



# **MALWANACHAL UNIVERSITY**

**(Index Group of Institutions)**



## **Policy on Internal and External Audit**

**Year - 2025-2026**



**POLICY ON  
INTERNAL AND  
EXTERNAL  
AUDIT**

2025-2026

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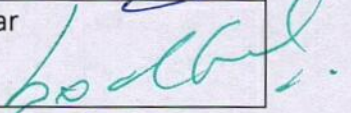
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# MALWANCHAL UNIVERSITY, INDORE

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# POLICY ON INTERNAL AND EXTERNAL AUDIT

**INTRODUCTION** - An audit is an independent examination of financial information of any entity , whether profit oriented or not , irrespective of any its size or legal form when such an examination is conducted with a view to express an opinion thereon.

The main goal of auditing is to make sure that an organisation 's financial statements are accurate

## PURPOSE-

Internal and external audit programs facilitate financial transparencies and provide management about the effectiveness of internal control systems.

## OBJECTIVES

- TO ensure that Malwanchal University funds and resources are used only for the purpose for which they are meant and to prevent misuse.
- To ensure that appropriate financial controls are developed, documented and applied.
- To obtain an independent opinion of the Financial statement of Malwanchal University and its constituent units.
- To reduce the risk of financial irregularities in the transactions.,

## SCOPE

The internal and external audit policy is applicable to all stakeholders of the Malwanchal university.

## AUDIT MECHANISM

**INTERNAL AUDIT:** The aim of internal audits is to identify weakness within the organization's and control environment internally so that they can be fixed as quickly as

possible to prevent harm to the organization or its stakeholders Accordingly, the internal audit plan for Malwanchal University is driven on a risk basis or. in tje words, be desinged to examine those areas that present the greatest risk to the university. The internal audit plan also includes a component of the strategic needs of an university

The Internal Audit includes Transaction wise audits of Sale, Purchase, Expense and other relevant items on a monthly basis to establish refrence to the activities Also, Comliance Audio is done to verify that all the expenses are done for legal purpose and also sanctioned by appropriate authority.

The Internal audit team must provide details of all the audit observation, major loopholes in internal control, differnces between cash withdrawals and expenditure reported and accounting books and records not maintained. The Internal Audit Team also has to address the deficiencies in the internal controls and methods of their improvement.

**EXTERNAL AUDIT:** An external audit is an examination that is conducted by an independent accountant This type of audit is most commonly intended to result in a certification of the financial statements of an entity. This certification is required by certain investors and lenders, and for all publicly-held businesses The main objectives of our External Audit Mechanism are:-

- the accuracy and completeness of the client's accounting records;
- Whether the client's accounting records have been prepared in accordance