



KPMG in India's transparency report

For the year to 31 March 2019

July 2019

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Message from the Deputy Chief Executive Officer



This 2019 Transparency Report produced in accordance with the standards of Article 40 of the European Union Statutory Audit Directive contains the steps that KPMG takes to uphold its professional responsibilities and describes the firm's legal and governance structure and approach to quality control.

We are committed to provide high quality professional services in an ethical manner to our clients. At KPMG, quality is about the resources we bring to our audits, our understanding of each client's industry and business and the insights we provide together with a high degree of rigour and professional skepticism.

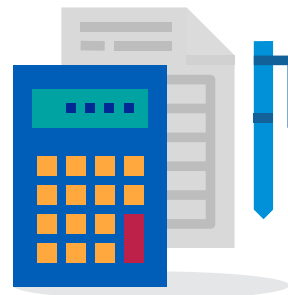
KPMG has a set of shared values which are fundamental to providing quality professional services and which guide our people's behaviour when dealing with both clients and each other.

A handwritten signature in black ink, appearing to read 'Akhil Bansal', with a stylized flourish at the end.

Akhil Bansal
Deputy Chief Executive Officer
KPMG in India
31 July 2019

Throughout this document, 'KPMG' refers to the network of independent member firms operating under the KPMG name and affiliated with KPMG International Cooperative ("KPMG International") or to one or more of these firms or to KPMG International. KPMG International, a Swiss entity, provides no client services. Throughout the document, "we," "our," and "us" refer to KPMG India. KPMG India is a member firm of the KPMG network of independent firms affiliated with KPMG International. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

What is audit quality?



Audit quality is fundamental to maintaining public trust and is the key measure on which our professional reputation stands.

We define 'audit quality' as being the outcome when:

- Audits are executed consistently, in line with the requirements and intent of applicable professional standards, within a strong system of quality controls; and
- All of our related activities are undertaken in an environment of the utmost level of objectivity, independence, ethics and integrity.



1. Who we are



1.1 Our business

KPMG was established in India in August 1993. KPMG is one of the leading providers of audit related, taxation, business advisory and other services as approved from time to time.

The firm operates from its offices in Gurugram, Noida, Chandigarh, Mumbai, Pune, Ahmedabad, Kolkata, Bengaluru, Hyderabad, Chennai, Kochi, Vadodara, Vijayawada and Jaipur.

KPMG in India in the year 31 March 2019 had over 5,462 personnel working in offices across 14 locations. Further, KPMG utilises the resources of other member firms where required.

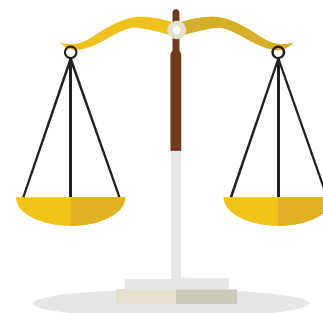
KPMG does not provide statutory audit services in India pursuant to the Indian Companies Act or under the requirements of the Institute of Chartered Accountants of India. It only provides permissible audit related services e.g. assurance opinions under IFRS, US GAAP, etc. (hereinafter referred to as 'audit services') and other permissible tax and advisory services. Full details of the services offered by KPMG may be found on our website.

<http://www.kpmg.com/IN/en/about/Pages/Default.aspx>

1.2 Our strategy

Our strategy is set by the KPMG Leadership Team (ILT). Our overall ambition remains to be seen by our key stakeholders as the best firm in consistently achieving the highest standards of quality, ethics and integrity.

2. Our structure and governance



2.1 Legal structure

Legal structure and ownership

KPMG India is affiliated with KPMG International Cooperative (“KPMG International”). KPMG International is a Swiss cooperative which is a legal entity formed under Swiss law. It is the entity with which all the member firms of the KPMG network are affiliated. Further details about KPMG International and its business activities, including our relationship with it, are available in section ‘Governance and leadership’ to the [KPMG International Transparency Report](#).

KPMG India is part of a global network of professional services firms providing Audit, Tax, and Advisory services to a wide variety of public and private sector organisations. KPMG International’s structure is designed to support consistency of service quality and adherence to agreed values wherever its member firms operate.

KPMG is a partnership firm registered under the Indian Partnership Act, 1932.

The firm is owned by 43 individuals who are resident in India.

KPMG is governed and managed as described in Section 2.4 of this report. As used in the rest of this report, the term ‘partner’ refers to individuals who are partners as per the Indian Partnership Act, 1932 and also includes senior employees of KPMG who are designated as partners.

Further details about KPMG International and its business are available in the [2018 KPMG International Transparency Report](#).

2.2 Name, ownership and legal relationships

KPMG is the registered trademark of KPMG International and is the name by which the member firms are commonly known. The rights of member firms to use the KPMG name and marks are contained within agreements with KPMG International.

Each member firm is, responsible for its own obligations and liabilities. KPMG International and other member firms are not responsible for a member firm's obligations or liabilities.

Each member firm is a separate legal entity responsible only for its own obligations and liabilities, unless it has expressly agreed otherwise.

2.3 Responsibilities and obligations of member firms

Under agreements with KPMG International, member firms are required to comply with KPMG International's policies and regulations including quality standards governing how they operate and how they provide services to clients to compete effectively. This includes having a firm structure that ensures continuity and stability and being able to adopt global strategies, share resources (incoming and outgoing), service multi-national clients, manage risk, and deploy global methodologies and tools.

Each member firm takes responsibility for its management and the quality of its work.

Member firms commit to a common set of KPMG values (see section A.2).

KPMG International's activities are funded by amounts paid by member firms. The basis for calculating such amounts is approved by the Global Board and consistently applied to the member firms. A firm's status as a KPMG member firm and its participation in the KPMG network may be terminated if, among other things, it has not complied with the policies and regulations set by KPMG International or any of its other obligations owed to KPMG International.

2.4 Governance structure

KPMG in India applies high standards of corporate governance.

Our Chief Executive Officer

The Chief Executive Officer has the ultimate responsibility for quality and system of quality control and also chairs the Board ensuring that the Board members receive accurate, timely and clear information and ensuring effective communication and relationships with the members at large.

The Board

The principal governance and oversight body of KPMG in India is the India Board, which provides leadership to the organisation and is responsible for our long-term growth and sustainability, setting our strategy and overseeing its implementation, monitoring performance against our business plan and protecting and enhancing the KPMG brand.

The India Board includes the Chief Executive Officer, the Deputy Chief Executive Officer, certain functional heads and other senior members. The Board meets from time to time to undertake various duties for KPMG, including policy decisions and approving the business plan.

In addition, certain committees deal with key aspects of governance within the group.

Details about the role and responsibilities and composition of each of these committees are set out below.

Disciplinary Committee

The principal role of the Disciplinary Committee is to provide oversight on the disciplinary matters across the firm.

Remuneration Committee

The Remuneration Committee is responsible for determining the remuneration of the partners and making recommendations on policies for partners' remuneration. Further information regarding partner remuneration is set out in section 5 of this document.

The India Leadership Team

The India Leadership Team is responsible for management of the day-to-day activities, recommending policy to the Board and developing the business plan within the overall strategy set by the Board, together with its subsequent implementation. It deals with operational matters affecting the firm (including monitoring operating and financial performance, budgets, new business proposals, marketing, technology development, recruitment, and retention policies, prioritisation and allocation of resources and investment and managing the risk profile of the firm).

The India Leadership Team includes the Chief Executive Officer, Deputy Chief Executive Officer, Chief Operating Officer, Functional heads and other senior officials.

The India Leadership Team meets frequently to address the matters within its remit.

Information on KPMG International's governance structure may be found in the [2018 KPMG International Transparency Report](#).

3. System of quality control



Overview

A robust and consistent system of quality control is an essential requirement in performing high quality services.

Accordingly, KPMG International has quality control policies that apply to all member firms.

These are included in KPMG's Global Quality & Risk Management Manual (Global Q&RM Manual) available to all KPMG personnel. These policies and associated procedures are designed to assist member firms in complying with relevant professional standards, regulatory and legal requirements, and in issuing reports that are appropriate in the circumstances, as well as help member firm personnel act with integrity and objectivity and perform their work with diligence.

These policies and procedures are based on the International Standard on Quality Control 1 (ISQC 1) issued by the International Auditing and Assurance Standards Board (IAASB), and on the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA). Both of these are relevant to firms that perform audits and other assurance and related services engagements.¹

KPMG India is required to implement international policies and procedures and also adopt additional policies and procedures that are designed to address rules and standards issued by relevant regulators as well as applicable legal and regulatory requirements.

Amendments to risk and quality policies, including ethics and independence policies, are included in quality and risk management alerts and are communicated by email. KPMG in India is required to implement changes specified in the email alerts and this is checked through internal monitoring.

