

# Risk Advisory

S P R & CO

CHARTERED ACCOUNTANTS

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CIRCULATION ONLY

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**EDITION-1**  
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Majority of studies have revealed that people often over estimate their ability to influence events that, in fact, are heavily determined by chance. When businesses tend to be over confident about the accuracy of their forecasts and risk assessments and far too narrow in their assessment of outcomes, impact tends to skew.

When the outcomes differ significantly from expectations, organization resort to escalating commitment and irrationally directing resources to the failed course of action.

In the current capricious business environment dominated by disruption, we at S P R & Co help businesses to tailor, prioritize and manage risk based on present state capability and maturity resulting in exploring un-tapped potential and securing a competitive edge.





# Risk Advisory Overview

We are a niche practice that believes that our intense specialization in risk is both relevant and critical, especially in present times when risk culture and governance agendas dominate board room discussions.

Our Practice strategy with a strong risk bias enables us to apply contemporary technology and best in class practices across industry verticals to offer unique and customized solutions that prioritizes customer expectations

## **Key Risk Areas:**

- Strategic and reputation Risk
- Financial Risk
- Operational Risk
- Regulatory Risk
- Cyber Risk

Our strategically defined structure has enabled us to align our solutions within the following service towers

- Data
- Process
- Technology
- Forensic
- Accounting
- Taxation

The Solutions we offer across the above service towers are broadly categorized under the following delivery arms

- Governance
- Implementation
- Value Delivery

## SERVICE TOWER-1

# DATA

Organizations that invest in data management and infrastructure have a better probability of visibility over information assets and risk exposure.

In the present market, C-Suite and boards rely heavily on data insights to enable governance responsibilities.

Our Solutions focus on assessing the health of information assets, their usage and the ethics related to such assets



## Board Room Challenges

- Inability to identify insights due to lack of consistent and reliable data
- Lack of an ideal data governance framework to comply with regulations
- Data management not matured to handle technology disruptions
- Process improvement and business development initiatives do not consider data management as a core activity
- Data footprints not mapped accurately

## Solutions

### GOVERNANCE

- Data Strategy Review
- Data Framework review
- Board room data audit
- Privacy Reviews
- Data - Entity level controls

### IMPLEMENTATION

- Variation based management
- Data Security
- Data capability maturity assessment
- Third party data audit
- Data Profiling reviews

### VALUE DELIVERY

- Data Quality Assessment
- Data Infrastructure
- Investment optimization reviews
- Cost of unused data

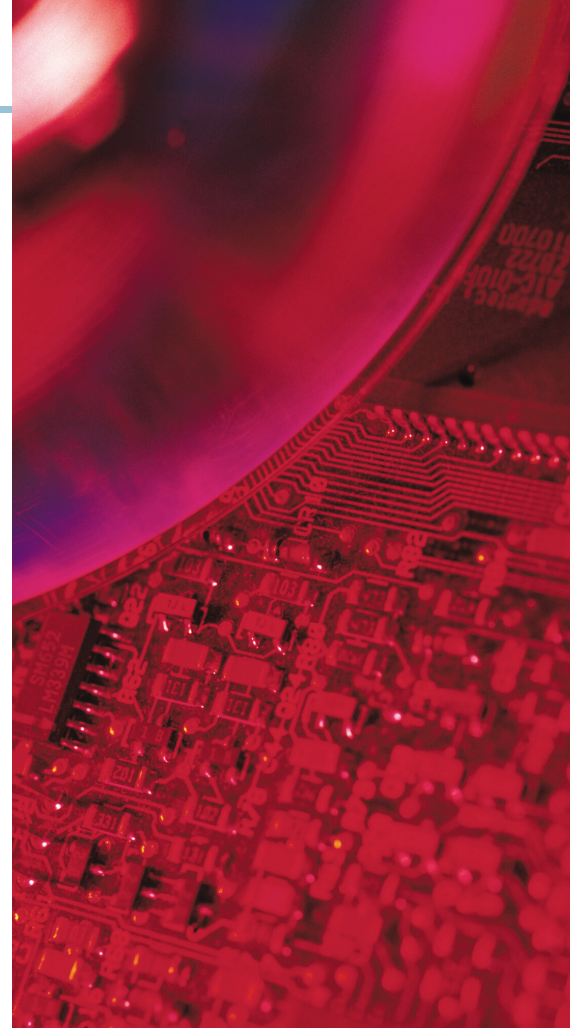


## SERVICE TOWER-2

# PROCESS

Business processes require to be backed by well defined control objectives. The maturity of processes in any organization depends on management intent and a strong risk bias in decision making.

Our solutions focus on enabling management to assess business processes from the perspective of confidentiality, integrity, availability, efficiency, effectiveness and compliance.



## Board Room Challenges

- Stand alone processes and systems impacting business efficiencies
- Organization culture not mature to handle well defined processes
- No visibility on the Risks and controls that exist in the organization
- Risk appetite not defined or inaccurately defined
- Board room risk based approach to decision making not percolating to down stream management

## Solutions

### GOVERNANCE

- Risk based internal audit
- Compliance reviews
- Board mandated reviews
- Risk based Internal Audit
- Internal controls over financial reporting
- Process Capability & Maturity assessment
- Independent Review and Validation Services

### IMPLEMENTATION

- Audit, Validation and Testing Services
- Organizational Function Management
- Manpower Support
- Physical Verification

### VALUE DELIVERY

- SSAE 18/ISAE 3402 Assurance
- Supplier Balance Scorecard
- Project Audit
- Vendor Performance assessment
- Quality Management & Sustainability

# TECHNOLOGY

Organizations which fail to recognize technology risks in these times of disruption, automation and connectivity will result in vulnerabilities due to accidents or design exploitation.

