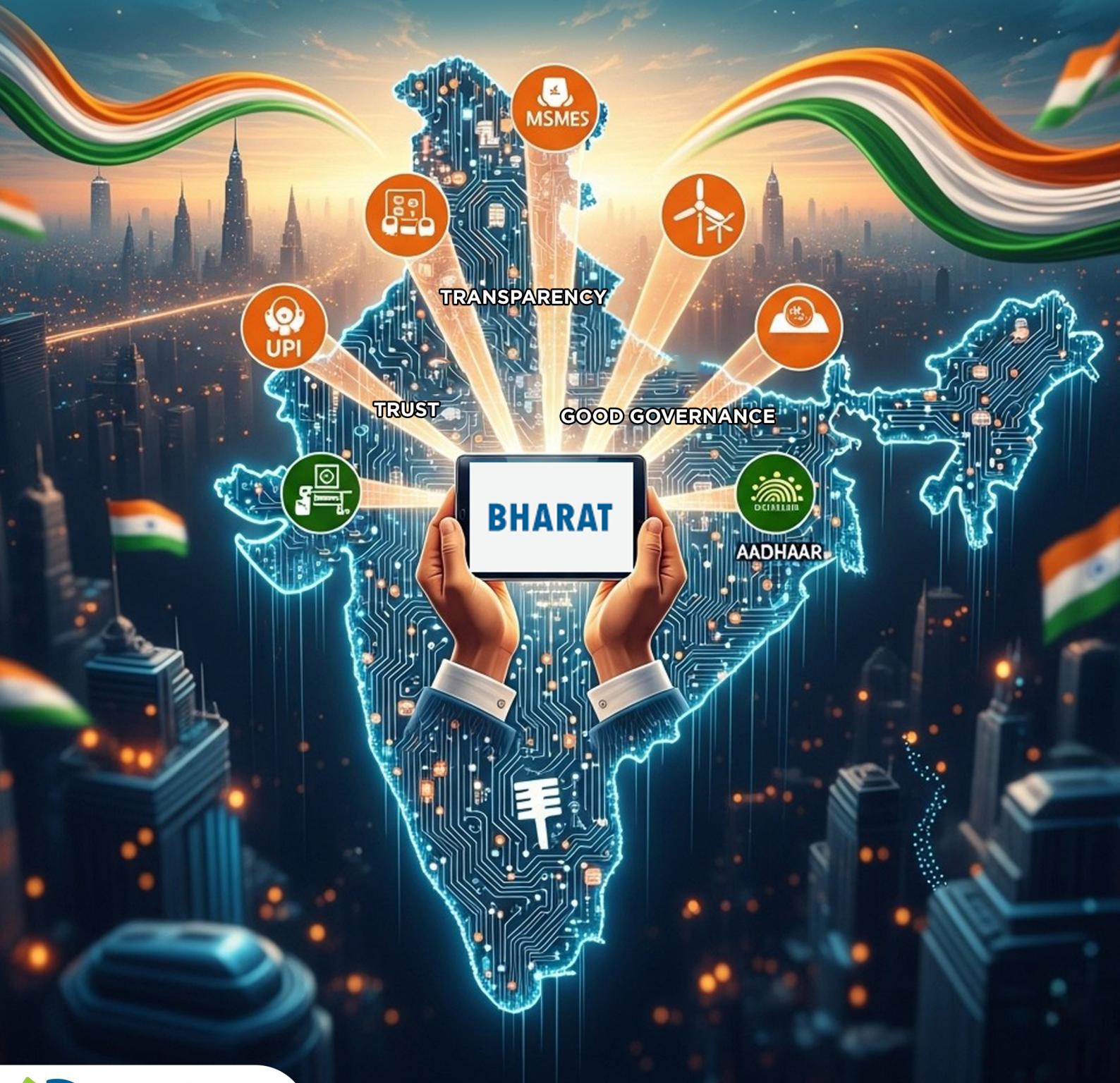


# INTERNAL AUDIT TODAY

MAGAZINE OF THE INSTITUTE OF INTERNAL AUDITORS, INDIA

## Enabling Aatmanirbhar Bharat

Empowering Audits, Empowering Nation



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# Emerging Minds Students' Forum





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# The Unsung Pillars of Aatmanirbhar Bharat

By Harshal Mokashi & Saloni Verma

Scholars – Global Risk Management Institute

As India strides confidently towards the vision of Aatmanirbhar Bharat, national conversations typically revolve around visible indicators of progress—manufacturing capacity, infrastructure investments, digital innovation, and startup ecosystems. Yet, behind every thriving sector lies an often-overlooked pillar: the audit profession. Auditors do far more than verify financial statements. They safeguard public trust, enforce accountability, and ensure that India's economic foundation remains transparent and credible. For a nation striving for self-reliance, building a robust, homegrown audit ecosystem is not just desirable—it's essential.