Quality control and risk management are the responsibility of all KPMG personnel. This responsibility includes the need to understand and adhere to firm policies and associated procedures in carrying out their day-to-day activities. The system of quality control applies to all KPMG personnel wherever they are based.

While many KPMG's quality control processes are cross-functional, and apply equally to, tax and advisory work, the remainder of this section focuses on the delivery of quality audits.

1. All the references to 'KPMG policies and procedures' or 'our policies and procedures' refer to the KPMG International policies and to the additional KPMG India policies together.

Audit quality framework

At KPMG, audit quality is not just about reaching the right opinion, but how that opinion is reached. It is about the processes, thought, and integrity behind the auditor's report. The outcome of a quality audit is the delivery of an appropriate and independent opinion in compliance with relevant professional standards and applicable legal and regulatory requirements.

To help all audit professionals concentrate on the fundamental skills and behaviours required to deliver a quality audit, KPMG International has developed the Audit Quality Framework. This framework uses a common language that is adopted by all KPMG member firms, including KPMG in India to describe what the KPMG network believes drives audit quality, and to highlight how every audit professional at each KPMG member firm contributes to the delivery of audit quality.

- Commitment to continuous improvement

'Tone at the top' sits at the core of the Audit Quality Framework's seven drivers of audit quality and helps ensure that the right behaviours permeate across the entire KPMG network. All of the other drivers create a virtuous circle because each driver is intended to reinforce the others. Each of the seven drivers is described in more detail in the following sections of this report.



3.1 Tone at the top

The culture of KPMG International and KPMG member firms is underpinned by a strong set of values and supporting policies and processes and enables the right attitudes and behaviours to permeate throughout the KPMG network.

Our global leadership, working with regional and member firm leaderships, plays a critical role in establishing our commitment to quality and the highest standards of professional excellence. A culture based on quality, integrity and ethics is essential in an organization that carries out audits and other services on which stakeholders and investors rely.

At KPMG India, we promote a culture in which consultation is encouraged and recognised as a strength.

Tone at the top means that KPMG India leadership demonstrates commitment to quality, ethics and integrity, and communicates its commitment to clients, stakeholders, and society at large.

Integrity is a critical characteristic that stakeholders expect and rely on. It is also the key KPMG value: "Above all, we act with integrity". Integrity means constantly striving to uphold the highest professional standards, providing sound good-quality advice and rigorously maintaining our independence.

The KPMG values, which have been explicitly codified for a number of years, are embedded into the working practices and our values-based compliance culture at KPMG in India. The KPMG values form the foundation of our culture and set the tone at the top. They also form the foundation of the KPMG approach to audit and shape how we work together.

We communicate our KPMG values clearly to our people and embed them into our people processes — induction, performance development and reward. The KPMG values are set out in Appendix A.2.

KPMG Global Code of conduct

KPMG's commitment to integrity and quality is enshrined in the KPMG values that lie at the heart of the way we do things. They define KPMG's diverse and inclusive culture and our commitment to the right personal and professional conduct. The KPMG values emphasize that, above all, KPMG personnel act with integrity, uphold the highest professional standards and provide sound advice while rigorously maintaining independence and complying with laws, regulations, and professional standards. The KPMG values are communicated clearly to all people and are embedded into member firms' people processes — induction, performance development and reward.

Building on the KPMG values is the KPMG Global Code of Conduct. Member firms, including KPMG in India are required to adopt, as a minimum, the Global Code of Conduct.

KPMG India's Code of Conduct

In addition, KPMG India's Code of Conduct lays out expectations of ethical behaviour for all partners and employees at KPMG India and is built on the foundation of the KPMG values, the shared set of beliefs and principles at KPMG. In addition, the KPMG India Code of Conduct emphasizes that each partner and employee is personally responsible for following the legal, professional, and ethical standards that apply to his or her job function and level of responsibility. The KPMG India Code of Conduct sets out our commitments and includes provisions that require KPMG India personnel, in summary to:

- comply with all applicable laws, regulations, professional standards and KPMG policies
- work with the right clients and third parties
- focus on quality
- maintain our objectivity and independence
- not tolerate any illegal or unethical acts, committed within KPMG India, by clients or suppliers, or public officials with whom we deal
- protect information
- compete fairly
- help our people to be extraordinary
- be responsible corporate citizens
- build public trust

All KPMG India personnel are required to:

confirm their compliance with the Code of Conduct upon joining the firm, and annually thereafter; and

- complete regular training covering the Code of Conduct upon joining the firm and on an annual basis thereafter.

Individuals are encouraged to speak up when they see something that makes them uncomfortable or that is inconsistent with the KPMG values. Moreover, everyone at KPMG is responsible for reporting, and is required to report, any activity that could potentially be illegal or in violation of the KPMG values, KPMG policies, applicable laws, regulations or professional standards.

We have procedures and established channels of communication so that our personnel can report ethical and quality issues. Retaliation is prohibited against individuals who 'raise their hand' and speak up in good faith.

In addition, the [KPMG International hotline](#) is a mechanism for all KPMG partners, employees, clients and other external parties to confidentially report concerns they have relating to certain areas of activity by KPMG International itself, KPMG member firms or the senior leadership or employees of a KPMG member firm.

KPMG India also operates a local whistleblowing hotline which is available for its personnel, clients, and other parties to confidentially report concerns they have relating to how others are behaving (both internally and externally). The whistleblowing hotline allows people to report their concerns (via telephone, secure internet lines or surface mail) to a third-party organization. Our people can raise matters anonymously and without fear of retaliation. Matters reported to the hotline are investigated under the supervision of an independent ombudsman and are reported ultimately to the Disciplinary Committee. At KPMG India, we regularly monitor the extent to which our people feel we live the KPMG values through the Global People Survey (refer to section 3.5.6).

3.2 Leadership responsibilities for quality and risk management

KPMG in India demonstrates commitment to quality, ethics and integrity, and communicates our focus on quality to clients, stakeholders and society. Our leadership plays a critical role in setting the right tone and leading by example - demonstrating an unwavering commitment to the highest standards of professional excellence and championing and supporting major initiatives.

Our leadership team is committed to building a culture based on quality, integrity and ethics, demonstrated through their actions - written and video communications, presentations to teams and one-to-one discussions. The following individuals have leadership responsibilities for quality and risk management at KPMG India.

Chief Executive Officer

In accordance with the principles in ISQC 1, our Chief Executive Officer has the ultimate responsibility for KPMG's system of quality control. Details of some of the measures that he and the rest of the Board have taken to ensure that a culture of quality prevails within KPMG are set out later in this section.

Risk Management Partner

Operational responsibility for the system of quality control, risk management and compliance in KPMG has been delegated to the Risk Management Partner (RMP) who is responsible for setting overall professional risk management and quality control policies and monitoring compliance for KPMG India. The RMP has a direct reporting line to the Chief Executive Officer and is a member of the India Leadership Team. The RMP consults with the appointed Area Quality and Risk Management Leaders. The fact that the role is a India Leadership position, and seniority of the reporting lines, underlines the importance that the firm places on risk and quality issues. The RMP is supported by a team of partners and professionals in each of the functions.

Ethics and Independence Partner (EIP)

The RMP who is also the Ethics and Independence Partner, is also responsible for the direction and execution of ethics and independence policies and procedures in KPMG India.

The Audit, Tax and Advisory functions – Function Heads

The three heads of the client service functions (Audit, Tax and Advisory) are accountable to the Chief Executive Officer for the quality of service delivered in their respective functions. Between them, they determine the operation of the risk management, quality assurance and monitoring procedures for their specific functions within the framework set by the Risk Management Partner. These procedures make it clear that at the engagement level, risk management and quality control is ultimately the responsibility of all professionals.

KPMG India Head of Audit is responsible for leading a sustainable high-quality Audit practice that is attractive to KPMG personnel. This includes:

- setting the right 'tone at the top' by demonstrating an unwavering commitment to the highest standards of professional excellence, including skepticism, objectivity, and independence
- developing and implementing strategies to monitor and maintain knowledge and skills required of partners and employees to fulfil their professional responsibilities
- working with the Risk Management Partner to monitor and address audit quality and risk matters as they relate to the Audit practice, including an annual evaluation of activities considered to be key to audit quality.

Audit Leadership Team

The Audit Leadership Team of KPMG India met several times during the year (2018: 2019) and these meetings included regular discussions about current and emerging audit quality issues arising from external and internal quality review processes, queries being raised by engagement teams, root cause analysis procedures and other quality matters identified from a variety of sources. These were debated, other observations collected from client-facing teams were considered and actions agreed. Typically, most of these actions are short-term, in which case they are developed and communicated through the regular technical briefings issued to the whole Audit function and also, if considered of sufficient magnitude, included in the next mandatory training.

