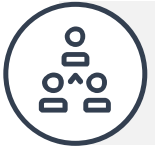




**Internal Audit Services**

- ✓ **Acquisory** was incorporated in 2010, by highly credentialed and experienced professionals, from PricewaterhouseCoopers, Arthur Andersen and Protiviti.
- ✓ The management team among themselves represent extensive experience in specialized services across M&A Advisory, Investment Banking, Asset Management and Operations & Risk Consulting.
- ✓ We have an appreciation for dynamics of business, operations, transactions and necessary skills to blend practical business & commercial insights with tax & regulatory knowledge to identify effective solutions to all business problems.
- ✓ We partner with our clients through the entire business continuum from identification of the problem, to solution, to implementation.



**Locations****3****Directors &  
Principals****11+****Professionals****125+****Clients****500+****Services****25+**

## OUR FOCUS

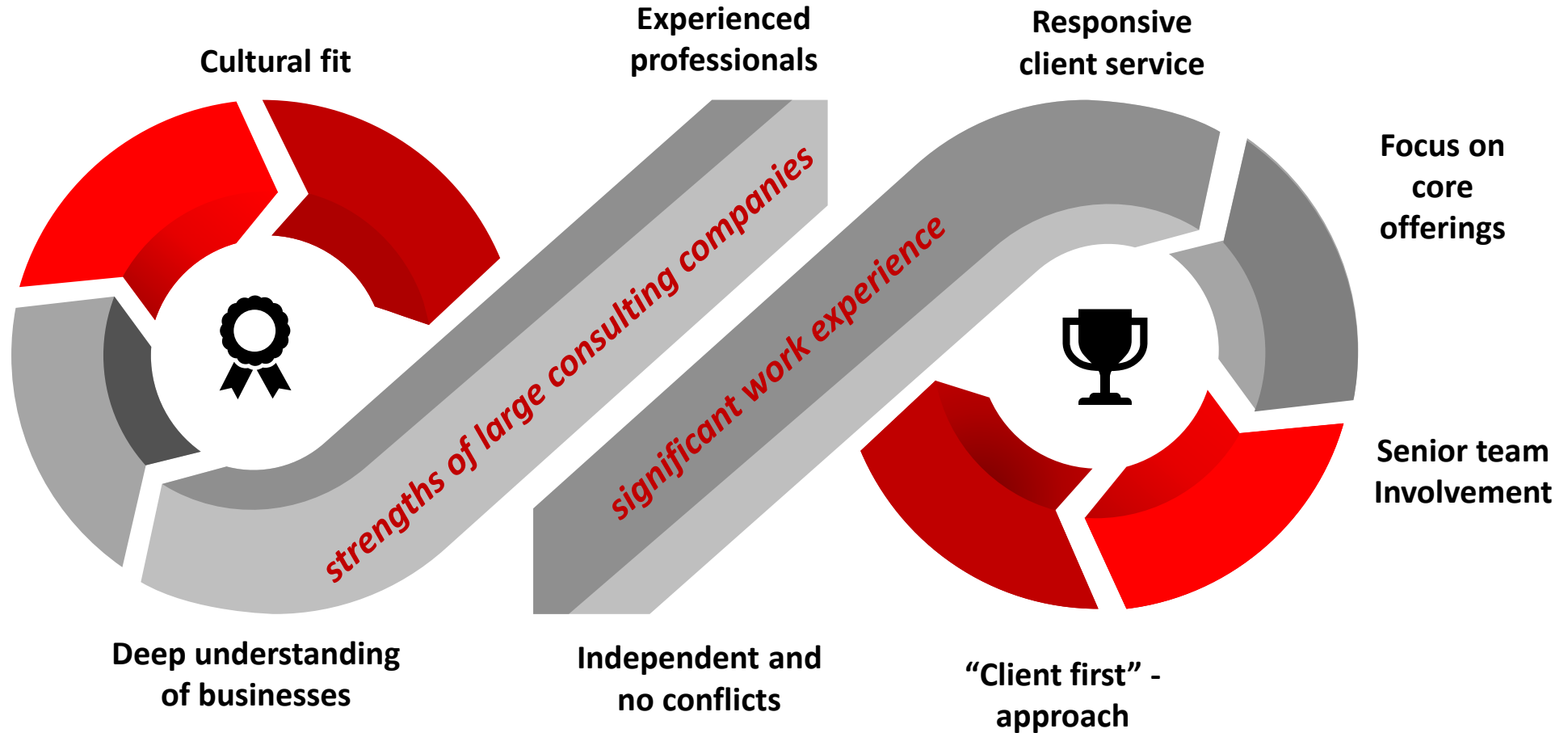
Acquisory assists clients ranging from global enterprises to small and middle market companies that are both publicly held or privately owned, as well as large, mid and small-cap private equity firms, corporate management and boards of directors.