## A Paradox of Talent and Dependence

India has long been a powerhouse of audit talent. Chartered Accountants trained in India occupy leading roles across international firms, set global standards, and advise multinationals. Yet ironically, most large Indian corporations, including over 70% of NIFTY 500 companies, continue to rely on foreign audit networks—particularly the Big Four and their subsidiaries.

This disconnect is not a reflection of a talent deficit. Rather, it stems from legacy contracts, limited global visibility of Indian firms, and an infrastructure gap that hinders them from scaling to serve complex, multinational clients.

## Why Homegrown Auditing Matters

The argument for strengthening India's domestic audit ecosystem extends beyond professional pride. It is a matter of strategic necessity. In sectors like infrastructure—where over Rs. 111 lakh crore is projected to be spent under the National Infrastructure Pipeline—auditors play a crucial role in governance. When these audits

are conducted by Indian firms, they bring regional familiarity, nuanced understanding of local regulations, and a deep commitment to national interest.

The audit function is evolving too. The Securities and Exchange Board of India (SEBI) now mandates ESG (Environmental, Social, Governance) disclosures, requiring auditors to evaluate non-financial data as rigorously as balance sheets. This widens the scope of what an auditor must understand—and further underscores the need for firms rooted in Indian realities.

Perhaps most pressing is the issue of data sovereignty. When international audit firms review sensitive corporate data, questions naturally arise about national cybersecurity and information control. A domestically led audit sector aligns more closely with India's broader push for digital sovereignty and economic independence.



## Encouraging Winds of Change

There are signs that this transformation has already begun. The Institute of Chartered Accountants

of India (ICAI) has proposed reforms to enable smaller firms to merge, creating larger entities that can compete with global players. The Ministry of Corporate Affairs has launched MCA21 Version 3.0, a digital governance platform that gives auditors real-time access to company filings—making the audit process more efficient and transparent.

At a policy level, Union Minister Piyush Goyal has gone a step further, outlining a bold vision for India to create its own globally capable “Big Four” by 2047—firms that are locally rooted but internationally respected. These are not symbolic aspirations; they reflect a strategic commitment to national audit capability.

### What Comes Next?

If India is to realize this vision, several steps are crucial. First, firm consolidation must be meaningful, built around complementary strengths such as technological capability, industry expertise, and geographic reach. Second, Indian auditors must invest in emerging skill areas—data analytics, forensic auditing, sustainability assurance, and cybersecurity.

Engagement on the international stage is also vital. Indian audit firms must not only adhere to global