For more complex issues (which might require amendments to KPMG's global audit methodology or audit tools) these will be raised with KPMG International's Global Audit groups for consideration and potential development of solutions by the Global Services Centre (GSC) and International Standards Group (ISG). For more information about the GSC and the ISG refer to section 3.6.4

Audit Quality Council

In addition to these regular meetings, within the Audit function our Audit Quality Council considered matters relating to maintaining and improving audit quality. The Audit Quality Council conducted meetings during the year (2018:2019), and considered the audit quality matters for discussion.

The responsibilities also include:

- Reviewing the proposed significant audit initiatives ensuring the objectives and outcomes align with maintaining or enhancing audit quality.
- Recommending the strategic prioritisation, resourcing and timetabling of audit initiatives as they impact audit quality across all offices.
- Confirming the robustness of our monitoring activities as consistent with our audit quality priorities.

Investing in continuous improvement

At a global level, KPMG International has introduced a number of changes as the KPMG network continues to invest in continuous improvement. These include the creation of the Global Audit Quality Committee of the Global Board, comprised of Senior Partners from the largest firms in the KPMG network, and the appointment of a dedicated Global Head of Audit Quality who reports to the committee. Through these changes, KPMG International is driving greater accountability among Senior Partners and member firm Audit Leaders, which is backed up and reinforced through other measures such as a re-design of our system of quality control, enhanced global monitoring of audit quality, and enhanced resources, support and tools for engagement teams.

3.3 Association with the right clients

3.3.1 Acceptance and continuance of clients and engagements

One of the keys to managing audit quality is to understand the nature of our clients and the issues they face and build a robust audit response to the identified risks.

We understand our clients are linked to the quality of our work and our reputation.

Rigorous client and engagement acceptance and continuance policies and processes, help protect KPMG's reputation, support the KPMG brand and are an important part to our ability to provide high-quality professional services.

Accordingly, KPMG International has established policies and procedures which all member firms are required to implement in order to decide whether to accept or continue a client relationship, and whether to perform a specific engagement for that client.

3.3.2 Client and engagement acceptance process

Client Evaluation

KPMG in India undertakes an evaluation of every prospective client. This involves obtaining sufficient information about the prospective client, its key management, and significant beneficial owners and then properly analysing the information to be able to make an informed acceptance decision. This evaluation includes completion of a questionnaire to assess the client's risk profile and obtaining background information on the client, its key management, directors and owners. In addition, we obtain additional information required to satisfy our local legal and regulatory requirements.

A second partner, as well as the evaluating partner, approves each prospective client evaluation. Where the client is considered to be 'high risk', additionally the respective Functional Risk Management Partner or a sufficiently skilled and experienced delegate is involved in approving the evaluation.

Engagement evaluation

Each prospective engagement partner evaluates each prospective engagement, in practice this may be completed at the same time as the client evaluation, particularly in respect of audit appointments. The evaluation identifies potential risks in relation to the engagement. A range of factors are considered as part of this evaluation, including potential independence and conflict of interest issues (using Sentinel™, KPMG's conflicts and independence checking system), intended purpose and use of engagement deliverables, as well as factors specific to the type of engagement. For audit services, these include the competence of the client's financial management team and the skills and experience of personnel assigned to staff the engagement. The evaluation is made in consultation with other senior KPMG India personnel and includes review by quality and risk management leadership as required.

Where audit services to a public interest entity are to be provided for the first time, the prospective engagement team is required to perform additional independence evaluation procedures including a review of any non-audit services provided to the client and of other relevant business and personal relationships.

Similar independence evaluations are performed when an existing audit client becomes a public interest entity or additional independence restrictions apply following a change in the circumstances of the client.

We follow specific procedures detailed further in section 3.4.2.7 to identify and evaluate threats to independence for prospective audit clients that are public interest entities.

Depending on the overall risk assessment of the prospective client and engagement, additional safeguards may be introduced to help mitigate the identified risks. Any potential independence or conflict of interest issues are required to be documented and resolved prior to acceptance.

A prospective client or engagement will be declined if a potential independence or conflict issue cannot be resolved satisfactorily in accordance with professional standards and our policies, or if there are other quality and risk issues that cannot be appropriately mitigated.

3.3.3 Continuance process

KPMG India undertakes an annual re-evaluation of all its audit and assurance clients. The re-evaluation identifies any issues in relation to continuing association and any mitigating procedures that need to be put in place (this may include the assignment of additional professionals such as an Engagement Quality Control (EQC) reviewer or the need to involve additional specialists on the audit).

Recurring or long running non-audit engagements are also subject to re-evaluation.

In addition, clients and engagements are required to be re-evaluated if there is an indication that there may be a change in their risk profile.

3.3.4 Withdrawal

Where we obtain information that indicates that we should withdraw from an engagement or from a client relationship, we consult internally and identify any required legal, professional and regulatory responsibilities. We also communicate as necessary with those charged with governance and any other appropriate authority with additional professional, legal, or regulatory requirements.

3.3.5 Client portfolio management

Our leadership appoints engagement partners who have the appropriate competence, capabilities, time and authority to perform the role for each engagement.

We review each audit partner's client portfolio at least annually in individual discussions with the audit partner. The reviews consider the industry, nature and risk of the client portfolio as a whole along with the competence, capabilities and capacity of the partner to deliver a quality audit for every client.

Each partner's client portfolio is regularly reviewed to ensure that they have sufficient time to manage the portfolio and to ensure that the risks are being appropriately managed.

3.4 Clear standards and robust audit tools

All KPMG India professionals are expected to adhere to KPMG International and KPMG India policies and procedures, including independence policies, and are provided with a range of tools and guidance to support them in meeting these expectations. The policies and procedures set for audit engagements incorporate the relevant requirements of accounting, auditing, ethical and quality control standards, and other relevant laws and regulations.

3.4.1 Our Approach

KPMG has been investing significantly in evolving the network's audit capabilities and will continue to do so in the coming years including a new global electronic audit workflow delivered through KPMG Clara platform – KPMG's smart, modular audit platform – capable of continually integrating new and emerging technologies, with advanced capabilities embedded that leverage data, automation, and visualization. Data & Analytics (D&A) is integral to the way how KPMG member firms obtain audit evidence and interact with clients in the digital era.

KPMG's high-quality audit process will continue to include:

- **timely partner and manager involvement** throughout the engagement
- **access to the right knowledge** including involvement of specialists, training and experience requirements and relevant industry expertise
- **critical assessment of all audit evidence obtained during the audit**, exercising appropriate professional judgment
- **ongoing mentoring, supervision and review** of the engagement team
- managing and documenting the audit.

3.4.1.1 Consistent audit methodology and tools

Significant resources are dedicated to keeping KPMG's standards and tools complete and up to date. The KPMG audit methodology is based on the requirements of the International Standards on Auditing (ISAs). The KPMG audit methodology is set out in KPMG Audit Manual (KAM) and includes additional requirements that go beyond the ISAs which KPMG International believes enhance the quality of the audit. The methodology emphasizes applying appropriate professional skepticism in the execution of audit procedures and requires compliance with relevant ethical requirements, including independence. Enhancements to the audit methodology, guidance and tools are made regularly to be in compliance with standards, emerging auditing areas of focus and audit quality results (internal and external). Key topics include accounting estimates, internal control, revenue recognition, group audits, audit sampling and risk assessment.

KPMG member firms may add local requirements and/or guidance in KAM to comply with additional professional, legal, or regulatory requirements.

KAM contains examples and guidance for, among other things, procedures intended to identify and assess the risk of material misstatement and procedures to respond to those assessed risks.

The KPMG audit methodology encourages use of specialists when appropriate, and also requires involvement of relevant specialists in the core audit engagement team when certain criteria are met or where the audit team considers it appropriate or necessary.

The policies and procedures set out in KAM are specific to audits and supplement the policies and procedures set out in the Global Q&RM Manual that is applicable to all KPMG member firms, functions and personnel and is tailored by KPMG India for any local policies and procedures.

The KPMG audit workflow is enabled through eAudit, an activity-based workflow and electronic audit file. eAudit is KPMG's audit documentation workflow that allows 75,000+ professionals to complete high quality and consistent audits. eAudit integrates KPMG's audit methodology, guidance and industry knowledge, and the tools needed to execute and document the audit work performed.

eAudit can be "scaled" to present the relevant requirements and guidance, depending on the nature of the entity to be audited and in accordance with professional standards and applicable legal and regulatory requirements. It provides direct access to our audit guidance, professional standards and documentation templates.

Significant investments are underway to revise and enhance the KPMG audit methodology and eAudit, with the deployment of KPMG Clara Workflow which is being piloted in 2019, planned for initial deployment globally in 2020, and full deployment beginning in 2021. Refer below for more details on the KPMG Clara Workflow.

