3nq5t3g
Internal Auditor	Magpie Global Limited	5-10 yrs	Mumbai	https://bit.ly/34vDPJg
Internal Auditor	"Okay Paper Prooducts Pvt. Limited	5-10yrs	Mumbai	https://bit.ly/3nkGVbN
Internal Auditor	P. M. Relocations Pvt. Ltd	0-2 yrs	Across India	https://bit.ly/34t1DgP
Senior Audit Manager	Career Catalysts	7-10 yrs	Mumbai	https://bit.ly/3iy1vBW
Manager Internal Audit	STCI Finance Limited	5-8 yrs	Mumbai	https://bit.ly/3nlH9zo
Manager / Deputy Manager / SC / C3- Internal Audit Risk Advisory	Protiviti India Member Private limited	1-6 yrs	Mumbai	https://bit.ly/3iIEyfv
Senior Manager(qual CA's Only) SOX Compliance Bangalore. UK Shift	Yellow Box HR Services Pvt. Ltd.	7-12 yrs	Pune	https://bit.ly/36BsZ7h
Sr. Manager SOX Compliance(SOX Audit)	5M Consultants	10-20 yrs	Bangalore	https://bit.ly/2GJj04J

Designation	Company Name	Min-Max Exp	Location	Bitly
General Manager / Lead - SOX Compliance	Futurestep Recruitment Services Private Limited	10-15 yrs	Mohali	https://bit.ly/3jDU0e6
Senior / Lead Associate - SOX (Governance Risk & Compliance)	Strawberry InfoTech Private Limited	3-8 yrs	Delhi / NCR	https://bit.ly/2GE3VBB
Internal Audit and Compliance Analyst	TresVista	0-1 yrs	Pune	https://bit.ly/34xAYiY
ASSISTANT MANAGER INTERNAL AUDIT	ATC Telecom Infrastructure Private Limited	1-3 yrs	Gurgaon	https://bit.ly/2Su34WG
Assistant Manager- SOX	Flipkart	4-7 yrs	Bangalore	https://bit.ly/3nlun3H
Assistant Manager - Audit	Pearson Education Services	3-7 yrs	Noida	https://bit.ly/2GC4Tyi
Senior Associate - SOX	Flipkart	3-5 yrs	Bangalore	https://bit.ly/2Ssk5Rk
Senior Manager - Compliance and Internal Audit	CBRE South Asia Pvt Ltd	5-8 yrs	Delhi NCR	https://bit.ly/30BMTv7
Senior Manager - SOX	Technology Shared Services Center of Global Telecommunications Firm.	8-12 yrs	Bangalore	https://bit.ly/36yf8Pb
General Manager - Audit Analytics	FINCARE SMALL FINANCE BANK LIMITED	7-10 yrs	Bangalore	https://bit.ly/3nlURCm
Senior Manager - Internal Control & Compliance - CA	Perfect Placers	5-8 yrs	Delhi NCR	https://bit.ly/30U2x5l
Manager, Internal Audit	Xceedance	5-10 yrs	Delhi NCR	https://bit.ly/3jGR5Bq

ANSWER TO CIA QUIZ
Q1.D • Q2.D • Q3.D • Q4.D • Q5.B

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Chennai	9884716160	madraschapter@iiaindia.co
Delhi	9650002331	delhichapter@iiaindia.co
Hyderabad	9391690256	hyderabadchapter@iiaindia.co
Kolkata	7980586848	calcuttachapter@iiaindia.co
Mumbai	9326652393	bombaychapter@iiaindia.co
IIA India	8287359493	Coordination@iiaindia.co
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