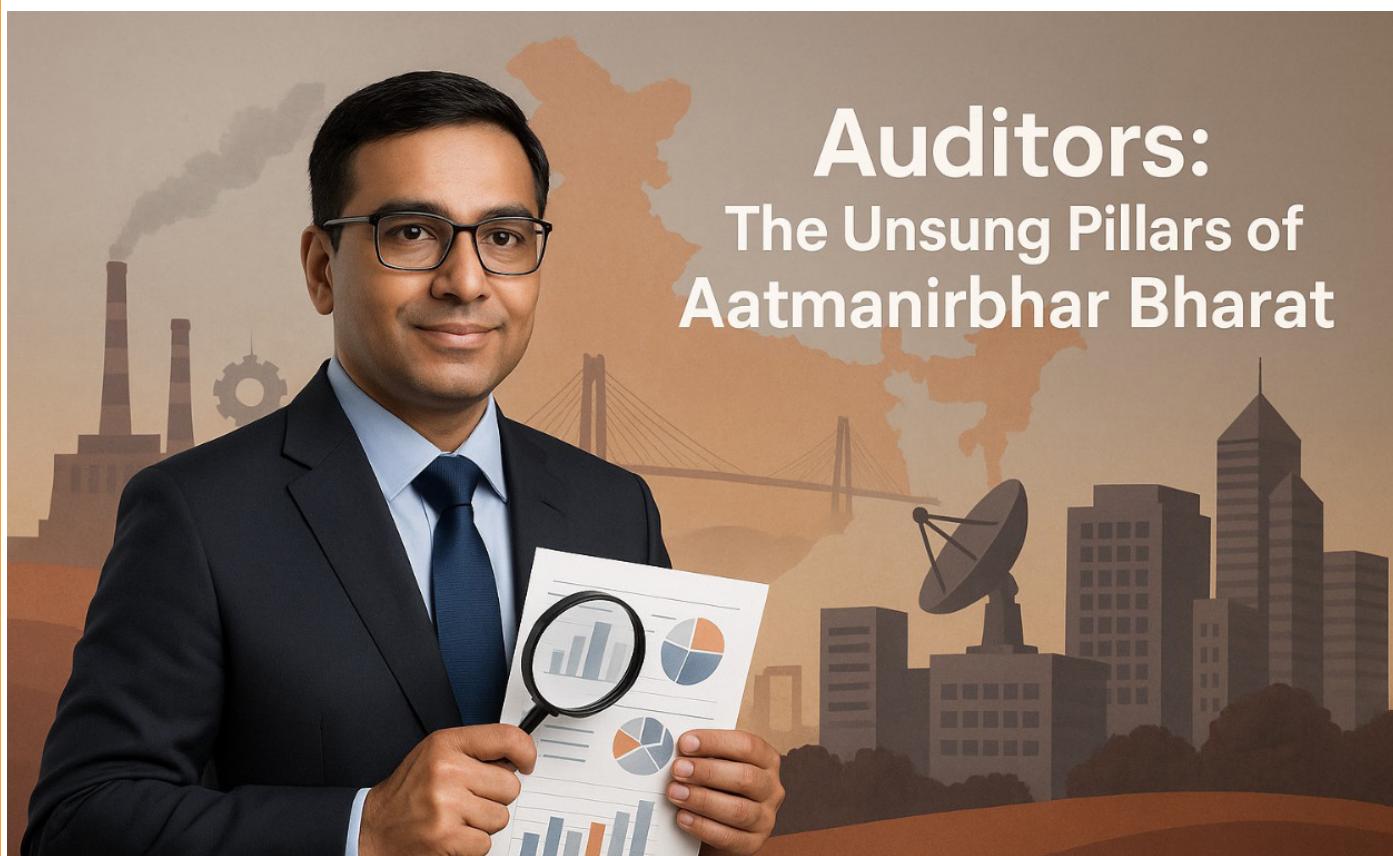
standards but participate in shaping them, through active involvement in international forums and working groups.

Finally, the government can play a catalytic role. Public sector audits—particularly those involving large infrastructure or service projects—should be entrusted to qualified Indian firms. This not only builds capacity but also signals trust in domestic expertise.

### Reimagining the Role of Auditors

As factories expand and digital services multiply, India’s economic future will hinge not only on output but on credibility. That credibility is protected and preserved by auditors. They are the guardians of truth in a system that depends on financial accuracy, ethical disclosure, and operational accountability.

Aatmanirbhar Bharat isn’t just about building in India. It’s about believing in India—and that belief must extend to those who validate our financial systems. By investing in a strong audit ecosystem, India reinforces the institutions that ensure our progress is real, responsible, and resilient.



## Auditors: The Unsung Pillars of Aatmanirbhar Bharat



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# The Use Of Automation In Internal Audit Processes

**Harshit Arora & Priyanshu Soni**

Scholar – Global Risk Management Institute(GRMI)

## Overview: making the switch to audit automation

### Why digital transformation is essential in routine and standard audits

Internal audit is evolving rapidly. Traditional, manual auditing methods are becoming increasingly inefficient and prone to human error. As businesses scale and data volumes grow, the need for more efficient, accurate, and compliant audit processes has become critical. Digital transformation is no longer optional—it is essential.

### Review of new technologies in auditing

With the emergence of advanced technologies like robotic process automation (rpa), data analytics, and artificial intelligence (ai), internal audit has gained new tools to enhance speed, accuracy, and risk visibility. These innovations are transforming internal audit operations from reactive to strategic.



### Fundamentals of internal audit procedures and its challenges

### The audit lifecycle key steps

The audit lifecycle typically includes planning, fieldwork, reporting, and follow-ups. While each

phase is crucial, manual execution often causes delays and inconsistencies.