KPMG Clara, KPMG Clara Workflow and Audit Data & Analytics (D&A)

We have rolled out Global D&A tools such as KAAP and IDEA to assist engagement teams with identification and evaluation of key audit risks and substantive testing. These tools enable engagement teams, where appropriate, to dig deeper into financial data and to analyze it in different ways, revealing more about a client's business and its risks, thereby transforming the KPMG audit by helping to deliver high-quality, innovative audits with actionable insights for clients. KPMG International is making significant investments to improve audit quality, drive consistency in execution of audits and strengthen both the member firm and global monitoring of engagements.

KPMG Clara

In 2017, KPMG International commenced the global launch of KPMG Clara – KPMG's Smart Audit Platform, bringing together KPMG's Audit Data & Analytics (D&A) capabilities, innovative new technologies, collaboration capabilities and audit workflow.

This represents KPMG's ambition to:

- transform audit execution for our people and clients through new, modern technology-enabled interfaces and collaboration functionality;
- integrate the required capability to digitize the audit and deliver new D&A routines;
- enable an enhanced and re-designed workflow;
- incorporate the development of monitoring capabilities at the engagement-level and across engagement portfolios for use by engagement teams and member firms;
- support Global's leadership's monitoring of the effectiveness of member firm systems of quality control; and
- develop an extendable audit platform to enable member firm customization and scale, as well as future capabilities.

KPMG Clara also encompasses the tracking of selected engagement-level indicators by engagement teams for an individual engagement and across an engagement portfolio. This provides a summary and visualisation of these indicators to:

- measure audit engagement progress and ensure timely issue resolution;
- facilitate audit execution by providing key indicators for prioritising tasks; and
- highlight unexpected results/relationships that may require further investigation.

KPMG Clara will be enriched over time as emerging technologies continue to transform the audit, with areas like cognitive and predictive technology being channelled through KPMG Clara to deliver ever greater capabilities. Through alliances with some of the world's most advanced technology companies such as Microsoft, KPMG is building the future of audit, aligning with technology leaders to bring new insights faster and, with growing capabilities, deliver even more value through KPMG member firm audits. KPMG International's investment strategy also includes innovation, working with universities on important applied audit research and working with member firms as they develop advanced technologies.

KPMG Clara Workflow

Building on the launch of KPMG Clara in 2017, KPMG International is creating a new workflow tool that will be used by KPMG audit teams to execute and document KPMG audits. It will be intuitive, user-friendly and modern. The new system will genuinely be a workflow – guiding audit teams through a series of steps in a logical sequence, with clearer display of information and visuals, knowledge and guidance available at the moment of need, and with embedded advanced D&A capabilities. The workflow and methodology will also be scalable – adjusting the requirements to the size and complexity of the audit engagement. This globally-driven project will significantly overhaul and redesign the execution of an audit by KPMG professionals and drive improvements in audit quality.

KPMG Clara Workflow will incorporate the development of monitoring capabilities (e.g. data mining) at the engagement level for use by member firms. The KPMG Clara Workflow is being piloted in 2018, with initial deployment globally in 2019 and 2020 and full deployment beginning in 2021. The predecessor audit workflow tool, eAudit, is expected to be decommissioned soon thereafter.

Audit data & analytics (D&A)

KPMG's audit, powered by D&A:

- **enhances audit quality**; by providing a deeper understanding of data populations, giving focus to higher risk transactions;
- **is secure**; by restricting access to data both in transit and within KPMG's IT environments; and
- **is transparent**; by facilitating detailed analysis to uncover the reasons behind, and root causes of, outliers and anomalies and provide increased visibility into higher risk transactions and process areas.

D&A tools and routines are built on principles and professional standards underlying an audit and do not relieve auditors of their responsibilities.

3.4.2 Independence, integrity, ethics and objectivity

3.4.2.1 Overview

Auditor independence is a cornerstone of international professional standards and regulatory requirements.

KPMG International has detailed independence policies and procedures, incorporating the requirements of the IESBA Code of Ethics. These are set out in KPMG's Global Q&RM Manual. Automated tools facilitate compliance with these requirements.

These policies and processes cover areas such as firm independence (covering, for example, treasury and procurement functions), personal independence, firm financial relationships, post-employment relationships, partner rotation and approval of audit and non-audit services.

KPMG International has a Partner-in-Charge of the Global Independence Group, who is supported by a core team of specialists to help ensure that robust and consistent independence policies and procedures are in place at KPMG member firms, and that tools are available to help them and their personnel comply with these requirements.

The Risk Management Partner of KPMG India is also the Ethics and Independence Partner (EIP) who has primary responsibility for the direction and execution of ethics and independence policies and procedures in KPMG India.

Amendments to KPMG International's ethics and independence policies in the course of the year are included in regular quality and risk communications. Member firms are required to implement changes as specified in the email alerts, and this is checked through the internal monitoring programs described in the Global Q&RM Manual.

KPMG India personnel are required to consult with the EIP on certain matters as defined in the Global Q&RM Manual. Consultations may also be required with the Global Independence Group, depending upon the facts and circumstances.

3.4.2.2 Personal financial independence

KPMG International policies require that KPMG member firms and KPMG professionals are free from prohibited financial interests in, and prohibited relationships with, KPMG member firm audit clients, their management, directors, and significant owners. The policies also extend the IESBA Code of Ethics restrictions on ownership of audit and assurance client securities, to every member firm professional in respect of any such client of any member firm.

KPMG India professionals are responsible for making appropriate inquiries and taking other appropriate actions on an ongoing basis to ensure that they do not have any personal financial, business or family interests that are restricted for independence purposes. They are required to check the Restricted Entity List (REL) prior to entering into an investment to identify whether they are permitted to do so.

In common with other KPMG member firms, we use a web-based independence compliance system i.e. KPMG Independence Compliance System (KICS) to assist in complying with personal independence investment policies. This system contains an inventory of publicly available investments.

Partners, all manager grade and above client-facing personnel, personnel in functional risk teams are required to use the KICS system to maintain a record of all of their investments in KICS, which automatically notifies them if there is any investment subsequently becomes restricted. Newly restricted investment must be disposed off within five business days of the KICS notification or email notification circulated by the RMP, whichever is earlier. KPMG monitors partner and manager compliance with this requirement as part of our programme of independence compliance audits of a sample of professionals.

3.4.2.3 Employment relationships

Any professional providing services to an audit client irrespective of function is required to notify our RMP who is also the EIP, or its delegate, if they intend to enter into employment negotiations with that audit client. For partners, this requirement extends to any audit client of any KPMG member firm that is a public interest entity.

KPMG professionals engaged in negotiations regarding possible employment with an entity we audit are immediately removed from the audit engagement.

If a professional accepts employment with an entity we audit, the engagement team gives active consideration to the appropriateness or necessity of modifying the audit procedure to adjust for risk of circumvention by the former professional of the member firm.

Former members of the audit team or former partners of KPMG India are prohibited from joining an audit client in certain roles unless they have disassociated from KPMG India financially and have ceased participating in KPMG India business and professional activities.

Key audit partners and members of the chain of command for an audit client are subject to time restrictions (referred to as 'cooling-off' periods) that preclude them from joining that client in certain roles until a defined period of time has passed.

We communicate and monitor requirements in relation to employment of KPMG India professionals by audit clients.

3.4.2.4 Firm financial independence

KPMG member firms must also be free from prohibited interests in, and prohibited relationships with, audit clients, their management, directors and significant owners.

In common with other KPMG member firms, KPMG India uses KICS to record their own investments in locally listed companies and funds, direct and material indirect investments held in pension, and employee benefit plans (including non-public entities and funds).

Additionally, KPMG India is required to record in the system, all borrowing and capital financing relationships, and custodial, trust and brokerage accounts that hold member firm assets.

On an annual basis, KPMG India confirms compliance with independence requirements as part of the Risk Compliance Program.

3.4.2.5 Business relationships/suppliers

KPMG India has policies and procedures in place that are designed to ensure its business relationships are maintained in accordance with the IESBA Code of Ethics and other additional applicable independence requirements.

All prospective business relationships are evaluated to assess association risks and to identify potential auditor independence and conflicts of interest issues. A relationship involving a third-party service provider that a member firm will use to assist with client engagements or other purposes - is also required to be evaluated to determine whether the third party has the competence to provide the relevant services. The individuals providing the services are required to confirm they understand and will comply with applicable ethics and independence requirements, and they are also required to complete ethics, independence and compliance training.

3.4.2.6 Business acquisitions, admissions and investments

If KPMG India is in the process of considering the acquisition of, or investment in, a business, it is required to perform sufficient due diligence procedures on the prospective target to identify and address any potential independence and risk management issues prior to closing the transaction. Specific consultation requirements are applied to enable independence and other issues to be addressed when integrating the business into KPMG India and the wider KPMG network.

3.4.2.7 Independence clearance process

KPMG India follows specific procedures to identify and evaluate threats to independence related to prospective audit clients that are public interest entities; these procedures, also referred to as 'the independence clearance process,' must be completed prior to accepting an audit engagement for these entities.

