CASE STUDY

Quality Assurance Review

ABOUT THE CLIENT

- Headquartered in Gurgaon, the client is a leading NBFC and amongst the top 3 credit card issuers in India.
- It aims to offer Indian consumers access to a wide range of world-class, value-added payment products & services.

BUSINESS REQUIREMENT

The Company Management wanted an independent Quality Assurance of the Internal Audit (IA) function to evaluate its Effectiveness.

- Rating of IA policy and procedures against the regulatory requirements
- Measurement of Efficiency and Effectiveness of the IA function &identify improvement opportunities
- IA function’s conformance with internal guidelines and standards

OUR APPROACH

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IA Function – Policies and Standards

- Assessed IA's adherence to company policies, standards, and RBI-based risk principles
- Reviewed audit plans, reports, risk assessments, RCMs, and methodologies
- Verified appropriate assessment of key risks and controls, and identification of significant issues

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IA Function – RBI Requirements

- Evaluated alignment of IA policies and procedures with the RBI Circular on Risk-Based Internal Audit
- Ensured audit plans were risk-based, underpinned by appropriate risk parameters and coverage
- Reviewed auditor competence, independence, reporting structure, tenure, and remuneration against RBI expectations

Key Attributes of Risk-Based IA

- IA function must possess adequate authority, independence, stature, and resources to discharge its duties effectively
- Board to define minimum tenure for IA staff, except where IA operates as a specialized, career-managed function
- Head of IA must report directly to the ACB/Board, MD & CEO, or a Whole-Time Director (WTD)
- Auditor remuneration must not be linked to business performance
- Requires demonstrated professional competence and relevant experience

Head of IA should serve a sufficiently long tenure — preferably a minimum of three years — except where IA is a specialized, career-managed function

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Reporting

- Documented observations and scope-for-improvement points identified during the assignment
- Captured opportunities for enhancement aligned with industry best practices and benchmarks

VALUE CREATION

Valueonshore Advisors assisted the Company to be compliant with the RBI requirements on Risk Based IA. The team conducted the review based on the RBI circular on Risk Based IA and intense discussions, reviews of documents, IA policies, working papers, reports, IA Manual and the understanding obtained from the IA team.
We relied on the IA quality assurance framework and standards issued by IIA and ICAI.

ABOUT US

Valueonshore ("VOS") Advisors is a global business advisory firm of Big 4 alumni and industry leaders, supporting financial executives on complex, high-impact matters across accounting, M&A, risk, and managed services. Founded in 2009, the firm has grown to ~400 professionals across the **U.S.**, **India**, and the **UAE**, serving mid-cap and high-growth companies as a trusted partner in navigating complexity and driving value.

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