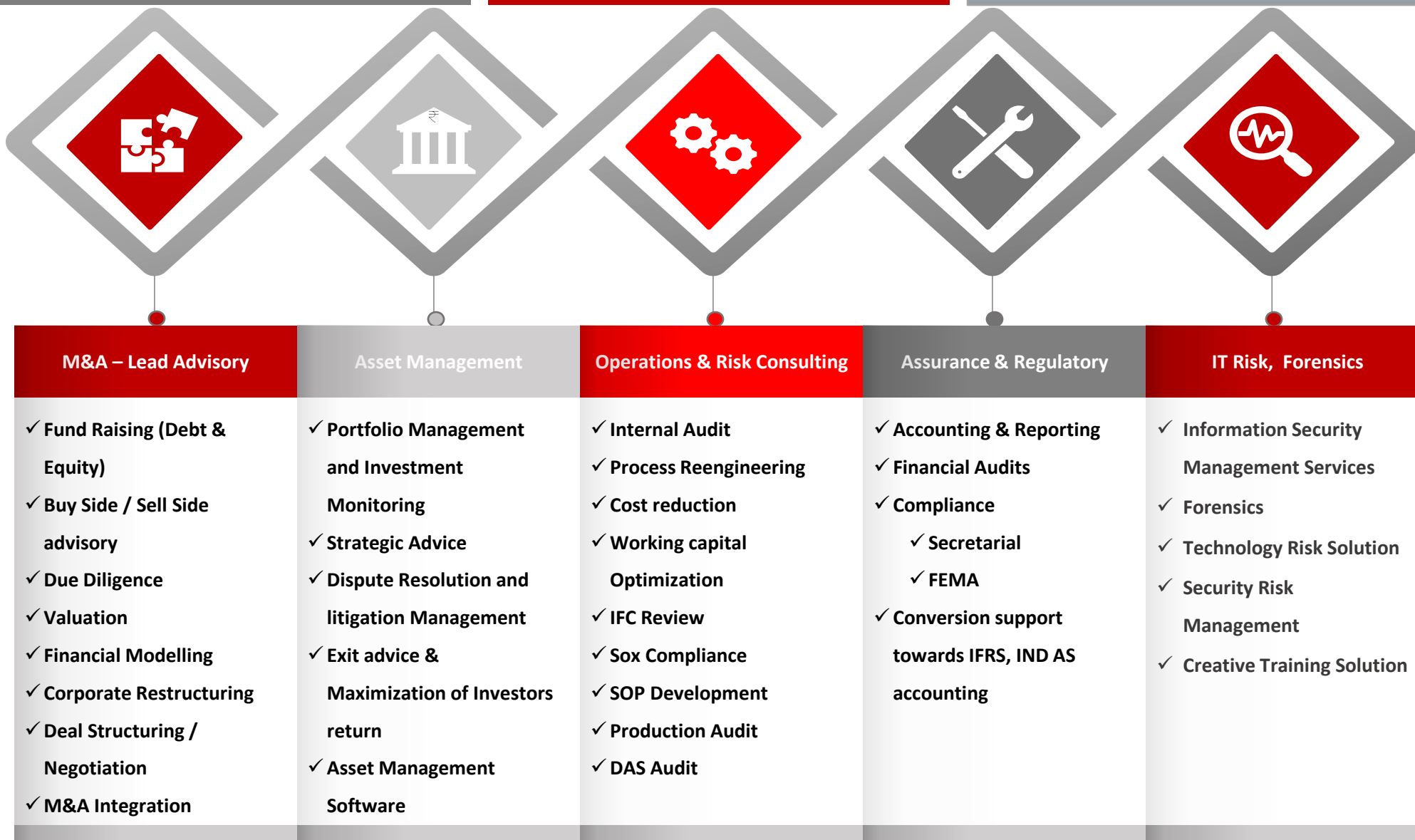
We provide specialist advice for a range of sectors. A personal, partner-led approach, with rich experience have taught us that an understanding of the business, structure and practices of our clients' industries is critical to providing the services our clients' need to reach their goals.