A 'KPMG Independence Checkpoint' tool was introduced in October 2015 to automate and standardise all the workflows that comprise the independence clearance process. This is in anticipation of the increasing number of audit tenders, member firms will be participating in and the number of independence clearances that need to be completed as a result of mandatory firm rotation of statutory audits in certain parts of the world.

3.4.2.8 Independence training and confirmations

All KPMG India partners and client service professionals, as well as certain other individuals, must complete independence training that is appropriate to their grade and function upon joining KPMG India and on an annual basis thereafter. New personnel who are required to complete this training must do so by the earlier of (a) fourteen days after joining KPMG India or (b) before providing any services to any client, or becoming a member of the chain of command for, any audit client, including any of its related entities or affiliates.

We also provide all personnel with training on the Global Code of Conduct and the KPMG India Code of Conduct and ethical behaviour, including KPMG's anti-bribery policies, compliance with laws, regulations and professional standards, and reporting suspected or actual non-compliance with laws, regulations, professional standards, and KPMG's policies on a biennial basis. New personnel are required to complete this training within one month of joining KPMG India.

Upon acceptance of employment, all KPMG personnel are required to confirm that they are in compliance with, and will abide by, applicable ethics and independence rules and policies. Thereafter, all KPMG personnel are required to sign an annual confirmation stating that they have remained in compliance with applicable ethics and independence policies throughout the year covered by the confirmation as well as their understanding of, and compliance with, the applicable Code of Conduct. This confirmation is used to evidence the individual's compliance with and understanding of KPMG's independence policies.

In addition, all KPMG personnel are required to confirm their understanding of, and compliance with, the applicable Code of Conduct upon joining their member firm and on an annual basis thereafter via the above-mentioned annual compliance confirmation process. This confirmation is used to evidence the individual's compliance with, and understanding of, our independence and other applicable policies.

3.4.2.9 Non-audit services

We have policies that are consistent with IESBA principles and applicable laws and regulations to evaluate and approve the scope of services that can be provided to audit clients.

We are required to establish and maintain a process to review and approve all new and modified services that are developed by KPMG India. KPMG India's RMP or delegate is involved in the review of potential independence issues, and the Global Independence Group is involved in the case of services developed which are intended to be delivered to audit or assurance clients in more than one jurisdiction.

In addition to identifying potential conflicts of interest, Sentinel™, facilitates compliance with these policies. Certain information on all prospective engagements including service descriptions and fees must be entered into Sentinel™ as part of the engagement acceptance process. Lead audit engagement partners are required to: maintain group structures for their publicly traded and certain other audit clients as well as their affiliates Sentinel™, and they are also responsible for identifying and evaluating any independence threats that may arise from the provision of a proposed non-audit service and the safeguards available to address those threats. Sentinel™ enables lead audit engagement partners, for

those entities for which group structures are maintained, to review and approve, or deny, any proposed service for those entities worldwide.

3.4.2.10 Fee dependency

KPMG International's policies recognise that self-interest or intimidation threats may arise when the total fees from an audit client represent a large proportion of the total fees of the member firm expressing the audit opinion. They require that in the event that the total fees from a public interest entity audit client and its related entities were to represent more than 10 per cent of the total fees received by a particular member firm for two consecutive years:

- This would be disclosed to those charged with governance at the audit entity; and
- A senior partner from another KPMG member firm would be appointed as the EQC reviewer.

No audit client accounted for more than 10 percent of the total fees received by KPMG India over the last two years.

3.4.2.11 Avoiding conflicts of interest

Conflicts of interest can arise in situations where KPMG India personnel have a personal connection with the client which may interfere, or be perceived to interfere, with their ability to remain objective, or where they are personally in possession of confidential information relating to another party to a transaction. Consultation with the RMP is required in these situations.

All KPMG member firms and personnel are responsible for identifying and managing conflicts of interest, which are circumstances or situations that have, or may be perceived by a fully informed, reasonable observer, to have an impact on a member firm or its personnel in their ability to be objective or otherwise act without bias. Sentinel™ is the tool all KPMG member firms use for potential conflict identification so that these can be addressed in accordance with legal and professional requirements.

KPMG India has risk management resources ('Resolvers') who are responsible for reviewing an identified potential conflict and working with the affected member firms to resolve the conflict, the outcome of which must be documented.

It may be necessary to apply specific procedures to manage the potential for a conflict of interest to arise, or be perceived to arise, so that the confidentiality of all clients' affairs is maintained. Such procedures may, for example, include establishing formal dividers between engagement teams serving different clients, and making arrangements to monitor the operation of such dividers.

Escalation and dispute resolution procedures are in place for situations in which agreement cannot be reached on how to manage a conflict. If a potential conflict issue cannot be appropriately mitigated, the engagement is declined or terminated.

3.4.2.12 Breaches of independence policy

All KPMG India personnel are required to report an independence breach as soon as they become aware of it to the EIP. In the event of failure to comply with our independence policies, whether identified in the compliance review, self-declared or otherwise, professionals are subject to an independence disciplinary policy.

KPMG India has a documented disciplinary policy in relation to breaches of independence policies. The disciplinary policy is communicated to all professionals and applies to all breaches of independence rules, incorporating incremental sanctions reflecting the seriousness of any violations. Any breaches of auditor

independence regulations are reported to those charged with governance at the audit client, on the basis agreed with them.

Matters arising are factored into our promotion and compensation decisions and, in the case of engagement leaders, are reflected in their individual quality and risk metrics.

3.4.2.13 Compliance with laws, regulations, and anti-bribery and corruption

Compliance with laws, regulation and standards is a key aspect for all KPMG India personnel. In particular, we have zero tolerance of bribery and corruption.

We prohibit involvement in any type of bribery — even if such conduct is legal or permitted under applicable law or local practice. We also do not tolerate bribery by third-parties, including by our clients, suppliers or public officials.

3.4.2.14 Partner rotation

Partner rotation

KPMG International partner rotation policies are consistent with the IESBA Code of Ethics and require all member firms to comply with any stricter applicable rotation requirements.

KPMG India partners are subject to periodic rotation of their responsibilities for audit clients under applicable laws, regulations, independence rules and KPMG International policy. These requirements place limits on the number of consecutive years that partners in certain roles may provide statutory audit services to a client, followed by a 'time-out' period during which time these partners may not participate in the audit, provide quality control for the audit, consult with the engagement team or the client regarding technical or industry-specific issues or in any way influence the outcome of the audit.

KPMG India monitors the rotation of audit engagement leaders (and any other key roles, such as the Key Audit Partner and EQC Reviewer, where there is a rotation requirement) and develops transition plans to enable allocation of partners with the necessary competence and capability to deliver a consistent quality of service to clients. The partner rotation monitoring is subject to compliance testing.

3.5 Recruitment, development and assignment of appropriately qualified personnel

One of the key drivers of quality is ensuring that our professionals have the appropriate skills and experience, passion and purpose, to deliver the highest quality in audit. This requires appropriate recruitment, development, promotion, retention and assignment of professionals. The KPMG performance development approach, linked to the KPMG values, and is designed to articulate what is required for success – both individually and collectively. Ensuring Audit quality is an essential element of the training, planning and development underway to support the KPMG Clara Workflow roll-out and the associated updated KPMG audit methodology, with processes embedded in all KPMG learning programs.

3.5.1 Recruitment

KPMG in India strives to be an employer of choice by creating an environment where our people can fulfill their potential and feel proud and motivated to give their best.

Our recruiting strategies are focused on drawing entry-level talent from a broad talent base, including working with established universities, colleges and business schools, but also working with graduate colleges, helping build relationships with a younger, diverse talent pool at an early age.

KPMG India also recruits significant numbers at an experienced hire and partner level.

KPMG India recruited over 1604 new people in the year ended 31 March 2019 (2018: approximately 1738).

All candidates submit an application through our online career portal and are employed following a rigorous selection process, which may include but not limited to application screening, competency-based interviews, and qualification/reference checks. For leadership positions, assessments include leadership assessment and panel interviews where the candidates are assessed by an independent panel of Partners.

Where individuals are recruited for senior grades, a formal independence discussion is conducted with them by the Ethics and Independence Partner or a delegate. KPMG India does not accept any confidential information belonging to the candidate's former firm/employer.

The Partner hire process is rigorous and thorough, involving appropriate members of leadership. Our criteria for Partner hires are consistent with our commitment to professionalism and integrity, quality, and being an employer of choice.

3.5.2 Personal development

It is important that all our professionals have the necessary business and leadership skills to be able to perform quality work in addition to technical skills to be able to perform quality work (see section 3.6.1).

KPMG is launching a new Performance Development process which will apply to all member firms called 'Everyone a Leader', where stretching goals should be set and reviewed regularly throughout the year. Leadership competencies will include 'driving quality', 'advancing an ethical environment' and 'making sound decisions'. A goals library is available for colleagues to gain inspiration around what goals they want to set, with one category of goals focussed specifically around quality.