Our solutions focus on strategic alignment of IT objectives with business objectives. We assess current technology risks as against globally accepted frameworks, best practices and provide insights to the management on technology threats and opportunities.



## Board Room Challenges

- Changing landscape of regulatory requirements across the globe
- Lack of Strategic alignment between business objectives and IT objectives
- Inadequate skills and training within the organization pertaining to technology
- Lack of adequate measures to deal with technology exploitation / Incidents
- Inadequate investments towards technology related controls

## Solutions

### GOVERNANCE

- IT Maturity Review
- Mobility Assessment
- Cloud Readiness & Performance assessment
- Cloud Readiness & Performance assessment
- Cloud Readiness & Performance assessment

### IMPLEMENTATION

- Application / Infra Reviews
- IT Audit/General controls review
- IT Security
- Identity and Access Management
- IT asset management review
- IT Framework review - NIST, SANS, ISO, ITIL, COBIT, CIS, ISF

### VALUE DELIVERY

- Service availability governance



# FORENSICS

Significant proliferation of White collar crimes and economic offenses across the business landscape poses a serious threat to reliable financial reporting and result in erosion of value across the stakeholder spectrum comprising of investors, lenders, employees, suppliers et al.

The need for forensics related services arises due to fraud related discussions and concerns on management overrides of controls which dominate board rooms agendas more than ever. Our services are tailored to enable holistic client engagement on the preventive, detective and defense aspects of the fraud spectrum.



## Board Room Challenges

- Lack of knowledge / skill / Culture to deal with fraud scenarios
- Inadequate / Inefficient whistle blower policy
- Inadequate investment towards fraud prevention tools and audits
- Controls not in place to identify patterns and monitor red flags
- Timely action not initiated on frauds reported within the organization

## Solutions

### GOVERNANCE

- Algorithmic Reviews
- Early Warning and Anti fraud framework review
- Fraud Due diligence

### IMPLEMENTATION

- Background checks
- Whistler blower letter review
- Employee Audits
- Vendor Due Diligence
- Third party audits

### VALUE DELIVERY

- Avoidance Transaction and exception Reporting
- Computer based forensics
- Identifying fraudulent financial reporting
- Asset Tracing

SERVICE TOWER-5

# ACCOUNTING

Accounting and financial reporting often require significant judgement and can result in such decisions being scrutinized by regulatory authorities.

We focus on interpreting and applying the accounting standards and latest notifications with an unbiased perspective providing management with clear insights to complex issues. Our solutions result in identifying appropriate accounting practices and effectively communicating the same.



## Board Room Challenges

- Inability to interpret government policies and accounting standards
- Integrity of financial data
- Inaccurate reporting to regulatory authorities
- Lack of adequate segregation of duties within the accounting function
- Role of finance in operations not clearly defined

## Solutions

### GOVERNANCE

- Accounting policy review
- Corporate governance review
- Organization realignment reviews
- Delegation of authority reviews
- Due diligence reviews

### IMPLEMENTATION

- Regulatory return review
- Internal financial controls over financial reporting review
- SOX compliance

### VALUE DELIVERY

- Financial audit
- US GAAP, IFRS and IND AS implementation review
- Capitalization reviews



## SERVICE TOWER-6

# TAXATION

Present economic conditions require organizations to have a keen eye on laws and regulations to avoid being caught unaware which may result in financial loss or cash flow shortfalls. It is pertinent to note that errors in interpretation and implementation have to be rectified in a timely manner to prevent additional costs.

Our solutions help entities to foresee and adapt to changes in the taxation landscape and build better controls to address regulatory risks.



## Board Room Challenges

- Lack of a clear reporting line and tax structure within the organization
- Non existence of strong partnership between Tax Heads and other C-Suite leaders
- Tax laws not communicated in an understandable language within the organization
- No visibility on penalties for violation resulting in financial loss to the organization

## Solutions

### GOVERNANCE

- Pending litigation reviews
- Transfer pricing assessments
- Corporate training
- ALP framework review
- Enforcement assessments

### IMPLEMENTATION

- Compliance audit - Direct and Indirect
- Map applications under tax treaties (DTAA)
- Time bound assessments
- Returns review

### VALUE DELIVERY

- Purchase register Vs GSTR 2A
- TDS reconciliation with 26AS
- Review of clause 34 of tax audit report

# Industry Serviced

Investment BFSI Pharmacy Textiles Insurance  
Education Mining Steel Cement Water  
Consulting & Professional Govt Agencies Public Health  
BPO/KPO/Contact Centres Tobacco Construction  
Warehousing Not for Profit Defence  
Pulp & Paper Power Small Traders  
Travel & Hospitality Forestry Ship Building  
Dealerships Real Estate Tourism  
Agriculture Plant & Machinery Industrial Pumps  
FMCG Media & Entertainment Wind  
ITES Knowledge Mind Solutions Emerging Technology  
Transport & Logistics Chemical Information Technology Valves  
Publishing Automotive Printing & Packaging Aerospace  
Waste Disposal Electronic Fishing  
Oil & Refinery Timber  
Retail Wholesale & Distribution



Journals

Tailored  
Solutions

C-Suite  
Analytics

Alerts &  
Workflows


controls

Automation

*Walto*

define. design. deploy





*"To improve is to change;  
to be perfect is to change often."*

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We are 200+ people strong with presence in Chennai, Bangalore, Guntur, Trichy and Pune. Our team includes Chartered Accountants, Cost Accountants, Company Secretaries, MBA's, Engineers and IT Security Professionals to enable comprehensive service delivery in all our chosen domains.

A vertical based structuring and dedicated staff enable our delivery teams to hit the ground running – efficiently and effectively.

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