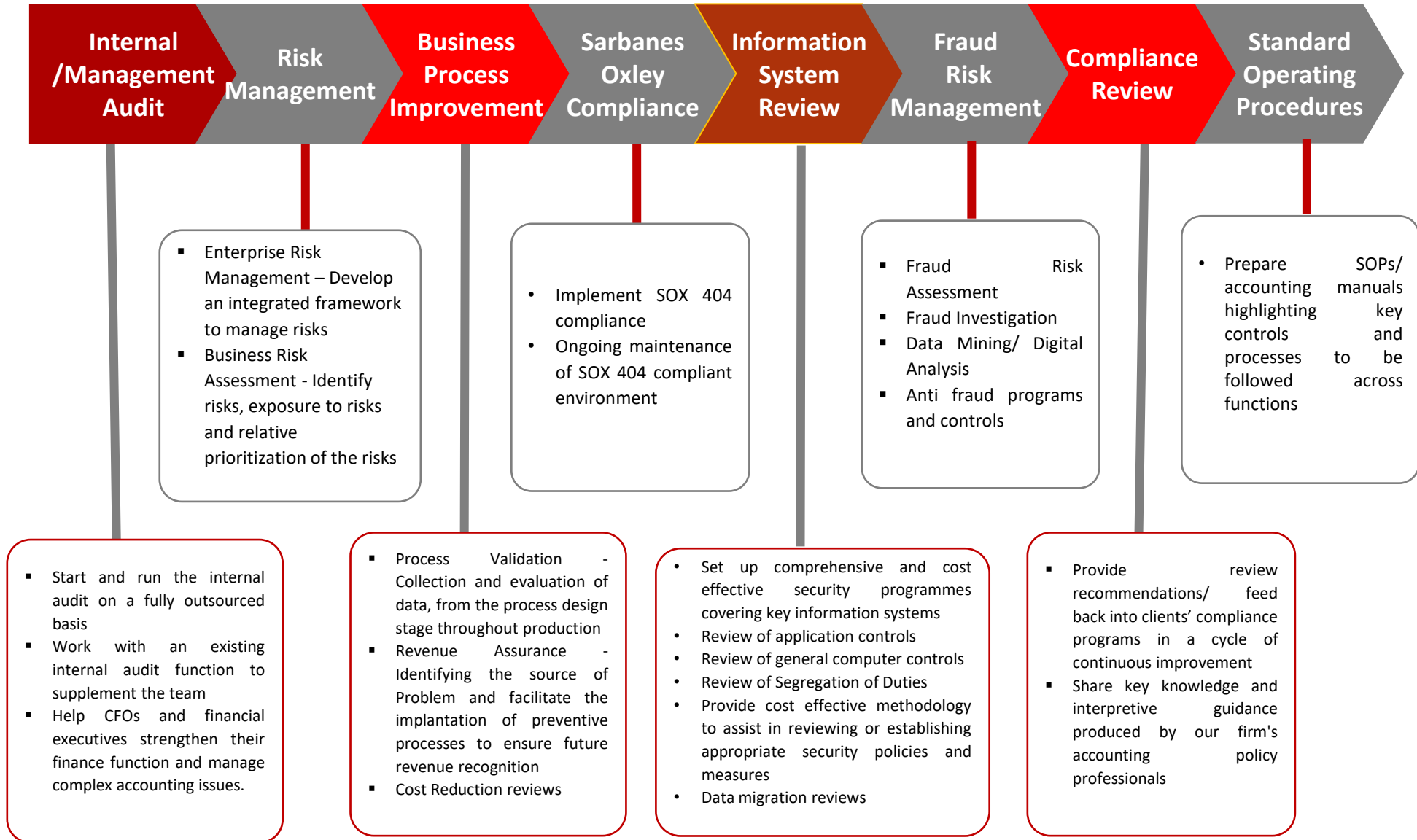
- Real Estate & Infrastructure
- Private Equity
- Manufacturing
- Retail
- Media and Entertainment
- Telecommunication
- Healthcare and Hospitals
- Consumer Products
- Hotel, Hospitality and Leisure
- Education
- Start-ups
- Services