### Important manual audit limitations

Manual audit tends to encounter some challenges such as:

- obtaining data for a very long period and their analysis
- general difficulty to keep a track of any change or modification in documentation
- limited data storage or insufficient data for effective analysis of large datasets

These are the areas that may affect the overall success of audit process, which will result in lost insights and added risk

### Robotic process automation(RPA) function

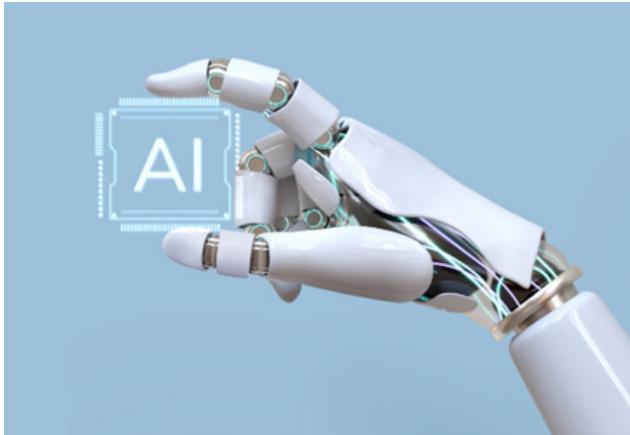
### What is rpa and how it works in auditing

rpa uses software robots to automate routine, repetitive tasks. In auditing, it can extract data, generate reports, and verify compliance—freeing auditors to focus on strategic work.

Applications in audit include:

- Automating account reconciliations across multiple systems
- Matching transactions to pre-defined standards for anomaly detection
- Accelerating audit procedures while reducing human error





## Examples of rpa usage in carrying out routine audit tasks

Rpa can be applied to automate account reconciliation by deriving data from numerous systems and matching it with pre-existing standards. This can assure a higher level of precision in the identification of discrepancies as well as accelerating the procedure

Rpa for example can be used to automate account reconciliation by extracting data from many systems and comparing it with predetermined standards. This guarantees a greater degree of accuracy in detecting irregularities in addition to speeding the procedure.

## Artificial intelligence (AI) and machine learning (ML)

Improving decision-making and risk assessment ai analyzes large datasets to uncover trends and patterns that reveal potential risks. This strengthens risk assessment processes and enables more data-driven decision-making.

## Predictive auditing & anomaly detection

ml algorithms can be trained to detect irregularities in financial transactions. This allows auditors to focus on high-risk areas, increasing the overall impact and efficiency of audits.

## Data analytics: smart audits' powerhouse data

Data analytics transforms raw, unstructured data into actionable insights. By applying analytical techniques, auditors can:

- Identify patterns
- Measure compliance
- Highlight areas for operational improvement

Dashboards and visualization tools provide real-time access to key metrics, enabling continuous risk monitoring and immediate response when issues arise.

## Case have an examine: automating inner audit at a worldwide monetary agency

### Information and demanding conditions in audit

An organization is coping with issues in internal audit divisions. There have been delays during their auditing cycle and records management have end up a problem for the organisation. Those disturbing conditions highlighted the need for a better audit mechanism. It became very clear to the institute that it can change the order gadget through the way it was completed, and it needed to change the accuracy and effectiveness of the inside of the corporation.

## Utilization of RPA, AI & records analytics

The company that implemented ai and record and analyse its analytics for growing their hazard evaluation and detection of these modification were changed or positioned in a way that in 2 or 3 years to alternate data seize. The business implemented ai and analytics for boosting or increasing evaluation and detection of these changes and by using rpa to automate records to capture and report this. Content technique is modified into simplified and accuracy has become superior through this technique.



There were three measurable results time financial savings accuracy and compliance and the one notification triggered 30% discounts and audit cycle time and better economic reporting and regulatory compliances it is it was said by the company those tangible results set up how precious automation is done in internal audit.

## Key achievement factors and schooling determined

As essential as technological investment is in development tradition, so is effective management, effective exchange management and continuous audit personnel training.

- Steps for introducing automation in inner audit
- Efficiently introduce automation in internal audit, organizations want to
- Determine contemporary techniques and become aware about regions for development
- Extend a clean method for era implementation
- Interact stakeholders at some point of the device to ensure purchase-in



## Upskilling audit businesses and managing cultural resistance

Implementing or fulfilling needs the audit companies must improve their skills. It is possible to

reduce obstruction and ensure an effortless switch to automated strategies by providing information on new technologies and encouraging a lifestyle that values commerce.

## What is subsequent: generative ai, blockchain

The future of internal audit lies in the adoption of next-gen tools like generative ai and blockchain.

These technologies promise to make audits even more transparent, secure, and efficient—redefining what audit excellence means in the digital age.

## Precise of benefits and key takeaways

- Automation improves audit speed, accuracy, and insight
- Rpa and ai allow auditors to shift from routine tasks to strategic roles
- Success depends on technology + leadership + training
- Emerging tools like blockchain and generative ai are set to transform the next decade of auditing

## Conclusion

Internal auditing is being changed by automation, which improves accuracy, efficiency, and risk management.

