

**“Ethics In Business Is Extremely Important; Your Reputation Is All You Have In Life”**


**Mohan K. Pattabhiraman**  
Senior Vice President -  
Head of Internal Audit

Good corporate governance has always been and is more so relevant in today’s dynamic global economic ecosystem. Corporate Governance is the way in which a company is managed by the people who are working at the highest level in it. It recognizes the inherent conflict in objectives between shareholders and managers and thus establishes institutions, policies, and procedures to protect shareholders’ interests. Though there is no single best corporate governance model, good corporate system should have effective organizational management and its approach to achieving the company’s objectives. As Mr. Toba Beta (an author & consultant) rightly said, **“Good corporate governance, it’s about being proper and prosper”**.

It has been widely recognized that the role of the internal auditor becomes increasingly more important in terms of creating good corporate governance structures. It is argued that an effective internal audit function enables the Board of Directors to perform its corporate governance duties and is believed that the internal audit function is one of the four cornerstones of corporate governance, and the internal auditing function has an important role in assisting the Board to monitor the effectiveness of its governance. By helping the Board and also the management in this way, internal audit becomes an essential element of the corporate governance process.

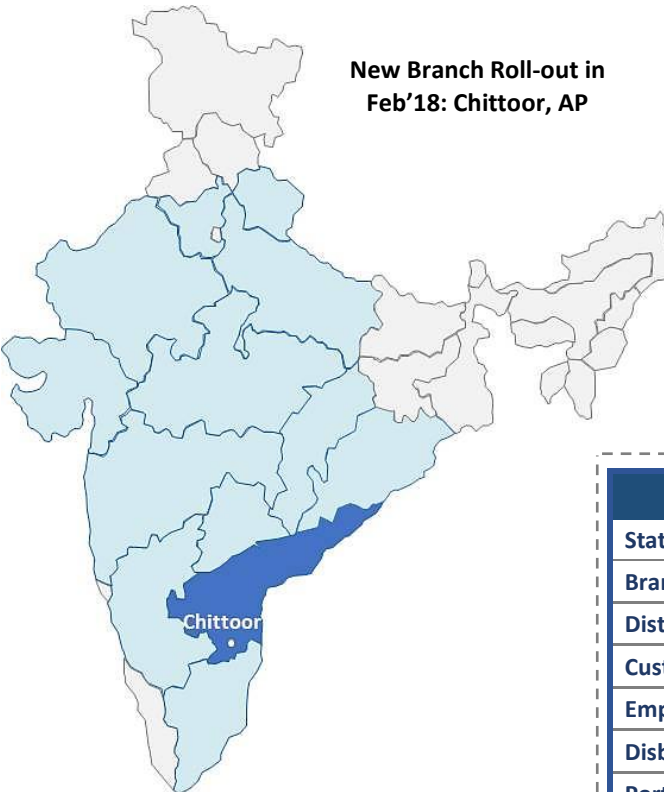
**Internal Audit at Vistaar**

The in-house team of competent auditors conducts branch audits and also credit quality assurance audits frequently to ensure compliance and working controls. At the central level, the in-house auditors undertake operations risk audit to assure that risk management is also agile. Central functions are outsourced for internal audit to an external audit firm who also undertake sample audits of branches and credit quality assurance audits as a peer review.

Vistaar’s Internal Audit department is also positioned to align with the best practices. The Chief Audit Executive functionally reports to the Audit & Risk Committee of the Board. The Board’s Audit Committee comprises of independent and non-executive directors. Both the above align with the contemporary best corporate governance practices. The department’s in-house team of auditors selected through a rigorous on-boarding process is trained thoroughly to enhance their competence in order to deliver the best practices internal audit.


Key department personnel are also being groomed to certify themselves as ‘Certified Internal Auditor (CIA)’ that will enhance the functions’ stature in the organization. The Internal Audit department’s SOP aligns itself with the International Professional Practices Framework (IPPF) of the Institute of Internal Auditors, USA (IIA).

The ultimate goal of corporate governance is to aid businesses in operating more effectively, while taking account of the interest of all the stakeholders. At Vistaar, we continuously work on enhancing the effectiveness of the Internal Auditors to the international standards.



**New Branch Roll-out in Feb’18: Chittoor, AP**

Map not to scale



**Chittoor**

- City & District HQ in Rayalaseema region
- Major market centre for mangoes, grains, sugarcane & peanuts
- Famous for silk, textiles (looms), granite & small mfg. units, etc.

Snapshot - February, 2018	
States	13
Branches	224
Districts	153
Customers	52,392
Employees	2,088
Disbursements (YTD) (₹ Crs.)	578
Portfolio (₹ Crs.)	1,231