As part of the open approach, stretching goals should be set and reviewed regularly throughout the year. To support this, a goal library is available for colleagues to gain inspiration around what goals they want to set, with one category of goals focussed specifically around quality.

A culture of continuous improvement is encouraged to drive feedback, both positive and developmental, from both junior and senior colleagues, as well as peers. In our performance development approach feedback can be sought and received through two mechanisms, informal feedback, which should be regular and owned by the individual for their own development and growth, and formal feedback through an engagement review form. The engagement review form specifically requests feedback on quality and is required quarterly, and inputs into performance evaluations.

Partners and certain professionals are also required to be evaluated on key quality and compliance metrics. KPMG India monitors quality incidents and maintains quality and compliance metrics for the purpose of partner assignments and also for the purposes of partner evaluation, promotion and remuneration.

In relation to audit, opportunities are provided for professionals to develop the skills, behaviours, and personal qualities that form the foundations of a successful career in auditing. Courses are available to enhance personal effectiveness and develop technical, leadership, and business skills.

KPMG India professionals are also developed for high performance through access to coaching and mentoring on the job, stretch assignments, and country rotational and global mobility opportunities.

3.5.3 Inclusion and diversity programmes

KPMG India works hard to foster an inclusive culture. Being inclusive enables us to bring together successful teams with the broadest range of skills, experiences and perspectives.

Our Leadership and management teams also need to reflect the diversity within our firm and the diversity of our clients.

We believe that the established Global Inclusion and Diversity strategy of KPMG International provides the framework to drive the actions that are necessary to promote inclusive leadership at KPMG India and across the KPMG network.

For more about Inclusion & Diversity at KPMG read <https://home.kpmg/xx/en/home/about/what-we-stand-for/inclusion-and-diversity.html>.

3.5.4 Performance & Reward

Evaluation process including quality and compliance metrics

KPMG India professionals, including partners, have annual goal-setting and performance reviews. Each professional is evaluated on their agreed-upon goals, demonstration of our leadership competencies, technical capabilities and market knowledge. A culture of continuous improvement is encouraged to drive feedback - both formal and informal, from junior and senior colleagues, as well as peers. Feedback gathered forms an integral part of performance reviews.

KPMG India monitors quality and compliance incidents and maintains quality metrics in assessing the overall evaluation, promotion and remuneration of partners and certain personnel. These evaluations are conducted by performance managers and partners who are in a position to assess performance.

KPMG India's policy prohibits audit partners from being evaluated on or compensated based on their success in selling non-assurance services to audit clients.

Reward

We have compensation and promotion policies that are clear, simple, and linked to the performance review process which, for partners, includes the achievement of key audit quality and compliance metrics. This helps our partners and employees know what is expected of them, and what they can expect to receive in return.

Reward decisions are based on consideration of both individual and organizational (member firm) performance. The extent to which our people feel their performance has been reflected in their reward is measured through the Global People Survey, with action plans developed accordingly (refer to section 3.5.6).

Promotion

The results of performance evaluations directly affect the promotion and remuneration of partners and staff and, in some cases, their continued association with KPMG.

Partner admissions

KPMG India's process for admission to partnership is rigorous and thorough, involving appropriate members of leadership. Our criteria for admission to the KPMG India partnership are consistent with our commitment to professionalism and integrity, quality, and being an employer of choice. These are strongly aligned to KPMG's behavioural capabilities and are based on consistent principles.

3.5.5 Assignment of professionals

KPMG India has procedures in place to assign both the engagement partners and other professionals to a specific engagement on the basis of their skill sets, relevant professional and industry experience, and the nature of the assignment or engagement.

Function heads are responsible for the partner assignment process. Key considerations include partner experience and capacity - based on an annual partner portfolio review, to perform the engagement taking into account the size, complexity and risk profile of the engagement and the type of support to be provided (i.e. the engagement team composition and specialist involvement).

Audit engagement partners are required to be satisfied that their engagement teams have appropriate competencies, training and capabilities, including time, to perform audit engagements in accordance with KAM, professional standards, and applicable legal and regulatory requirements. This may include involving specialists from other KPMG member firms.

When considering the appropriate competence and capabilities expected of the engagement team as a whole, the engagement partner's considerations may include the following:

- an understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;
- an understanding of professional standards and legal and regulatory requirements;
- appropriate technical skills, including those related to relevant information technology and specialised areas of accounting or auditing;
- knowledge of relevant industries in which the client operates;
- ability to apply professional judgement;
- an understanding of KPMG India's quality control policies and procedures; and
- QPR results and results of regulatory inspections.

3.5.6 Insights from our people – Global People Survey (GPS)

Biennially KPMG India invites all its people to participate in an independent Global People Survey to share perception about their experience working for KPMG. The GPS provides an overall measure of our people's engagement through an Engagement Index (EI) in areas that drive engagement which may be strengths or opportunities. The survey also identifies opportunities to strengthen those levels of engagement. Results can be analyzed by functional or geographic area, grade, role, gender to provide additional insight. Additional insight is provided on how we are faring on categories known to impact employee engagement. The survey also specifically provides KPMG India leadership and KPMG global leadership with results related to audit quality, upholding the KPMG values, on employee and partner attitudes to quality, leadership and tone at the top.

KPMG India participates in the GPS, monitors results and takes appropriate actions to communicate and respond to the findings of the survey. This includes monitoring GPS results including those related to audit quality and tone at the top, and employee engagement through the EI.

The results of the GPS are also aggregated for the KPMG network and are presented to the Global Board each year and appropriate follow-up actions agreed.

3.6 Commitment to technical excellence and quality service delivery

All KPMG India professionals are provided with the technical training and support they need. This includes access to specialists and the professional practice department, which are made up of senior professionals with extensive experience in audit, reporting and risk management, either to provide resources to the engagement team or for consultation. Where the right resource is not available within KPMG India, access is provided to a network of highly skilled KPMG professionals in other KPMG member firms.

At the same time, audit policies require professionals to have the appropriate knowledge and experience for their assigned engagements.

3.6.1 Lifetime learning strategy

In addition to personal development discussed in the section above, our lifetime learning strategy is underpinned by policies requiring all professionals to maintain their technical competence and to comply with applicable regulatory and professional development requirements.

Formal training

Annual training priorities for development and delivery are identified by the Audit Learning and Development steering groups at global, regional and, where applicable, KPMG India. Training is delivered using a blend of classroom, digital learning and performance support to assist auditors on the job. Audit Learning and Development teams work with subject matter experts and leaders from the GSC, ISG and member firm Department of Professional Practice (DPP), as appropriate, to ensure the training is of the highest quality, is relevant to performance on the job, and is delivered on a timely basis.

Mentoring and on the job training

Learning is not confined to the classroom — rich learning experiences are available when needed through coaching and just-in-time learning, available at the click of a mouse and aligned with job specific role profiles and learning paths. All classroom courses are reinforced with appropriate performance support to assist auditors on the job.

3.6.2 Licensing and mandatory requirements for IFRS and U.S. GAAP engagements

Licensing

All KPMG India professionals are required to comply with applicable professional licence rules and satisfy the Continuing Professional Development (CPD) requirements in the jurisdiction where they practice. Policies and procedures are designed to facilitate compliance with licence requirements.

We are responsible for ensuring that audit professionals working on engagements have appropriate audit, accounting and industry knowledge, and experience in the local predominant financial reporting framework.

Mandatory requirements – IFRS and U.S. GAAP engagements

In addition, we have specific requirements for partners, managers and EQC reviewers working on IFRS engagements. Similar policies apply to engagements to report on financial statements or financial information prepared in accordance with U.S. GAAP and/or audited in accordance with U.S. auditing standards, including reporting on the effectiveness of the entity's internal control over financial reporting (ICOFR). These require the partner, manager and EQC reviewer to have completed relevant trainings and that the engagement team, collectively, has sufficient experience to perform the engagement or has implemented appropriate safeguards to address any shortfalls.

3.6.3 Access to specialist networks

KPMG India engagement teams have access to a network of local KPMG specialists as well as specialists in other KPMG member firms.

Specialists who are members of an audit team and have overall responsibility for specialist involvement on an audit engagement have the competencies, capabilities and objectivity to appropriately fulfill their role. Training on audit concepts is provided to these specialists.

The need for specialists (e.g. Information Technology, Tax, Treasury, Actuarial, Forensic, Valuation) to be assigned to a specific audit engagement is considered as part of the audit engagement acceptance and continuance process.

3.6.4 Culture of Consultation

KPMG encourages a strong culture of consultation that supports member firm teams throughout their decision-making processes and is a fundamental contributor to audit quality. KPMG India promotes a culture in which consultation is recognised as a strength and that encourages personnel to consult on difficult or contentious matters. While, audit engagement teams are encouraged to approach and consult DPP for assistance when they believe it to be necessary, in certain circumstances consultation with DPP is mandatory. To assist audit engagement professionals in addressing difficult or contentious matters, policies have been established for consultation and documentation, including procedures to facilitate resolution of differences of opinion on engagement issues. In addition, the KPMG Global Q&RM Manual includes mandatory consultation requirements with relevant specialists where certain matters are identified such as concerns over client integrity.