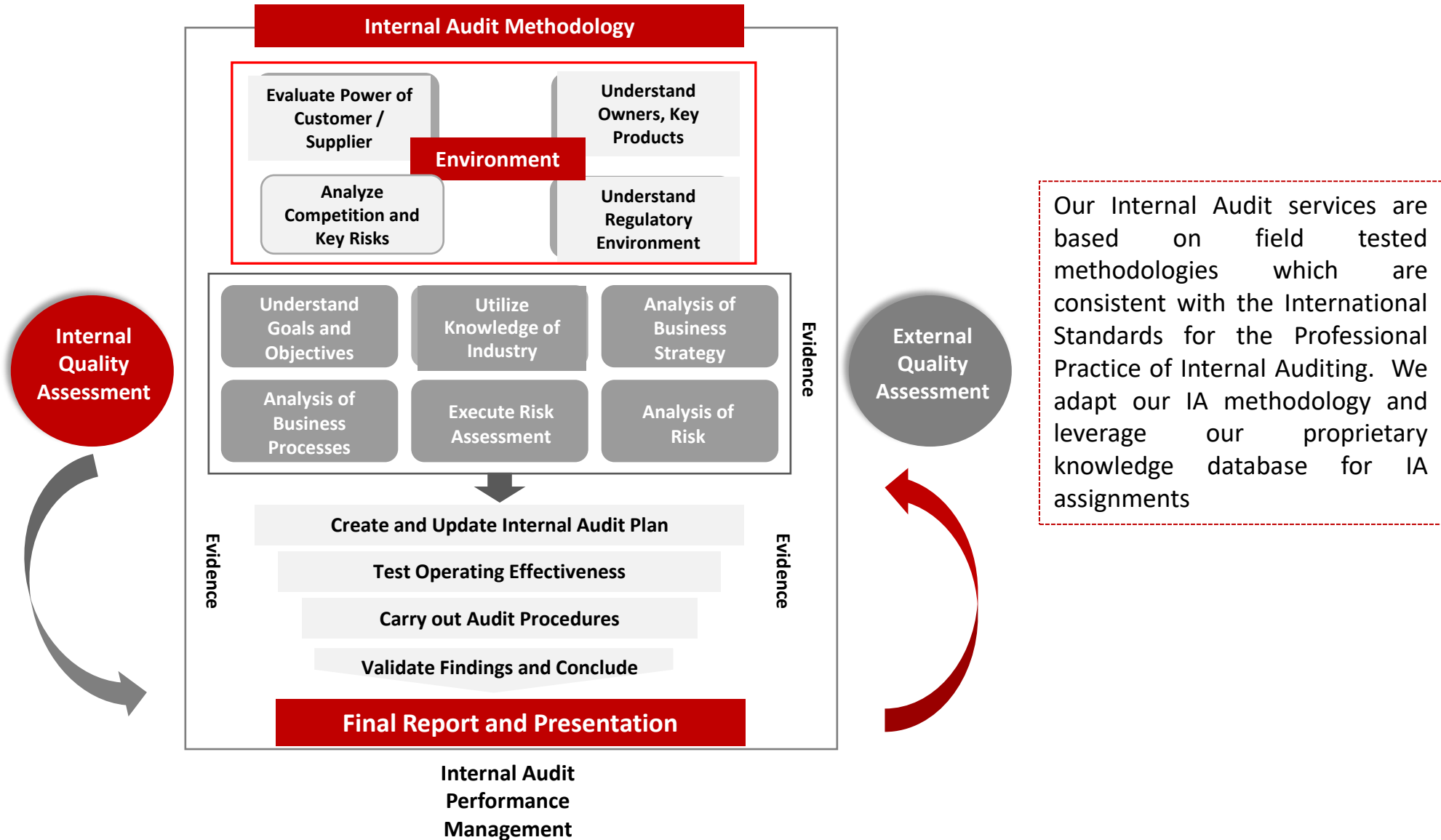


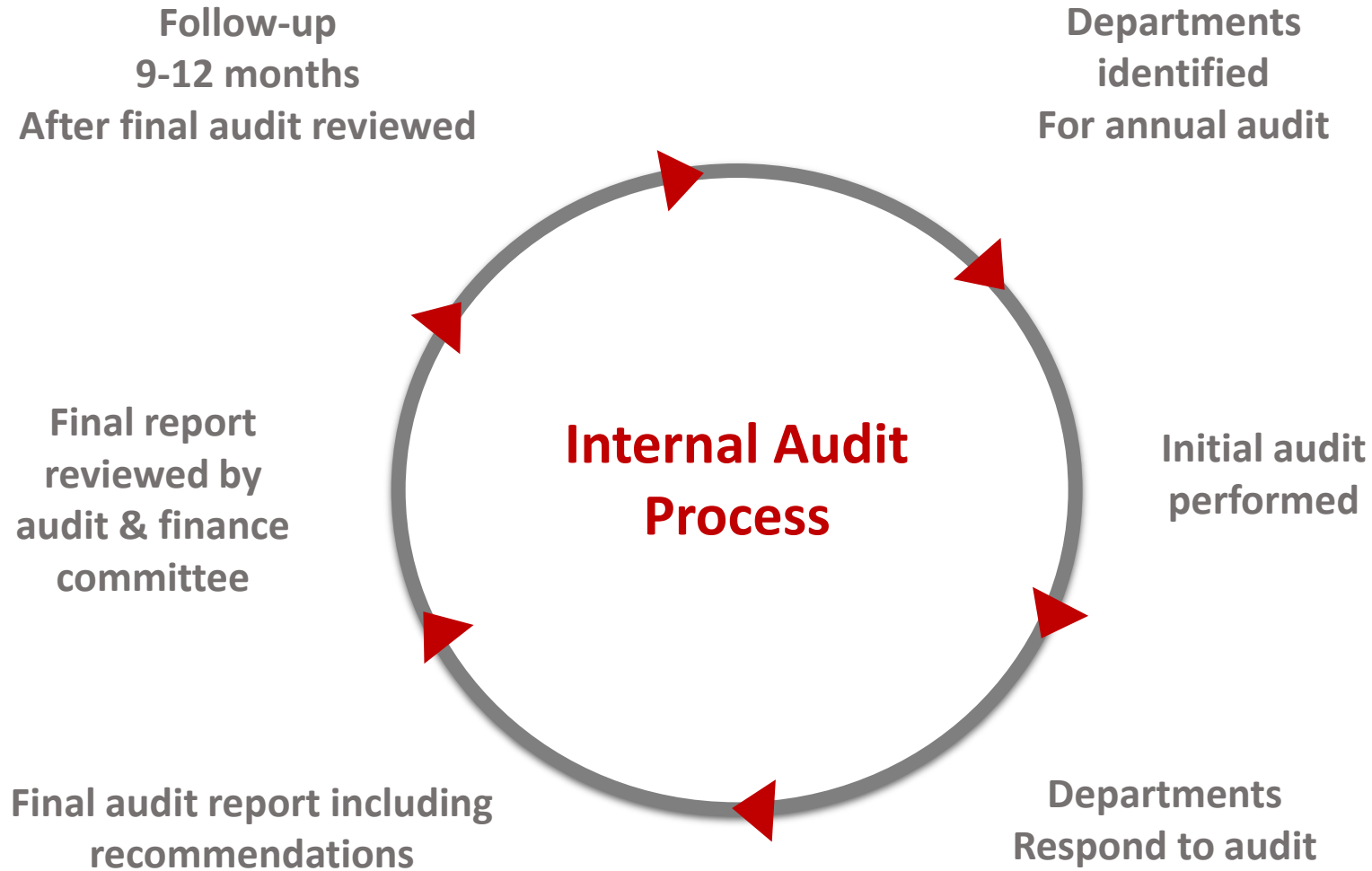
Acquisory fills a unique and valuable position in the market, as depicted below. We bring a unique blend of knowledge and experience to the table which combine the focus, dedication and independence of a boutique firm, with the methodologies & deep skill-sets of the Big 4.





