

ASC

PROCESS

DIAGNOSTIC CHECK

THE FORENSIC PERSPECTIVE

A HEALTH CHECK FOR YOUR BUSINESS PROCESSES – POWERED BY FORENSIC INTELLIGENCE.

Introduction

Fraud often hides within routine business processes like procurement, inventory, payroll, and sales. ASC's Process Diagnostic Check is a specialized forensic-led review designed to detect red flags, strengthen controls, and protect your organization from hidden risks.



More THAN HALF of occupational frauds occur due to a lack of internal controls or an override of existing internal controls:

- 32% due to Lack of Internal Controls
- 19% Due to Override of existing controls



Why ASC?

- 30+ years of Risk & Forensic Advisory expertise
- Team of qualified forensic professionals & fraud examiners
- Experience across SMEs, large corporates & foreign subsidiaries in India

- Fraud & leakages cost organizations up to 5% of annual revenue (ACFE Report).
- Manufacturing & trading companies face the highest risks in procurement, inventory, and sales cycles.
- A proactive diagnostic today helps avoid costly forensic investigations tomorrow.
- 50% of Indian companies name procurement fraud as their top fraud concern—21% above global levels
- Manufacturers lose nearly 1.9% of annual revenue to fraud, especially in procurement and asset theft
- Inventory shrinkage averages 1.6% of sales, with benchmarks between 0.5%–1.5%
- Occupational fraud in manufacturing has a median loss of USD 177,000 per case
- Nearly 90% of fraud cases involve asset misappropriation, with average losses of USD 120,000



OUR MAJOR PROCESS DIAGNOSTIC CHECKS

Procurement Diagnostic Check

Secure your supply chain with forensic precision.

- Vendor onboarding and due diligence (KYC, related-party checks, shell entity risks).
- Review of purchase requisition to payment cycle.
- Analysis of purchase orders vs. delivery vs. invoices.
- Detection of duplicate invoices, split orders, and inflated pricing.
- Conflict of interest & collusion risk mapping (employee-vendor links).
- Review of vendor master data integrity and access controls.

Inventory Diagnostic Check

Protect your stock, protect your bottom line.

- Review of stock registers and movement logs.
- Book-to-physical reconciliation of selected warehouses/locations.
- Shrinkage, pilferage, and theft risk assessment.
- Review of inventory valuation methods and cut-off controls.
- Logistics and third-party warehouse fraud exposure analysis.
- Examination of obsolete/slow-moving stock write-offs.

Payroll Diagnostic Check

Pay only for real work – nothing else.

- Employee master data validation (ghost/fictitious employees).
- Review of payroll run vs. HR records vs. bank transfers.
- Overtime, incentive, and reimbursement analysis.
- Verification of gratuity, leave encashment, and provision accuracy.
- Segregation of duties between HR, payroll, and finance.
- Review of access controls over payroll software/system.

Sales & Receivables Diagnostic Check

Forensic clarity in every rupee of revenue.

- Revenue recognition practices vs. accounting standards.
- Review of credit notes, discounts, and promotional schemes.
- Debtor ageing and collection pattern analysis.
- Identification of related-party sales or fictitious revenue.
- Channel stuffing, bill-and-hold, and round-tripping checks.
- Review of receivable reconciliations and write-offs.

Finance & Ledger Diagnostic Check

Trust your numbers – verified through forensic eyes.

- Review of manual journal entries and high-risk postings.
- Analysis of provisions, accruals, and write-offs.
- Related-party transactions and fund diversion checks.
- Review of loans, advances, and inter-company transactions.
- Round-tripping, circular transactions, and fund layering analysis.
- General ledger access rights and maker-checker control review.

Deliverables You Receive

- Diagnostic Review Report (process-specific)
- Red Flags & Vulnerability Mapping
- Process Gap Assessment
- Practical Recommendations to Mitigate Risks

Impact Snapshot

- Reduced financial leakages
- Early fraud detection
- Improved governance & compliance readiness



Key Benefits for Organisations

- ✓ Early Detection of Fraud Risks
- ✓ Strengthened Internal Controls
- ✓ Independent & Neutral Forensic Review
- ✓ Tailored for SMEs and mid-sized businesses
- ✓ Affordable entry product with scalable scope

ASC Group

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