Auditors can go from manual activities to strategic decision making with the use of technologies like rpa, ai, ml, and data analytics.

A global case study shows the visible advantages which includes improved compliance and 30% quicker audit cycles. But more simple technologies are needed for success like effective leadership, education and cultural adjustment are crucial.

Even more audit transformation is promised as new tech like blockchain and generative ai to be in developing.

# Maze of Minds

Follow the clues & uncover the hidden answers

J	R	K	K	H	R	O	E	X	S	S	R	Q	J	G	S	W	C	V	I	E	K	V	R
K	E	Y	Z	W	Q	I	N	Q	Z	J	M	O	T	R	A	I	N	I	N	G	B	G	H
A	C	F	A	L	F	V	E	N	D	O	R	K	G	Y	P	K	W	F	V	N	E	P	B
K	R	Y	R	U	Y	N	Q	O	E	L	G	D	D	I	S	P	U	T	E	L	W	L	T
U	U	C	Z	V	G	P	J	N	P	G	D	V	M	H	S	H	B	X	N	A	X	M	Q
M	I	F	D	E	L	I	V	E	R	Y	F	L	I	A	B	I	L	I	T	Y	Z	A	Z
R	T	B	E	Q	S	M	I	O	I	Y	R	Q	C	N	V	I	R	X	O	C	K	U	X
U	M	D	V	V	W	P	U	R	C	H	A	S	E	O	R	D	E	R	R	R	M	D	V
L	E	V	E	L	S	J	B	S	I	J	W	Y	T	Z	N	I	F	B	Y	L	J	J	U
D	N	H	L	Q	N	E	S	T	A	C	K	H	O	L	D	E	R	Z	K	U	S	X	S
H	T	Q	O	A	B	M	V	S	T	V	O	O	P	F	C	G	X	B	B	M	Y	P	E
E	M	I	P	N	U	P	V	I	I	N	V	O	I	C	I	N	G	H	G	V	E	H	L
Q	W	Z	M	G	I	X	T	S	O	C	V	C	Q	O	L	S	C	V	P	Q	P	J	E
B	S	D	E	N	R	Z	O	I	N	S	U	R	A	N	C	E	C	N	L	W	M	N	C
U	H	V	N	M	E	O	M	S	N	R	L	J	K	T	I	Y	B	R	A	S	S	E	T
H	S	E	T	R	O	E	A	H	S	G	F	T	O	R	U	J	U	G	N	U	W	U	I
K	O	I	V	E	U	R	F	L	Q	P	X	E	U	O	U	W	D	N	N	B	S	R	O
E	O	A	S	H	D	H	R	L	D	O	P	F	P	L	S	A	Y	W	I	X	K	Z	N
B	H	H	Z	I	Q	C	A	P	I	T	A	L	I	S	A	T	I	O	N	D	V	R	F
V	K	T	U	R	T	G	U	E	S	I	R	Q	P	G	A	S	F	K	G	U	A	Y	O
I	C	V	Y	I	E	L	D	P	P	R	Y	U	H	K	K	W	A	O	S	U	J	F	C
S	D	L	B	N	E	B	B	H	A	M	O	R	T	I	Z	A	T	I	O	N	Q	F	F
A	D	G	R	G	W	L	U	T	T	F	V	T	Q	E	S	R	R	Q	L	D	O	L	V
E	C	F	V	Q	F	O	R	E	C	A	S	T	I	N	G	L	X	R	O	J	A	S	D
R	T	B	E	Q	S	M	I	O	H	Y	R	Q	C	N	V	I	R	X	O	C	K	U	X

## Hints

- New employees go through this to bridge skill gap
- Suppliers for raw material
- After sales conflicts
- Shipping of goods from company to customer
- Future cash loss in the balance sheet
- Raised to the vendor to create finished goods
- Various stages of any process
- Owners of the business
- Value of a good
- Billing the customer
- Safeguarding of assets in case of damage
- Possible future cash flow in balance sheet
- Financial Assertion to check the risk
- Moving assets from CWIP to FAR
- Year on year return
- Stock available at the stores
- Hiring candidates according to job role
- Straight line lose in the historical cost of an asset
- Growth of an incumbent in an organisation
- Step followed after Recuitment
- Steps taken to mitigate risk
- Strategic decision making
- Scam in the business
- Recruitment of new candidates
- Sending goods to customer

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