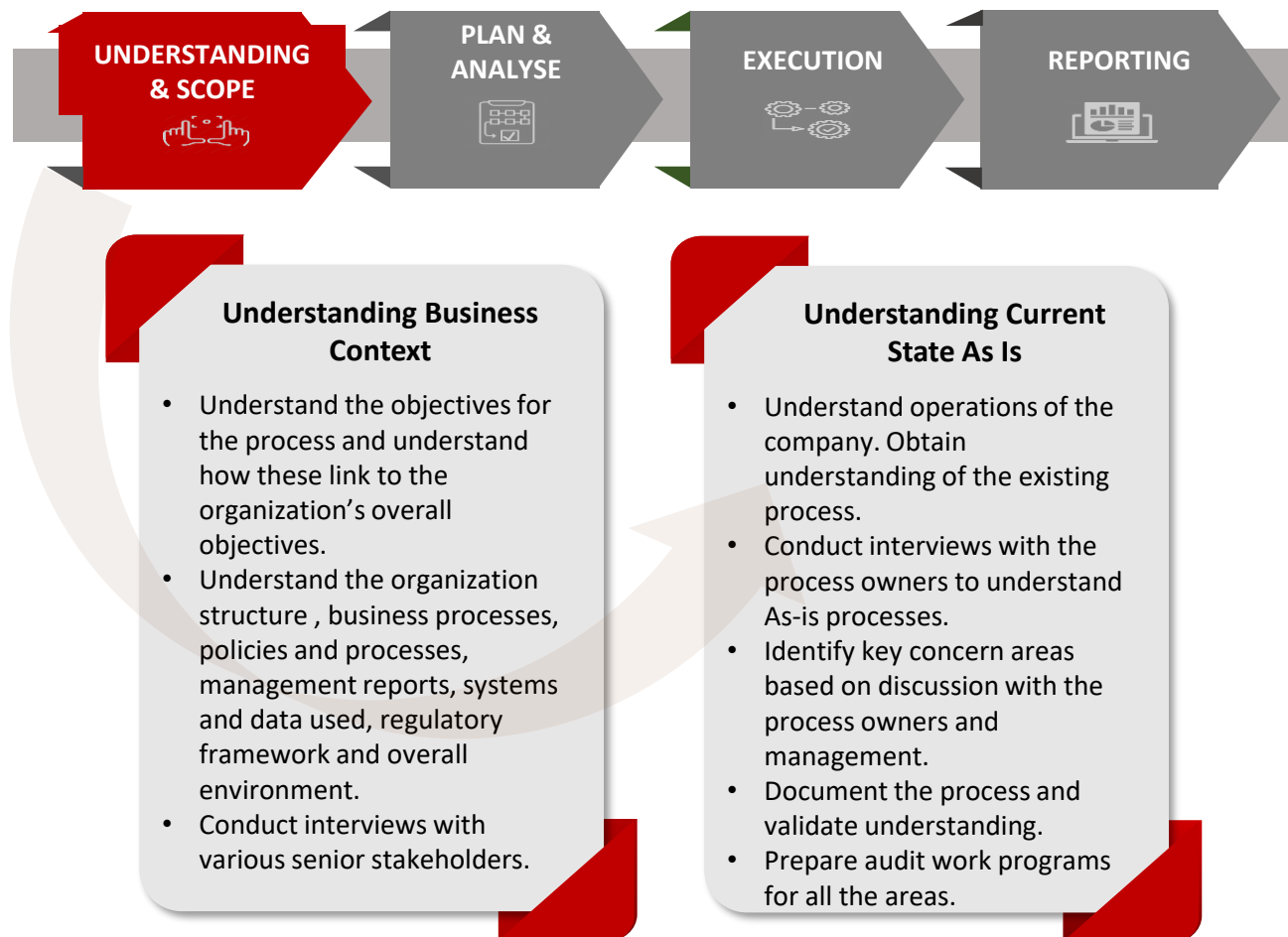




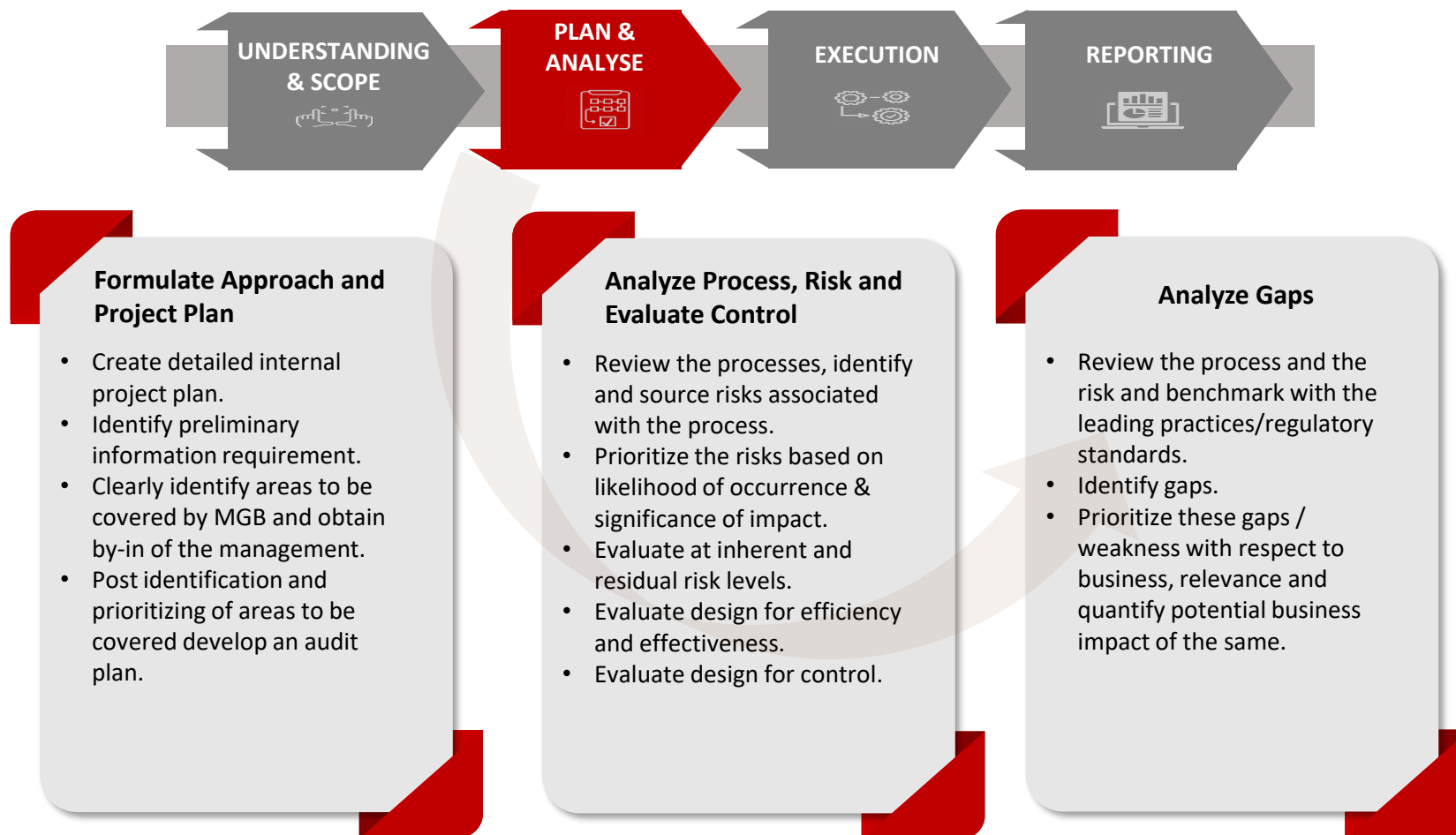