Technical consultation and global resources

In addition, for ISA and IFRS related matter, technical auditing and accounting support is available to all member firms and their professionals through the GSC and the ISG. For SEC foreign registrants, support is available from the US Capital Markets Group.

Global Services Centre (GSC)

The GSC's mission is to drive success for KPMG's global network of Audit practices through collaboration, innovation and technology. The GSC develops, maintains and deploys KPMG's audit methodology and technology-based tools used by KPMG audit professionals to facilitate effective and efficient audits. With three global locations, one in each region, the GSC Audit team is made up of professionals with backgrounds in audit, IT, data science, mathematics, statistics, and more from around the world who bring diverse experiences and innovative ways of thinking to further evolve KPMG's audit capabilities.

International Standards Group (ISG)

The ISG works with Global IFRS and ISA topic teams with geographic representation from around the world to promote consistency of interpretation of IFRS and auditing requirements between member firms, identify emerging issues, and develop global guidance on a timely basis.

Further details about the GSC and ISG and its activities are available in the [KPMG International Transparency Report](#).

Member firm professional practice resource

Appropriate consultation support on auditing and technical accounting matters is provided to audit engagement professionals through our professional practice resources (referred to as Department of Professional Practice or DPP). DPP also assists engagement teams where there are differences of opinion either within teams or with the EQC reviewer. Unresolved differences are required to be escalated to senior partners for final resolution. The ISG is also available for consultation when required.

KPMG International policies include minimum requirements for member firm DPPs.

3.6.5 Developing business understanding and industry knowledge

A key part of quality is having a detailed understanding of the client's business and industry.

For significant industries, global audit sector leads are appointed to support the development of relevant industry information, which is made available to audit professionals through the KPMG audit workflow. This knowledge comprises examples of industry audit procedures and other information (such as typical risks and accounting processes). In addition, industry overviews are available that provide general and business information in respect of particular industries, as well as a summary of the industry knowledge provided in the KPMG audit workflow.

3.7 Performance of effective and efficient audits

How an audit is conducted is as important as the final result. KPMG India personnel are expected to demonstrate certain key behaviours and follow certain policies and procedures in the performance of effective and efficient audits.

3.7.1 Ongoing mentoring, supervision and review

We understand that skills build over time and through exposure to different experiences. To invest in the building of skills and capabilities of KPMG professionals, without compromising on quality, KPMG India promotes a continuous learning environment and supports a coaching culture.

The engagement partner, supported by the engagement manager, is responsible for driving a culture of coaching and continuous learning throughout the audit process and setting an example in the performance of the audit to drive a culture of continuous audit quality improvement.

Ongoing mentoring, coaching and supervision during an audit involves:

- engagement partner participation in planning discussions;
- tracking the progress of the audit engagement;
- considering the competence and capabilities of the individual members of the engagement team, including whether they have sufficient time to carry out their work, whether they understand their instructions, and whether the work is being carried out in accordance with the planned approach to the engagement;
- helping engagement team members address any significant matters that arise during the audit and modifying the planned approach appropriately;
- identifying matters for consultation with more experienced team members during the engagement.

A key part of effective mentoring and supervision is timely review of the work performed so that significant matters are promptly identified, discussed and addressed.

3.7.1.1 Timely engagement quality control (EQC) reviewers

EQC reviewers are independent of the engagement team and have the appropriate experience and knowledge to perform an objective review of the more critical decisions and judgements made by the engagement team and the appropriateness of the financial statements.

An EQC reviewer is required to be appointed for audits, including any related review(s) of interim financial information, of all listed entities, non-listed entities with a high public profile, engagements that require an EQC review under applicable laws or regulations, and other engagements as designated by the Risk Management Partner or country Head of Audit.

The EQC review takes place before the date of the auditor's report and includes, among other matters:

- review of selected audit documentation relating to significant judgements the engagement team made and the conclusions it reached
- review of the financial statements and proposed auditor's report
- evaluation of the conclusions reached in formulating the auditors' report and consideration of whether the proposed report is appropriate.

For certain engagements designated as high risk in client and engagement acceptance and continuance (CEAC) process, where there is no requirement for an EQC review, a Limited Scope Quality Control (LSQC) review may be performed. The objective of LSQC review is to involve another partner with experience in an industry or a specific regulatory framework who reviews the financial statements and discuss significant matters arising during the audit, significant judgements made and related conclusions reached with the engagement partner.

Although the engagement partner is ultimately responsible for the resolution of financial reporting and auditing matters, EQC/LSQC reviewer must be satisfied that all significant questions raised have been resolved before an audit can be considered complete.

KPMG India is continually seeking to strengthen and improve the role that the EQC reviewer plays in audits, as this is a fundamental part of the system of audit quality control. In recent years a number of actions have been taken to reinforce this, including:

- issuing leading practices guidance focusing on reviewer competencies and capabilities and on ongoing support provided to EQC reviewers
- incorporating specific procedures in the KPMG audit workflow to facilitate effective reviews
- implementing policies relating to recognition, nomination and development of EQC reviewers, as well as monitoring and assessing the nature, timing and extent of their involvement.

3.7.1.2 Reporting

Auditing standards and the reporting requirements of applicable regulators largely dictate the format and content of the auditors' report that includes an opinion on the fair presentation of the client's financial statements in all material respects. Experienced engagement partners form all audit opinions based on the audit performed.

In preparing auditors' reports, engagement partners have access to extensive reporting guidance and technical support through consultations with our DPP, especially where there are significant matters to be reported to users of the auditors' report (e.g. a modification to the opinion or through the inclusion of an 'emphasis of matter' or 'other matter paragraph', as well as key audit matters to be communicated).

3.7.1.3 Insightful, open, and honest two-way communication

Two-way communication with those charged with governance, often identified as the audit committee, is key to audit quality and is a key aspect of reporting and service delivery.

At KPMG India we stress the importance of keeping those charged with governance informed of issues arising throughout the audit and the need to listen to and understand their views. We achieve this through a combination of reports and presentations, attendance at audit committee or board meetings, and, when appropriate, ongoing informal discussions with management and members of the audit committee.

Communications with audit committees include:

- an overview of the planned scope and timing of the audit, which includes communicating significant risks identified
- significant findings from the audit which may include control and audit misstatements
- an annual written communication that states the engagement team and KPMG India have complied with relevant independence requirements; describes all relationships and other matters between KPMG India and the audit client that, in our professional judgement, may reasonably be thought to bear on independence; and states related safeguards we have applied to eliminate (or reduce to an acceptable level) identified threats to independence.

We ensure such communications meet the requirements of professional standards.

IFRS Institute

KPMG's Global IFRS Institute provides information and resources to help the Board and Audit Committee members, executives, management, stakeholders and government representatives gain insight and access thought leadership about the evolving global financial reporting framework.

3.7.2 Client confidentiality, information security, and data privacy

The importance of maintaining client confidentiality is emphasised through a variety of mechanisms including the Global and KPMG India Code of Conduct, training, and the annual affidavit/confirmation process, that all KPMG professionals are required to complete.

We have a formal document retention policy concerning the retention period for audit documentation and other records relevant to an engagement in accordance with the relevant IESBA requirements as well as other applicable laws, standards and regulations.

We have clear policies on information security that cover a wide range of areas. Data Privacy policies are in place governing the handling of personal information, and associated training is required for all KPMG India personnel.

3.8 Commitment to continuous improvement

KPMG commits to continually improve the quality, consistency and efficiency of KPMG audits. Integrated quality monitoring and compliance programs enable member firms to identify quality deficiencies, to perform root cause analysis and develop, implement and report remedial action plans both in respect of individual audit engagements and KPMG's system of quality control. KPMG International's integrated quality and monitoring programs include the Quality Performance Review (QPR) program, the Risk Compliance Program (RCP) and the Global Compliance Review (GCR) program.

The quality monitoring and compliance programs are globally administered and consistent in their approach across all member firms, including the nature and extent of testing and reporting. KPMG India compares the results of its internal monitoring programs with the results of those of any external inspection programs and take appropriate action.

3.8.1 Internal monitoring and compliance programs

- Our monitoring programs evaluate both: engagement performance in compliance with the applicable standards, applicable laws and regulation and KPMG International policies and procedures
- KPMG India compliance with KPMG International policies and procedures and the relevance, adequacy, and effective operation of key quality control policies and procedures.

The results and lessons from the integrated monitoring programs are communicated internally, and the overall results and lessons from the programs are considered and appropriate action is taken at local, regional and global levels. Our internal monitoring program also contributes to the assessment of whether our system of quality control has been appropriately designed, effectively implemented, and operates effectively.

