



ACHIIEVERS FINANCE INDIA (P) LTD

INTERNAL AUDIT POLICY

1. Preamble

Being a leading NBFC in the financial service sector and to conform to international best practices, it is appropriate that Achiievers Finance India (P) Ltd (the “Company”) has a documented audit policy approved by the Board of Directors to add value and improve the company’s operations. It assists the Company in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the company’s risk management, control and governance processes. The responsibilities of Internal Audit function are defined by this Policy. The procedure of audit need to be documented for the different streams of activity viz. branch operations, regional offices and other establishments, HO departments, information system etc. Separate Audit manuals should be prepared for all audit streams to facilitate the audit activity.

2. Objectives

The objectives of internal audit are:

- i. To ascertain compliance with statutory and regulatory requirements;
- ii. To ascertain compliance with norms laid down by the Company;
- iii. To ascertain whether quality of assets is as per approved norms;
- iv. To advise the management of any deficiencies in processes, procedures, and functions;
- v. To determine the integrity, security and controls in the information system are at acceptable standards; and
- vi. To identify deficiencies in the internal control system and recommend procedures to plug the control gaps.

3. Scope

- i. The scope of internal auditing encompasses the examination and evaluation of the adequacy and effectiveness of the Internal Control System and the quality of performance in carrying out assigned responsibilities at the organizational, departmental and functional level. It includes:
 - a) Reviewing the reliability and integrity of financial and operating information;
 - b) Assessing compliance with policies, plans, and procedures;
 - c) Assessing compliance with laws and regulations;



- d) Reviewing the means of safeguarding assets and verifying the existence of such assets;
 - e) Verifying quality of Assets;
 - f) Reviewing and appraising the economy and efficiency with which resources including IT Resources are employed;
 - g) Reviewing established systems of internal control to ascertain whether they are functioning as designed;
 - h) Monitoring and evaluating the effectiveness of the company's operational risk management processes;
 - i) Examining and reporting on the adequacy of internal controls for all new or significantly modified information systems.
 - j) Investigating and reporting on violations of policies and procedures, errors, fraud or misuse of company assets.
 - k) Performing forensic audits when there are red flags that warrant investigation;
 - l) Reviewing specific operations, programs, functions or activities at the request of the Board, if required.
- ii. The Internal Audit Department will provide advice and assistance to the management, when requested by:
- a) Serving as a consulting resource for the review of policies and procedures, financial and administrative systems, organizational structures and other related administrative activities.
 - b) Serving as a consulting resource for the development of control procedures for new or significantly modified functional areas and computer-based financial and management information systems.