INTERNAL AUDIT REPORT

XXXX XXXXXXX Private Limited

Process / area: XXXX XXXXXXX · Period covered: XX.XX.XXXX to XX.XX.XXXX · Report no.: XX/XXXX-XX · Report date: XX.XX.XXXX

Distribution: Audit Committee / Board of Directors; Managing Director; Chief Financial Officer; Head - XXXX XXXXXXX

1. Executive summary

We carried out the internal audit of XXXX XXXXXXX for the period XX.XX.XXXX to XX.XX.XXXX as per the internal audit plan approved on XX.XX.XXXX. Overall assessment: XXXX (Satisfactory / Needs improvement / Unsatisfactory).

Rating	Number of observations	Agreed actions due within XX days
High	XX	XX
Medium	XX	XX
Low	XX	XX

Key matters for the committee's attention:
1. XXXX XXXXXXX XXXX (Observation X.X)
2. XXXX XXXXXXX XXXX (Observation X.X)

2. Scope, period and approach

• Areas and locations covered: XXXX, XXXX, XXXX
• Areas excluded and why: XXXX
• Approach: walkthrough of the process, review of policies and delegation of authority, test of controls on a sample of XX transactions out of XXX, data analysis of XXXX, discussions with process owners.
• Data and records relied on: XXXX XXXXXXX (system extract dated XX.XX.XXXX)

3. Rating scale used

Rating	Meaning
High	A control gap that could cause a material loss, misstatement or legal non-compliance; needs action within XX days
Medium	A control weakness that should be fixed within XX days
Low	An improvement point; action at management's discretion

4. Detailed observations

No.	Observation	Risk / impact	Root cause	Rating	Recommendation	Management response	Action owner	Target date
X.X	XXXX XXXXXXX	XXXX XXXXXXX	XXXX XXXXXXX	High	XXXX XXXXXXX	Agreed / Not agreed:	XXXX (Designation)	XX.XX.XXXX

No.	Observation	Risk / impact	Root cause	Rating	Recommendation	Management response	Action owner	Target date
	XXXX (XX of XX samples)					XXXX		
X.X	XXXX XXXXXXX XXXX	XXXX XXXXXXX	XXXX XXXXXXX	Medium	XXXX XXXXXXX	XXXX	XXXX	XX.XX.XXXX

Amount involved (where measurable): Rs XX,XX,XXX

5. Status of earlier observations

Report / obs. no.	Observation (short)	Agreed action	Target date	Status	Comment
XX/XXXX-XX / X.X	XXXX XXXXXXX	XXXX	XX.XX.XXXX	Closed / Open / Partly closed	XXXX

6. Limitations

Our work was based on samples and on the records and explanations given to us. It is not designed to detect every weakness or fraud. This report is for the internal use of the Company's management and Audit Committee.

Sign-off

For **XXXX & XX**, Chartered Accountants (Internal Auditors) / XXXX (Head - Internal Audit)

(Signature) _____ **XXXX XXXXXXX**, Partner / Designation

Place: XXXXXX · Date: XX.XX.XXXX

Discussed with management on: XX.XX.XXXX · Management representative: XXXX XXXXXXX (Designation)