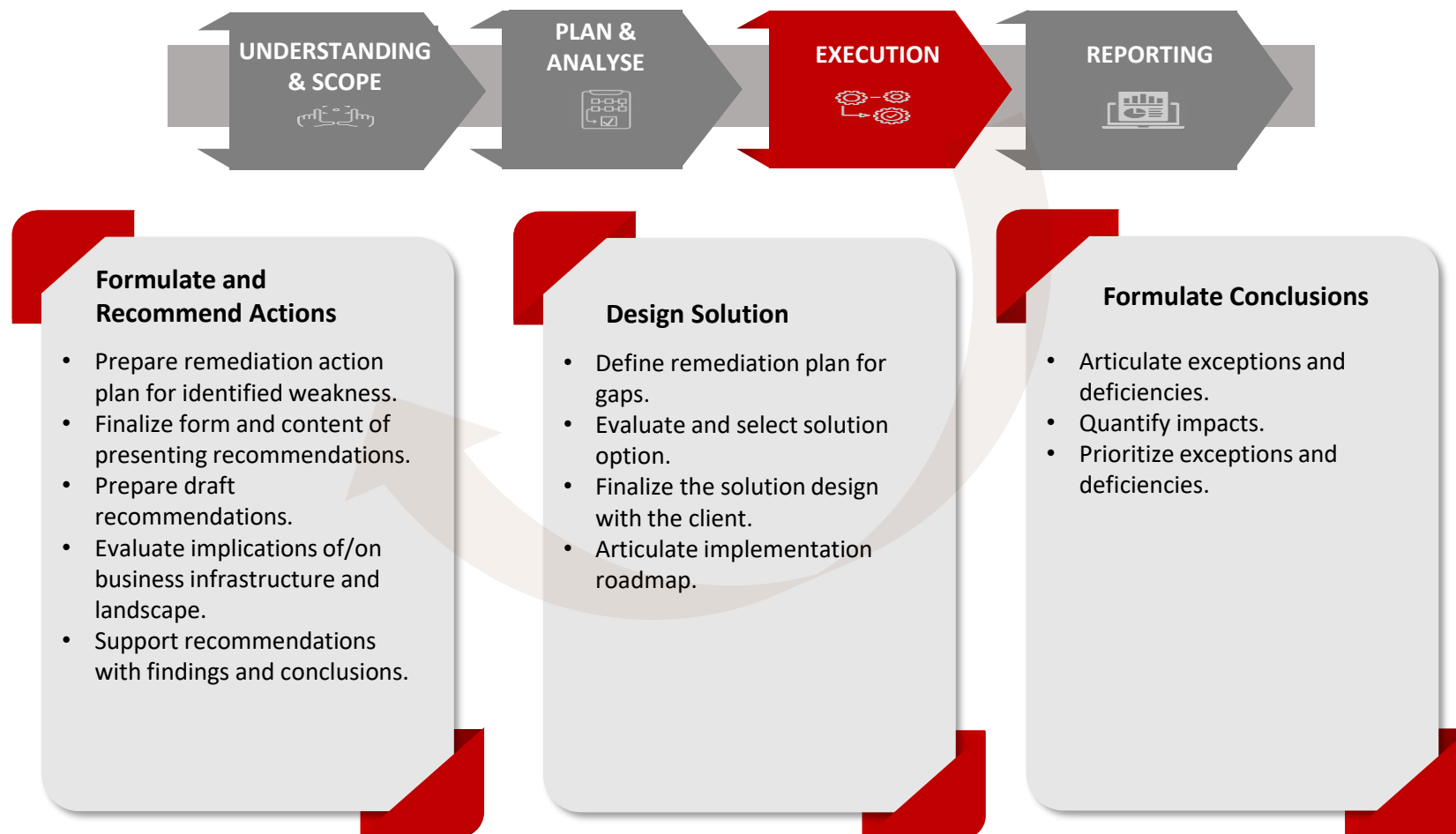
Acquisory provides independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.



