

Our ICFR / IFC Development and Testing Approach



Regulatory Mandate	Section Applicability	Law Description	Applicability
Director's Responsibility Statement	Section 134 (5)(e) of Companies Act 2013	"Directors, in the case of a listed company, had laid down internal financial controls & that such internal financial controls are adequate and were operating effectively"	Only Listed entities
Board of Director's report	Rule 8 (5) of Companies (Accounts) Rules	The details in respect of adequacy of internal financial controls with reference to the Financial Statements"	All Entities – Listed or Unlisted
Powers and duties of auditors and auditing standards	Section 143 (3) (i) of Companies Act 2013	"Whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls"	All Entities – Listed or Unlisted
Code for Independent Directors (ID)	Section 149 (8), Schedule IV of Companies Act 2013	"Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible"	Listed Entities, Entities with Public borrowing
Audit Committee (AC) terms of reference	Section 177 of Companies Act 2013	<p>Sub Section (4) - "Evaluation of internal financial controls and risk management systems"</p> <p>Sub Section (5) – "Call on auditors to comment in internal control systems & before their submission of Financial Statements to the Board, may also discuss any related issues with the internal & statutory auditors and the management"</p>	Listed Entities, Entities with Public borrowing