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- *We are committed to exceeding Company's expectations for their internal audit department. To do that, we want to ensure we understand your expectations.*
- *We believe that Acquisory can assist the company in meeting their needs using our proven methodologies and frameworks as well our experienced personnel who are familiar with similar assignments.*

#### Finalize Deliverables

- Prepare deliverables
- Review and finalize report / deliverables with client / stake holders.
- Present report to Senior Management, discuss findings and obtain management acceptance and proposed action plan for all.
- Make presentations to the audit committee.

Observation and root cause

Process ☒

System ☐

People ☒

SAMPLE

Department

Rights Assigned

Date

ACQUISORY

## Executive Summary (1)

Overall control environment of the company w.r.t. scope covered and processes under review requires significant improvement in terms of documentation and adherence to defined policies and procedures. During our review we observed minor improvements in all the processes weaknesses or internal audit points highlighted during earlier reviews. Process owners are not taking any initiative towards mitigation plan of highlighted issues, rather they are continuing with the existing processes.

Production : Production is the back bone of any manufacturing business. Weak planning and monitoring of production may lead to significant business and financial loss to the company. Accordingly, it is important to have an structured production process, with requisite controls built into that. We noted significant improvement opportunity in current production process of the company. Key issues include:

S.N.	Process Weakness	Implication	Risk
1	<b>Weak monitoring</b> • Production is production in • Daily plan vs • Production of • Stock amount • Production of • Short sales at • XXX-18 to XX • capacity, fact • vendor, verbi		
2	<b>Lack of control</b> • Un-uniform • created • where • XXX-18 to XX • No maker che • Production sh • should be app		

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## 1. Process for Production Planning needs to be Strengthened

Observation and root cause

Process ☒

System ☒

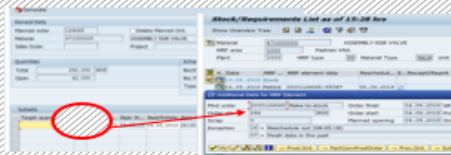
People ☒

**Existing Process:** Monthly sales plan from sales team is received by the IT team, basis which, daily production plan is prepared in excel and uploaded in MRP at the beginning of each month. Daily actual production plan is agreed in daily PPC meeting and posted on dash board at production floor and monthly production plan is converted in MRP. Past actual production, planned orders are converted in MRP. Their order and then confirmed in XXX (with actual production).

Review of the production planning process, we noted following issues:

### Process Risks:

- **Manual monthly planning:** Currently, monthly production plan is prepared in excel sheet and then uploaded in XXX. The same is not auto populated based on sales scheduled defined in XXX.
- **Plan vs actual analysis not conducted:** We understand that, planned production numbers for the day is agreed in PPC meeting. The planned numbers are not documented in XXX or in excel sheet at respective production lines. Further, plan vs actual analysis of production is not conducted either in XXX, excel or production dash board.
- **Planned quantity amended to match actual quantity:** After actual production during the day, planned quantity in XXX is amended to match with actual production quantity and the same is then confirmed in XXX. Sample XXX screenshot is as below: (Please refer annexure 1.1)



Risk Category

High



Implication

Financial ☒

Compliance ☐

Operational ☒

Recommendation

Management Response

This section provides the risk rating framework for each observation and audit area:

- **Rating Score Matrix** – Each observation will be provided a rating score on the basis of its likelihood and consequence / impact:

Parameters	High	Medium	Low
1. Inappropriate Design of Control or System deficiency	Significant Design Deficiency with no mitigating controls	Significant Design Deficiency with mitigating controls but may' lead to impact	Significant Design Deficiency with mitigating controls but may' lead to impact
2. Non-Compliance to Company's policies or Ineffective operation of control	Significant instances which 'may' lead to financial impact	Numerous which 'may' lead to financial impact	Occasional cases of Non-compliance of policy/control which 'may' lead to financial impact
3. Non-Compliance with Statutory/Regulatory Requirements	<ul style="list-style-type: none"> <li>• Issues impacting quality of product</li> <li>• Specific or general penal provisions involving high financial impact</li> </ul>	Specific penal provisions or general penal provisions with moderate financial impact	Specific penal provisions or general penal provisions with lower financial impact











**Divya Vij**

Qualification - CA

Experience – 20+ Years

**Krishan Goyal**

Qualification - CA

Experience – 16+ Years

Registered Valuers- IBBI

**Kinnari Gandhi**

Qualification – CA

Experience – 15+ Years

**Puneet Batra**

Qualification - CA

Experience – 10+ Years

# Contact us

## *Your Growth, Our Business*

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