Two KPMG International developed and administered inspection programs are conducted annually across the Audit, Tax, and Advisory functions: QPR and RCP.

Additionally all member firms are covered at least every three years by the cross-functional GCR program. Participation in QPR, RCP and GCR is a condition of ongoing membership of the KPMG network.

Audit Quality Performance Reviews (QPRs)

The QPR programme assesses engagement level performance and identifies opportunities to improve engagement quality.

Risk-based approach

Each engagement leader is reviewed at least once in a three year cycle. A risk-based approach is used to select engagements.

KPMG India conducts the annual QPR program in accordance with KPMG International QPR instructions. The reviews are performed at KPMG India level and are monitored regionally and globally. Member firm Audit QPR reviews are overseen by a senior experienced lead reviewer independent from the member firm.

Additionally, GAQT also selects engagements and carries out reviews which are conducted by members of GAQT.

Reviewer selection, preparation and process

There are robust criteria for selection of reviewers. Review teams include senior experienced lead reviewers that are independent of the member firm under review. The selection of the reviewers is approved by non local lead reviewer appointed by the Global QPR team.

Training is provided to review teams and others overseeing the process, with a focus on topics of concern identified by audit oversight regulators and the need to be as rigorous as external reviewers.

Evaluations from Audit QPR

Consistent criteria are used to determine engagement ratings and member firm Audit practice evaluations.

Audit engagements selected for review are rated as 'Satisfactory', 'Performance Improvement Needed' or 'Unsatisfactory'.

Reporting

Findings from the QPR program are disseminated to member firm professionals through written communications, internal training tools, and periodic partner, manager and staff meetings.

These areas are also emphasised in subsequent inspection programs to gauge the extent of continuous improvement.

Lead audit engagement partners are notified of less than satisfactory engagement (defined as 'Performance Improvement Needed' or 'Unsatisfactory') ratings on their respective cross-border engagements. Additionally, lead audit engagement partners of parent companies/head offices are notified where a subsidiary/affiliate of their client group is audited by a member firm where significant quality issues have been identified during the QPR.

Global Audit Quality Monitoring Group (GAQMG)

The GAQMG is comprised of a team of partners, directors and senior managers experienced in performing QPR program reviews of listed and related entity (LRE) audit engagements. The team also includes partners and professionals with experience in auditing general information technology controls and application controls.

Each of the GAQMG reviewers attends the Global QPR training delivered for their respective member firm. The GAQMG team is responsible for performing selected QP reviews of LRE audit engagements.

Risk Compliance Program (RCP)

KPMG International develops and maintains quality control policies and processes that apply to all member firms. These policies and processes, and their related procedures, include the requirements of professional standards such as ISQC 1. During the annual RCP, we perform a robust assessment program consisting of documentation of quality controls and procedures, related compliance testing and reporting of exceptions, action plans and conclusions.

The objectives of the RCP are to:-

- monitor, document and assess the extent of compliance of KPMG India system of quality control with Global Quality & Risk Management policies and key legal and regulatory requirements relating to the delivery of professional services
- provide the basis for KPMG India to evaluate that the firm and its personnel comply with relevant professional standards and applicable legal and regulatory requirements

Where deficiencies are identified, we are required to develop appropriate action plans based on the performance of a root cause analysis and monitor the status of each action item.

Global Compliance Review (GCR) program

Each member firm is subject to a GCR conducted by the KPMG International's GCR team, independent of the member firm, at least once in a three year cycle.

The GCR team performing the reviews is independent of the KPMG member firm and is objective and knowledgeable of Global Quality and Risk Management policies. GCRs assess compliance with selected KPMG International policies and procedures and share best practices among member firms. The GCR provides an independent assessment of:

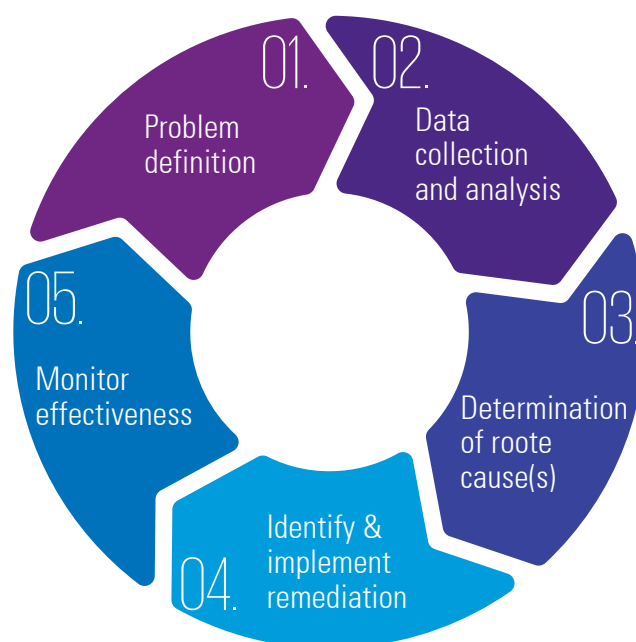
- a member firm's commitment to quality and risk management (tone at the top) and the extent to which its overall structure, governance and financing support and reinforce this commitment;
- a member firm's compliance with key KPMGI policies and procedures; and
- the robustness with which the member firm performs its own compliance program (RCP).

We develop action plans to respond to all GCR findings and agree these with the GCR team. Our progress on action plans is monitored by the GCR central team. Results are reported to the Global Quality & Risk Management Steering Group (GQ&RMSG) and, where necessary, to appropriate KPMG International and regional leadership, to help ensure timely remedial actions taken by the member firm.

Root Cause Analysis (RCA)

KPMG India performs root cause analysis to identify and address audit quality issues in order to prevent them from recurring and help identify good practices as part of continuous improvement. In 2018, RCA training based on our Global RCA 5 Step Principles was attended by those individuals at KPMG India who will be performing RCA or directing those performing RCA. The training provides a common platform for advancing the practices and skills associated with resourcing, planning and conducting RCA.

The Global RCA 5 Step Principles are as follows:



It is the responsibility of member firms to perform RCA and thereby identify and subsequently develop appropriate remediation plans for the audit quality issues identified.

KPMG India's Head of Audit is responsible for the development and implementation of action plans as a result of RCA including identification of solution owners. The Risk Management Partner monitors their implementation.

3.8.2 Recommendations for improvements

At a global level, through the GAQSC and the GQ&RMSG, KPMG International reviews the results of the quality monitoring programs, analyses member firm root causes and action plans and develops additional global actions as required.

To date, global remediation plans developed by KPMG International have been aimed at changing culture and behaviour across the KPMG network and at driving consistent engagement team performance within KPMG member firm. The remediation plans have been implemented through the development of global training, tools and guidance to drive consistency, ensure the fundamentals are right and that best practice is shared across the KPMG network.

3.8.3 External feedback and dialogue

3.8.3.1 Regulators

KPMG India is registered with the Public Company Accounting Oversight Board in the U.S. ('PCAOB'), Financial Reporting Council in U.K. and the Japanese Financial Services Authority. The PCAOB inspected KPMG India in November 2017 and the final inspection report was received in January 2019. The public report on the inspection has been released in 2019 and both, it and our response to the draft inspection report are available on <https://pcaobus.org/Inspections/Reports/Documents/104-2019-060-KPMG-India.pdf>

We have considered the findings and recommendations communicated to the firm till date and are in the process of evaluating and implementing remedial actions to address the deficiencies noted and strengthen policies and procedures as considered appropriate.

The final inspection report comes in two parts. Part I is a public document containing observations relating to specific engagements inspected by the PCAOB. Part II is a non-public document containing the PCAOB's observations regarding criticisms of or defects in the firm's quality control systems. This part of the report will be made public only to the extent that any of the PCAOB's comments and observations are not adequately addressed by the firm within twelve months of the date of the final inspection report.

KPMG International has regular two-way communication with the International Forum of Independent Audit Regulators (IFIAR) to discuss audit quality findings and actions taken to address such issues at a network level.

3.8.3.2 Client feedback

We proactively seek feedback from clients through in-person conversations and third-party surveys to monitor their satisfaction with services delivered. We endeavour to take this feedback and make dynamic changes at both the engagement level and firm level to meet clients' needs.

3.8.3.3 Monitoring of complaints

We have procedures in place for monitoring and addressing complaints received relating to the quality of our work. These procedures are detailed in our engagement letter/ general terms of business, which mention names of relevant persons in the Firm who can be contacted for registering such complaints. The process also mentions the manner of escalation, in case of unresolved matters.

4. Financial information



Revenue of the Firm from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity - Nil

Revenue from permitted non-audit services to entities that are audited by the audit firm – Nil

Revenue from other audit and assurance services - approximately 7 per cent of total revenue

Revenue from non-audit services - approximately 93 per cent of total revenue



5. Partner remuneration



In relation to each accounting year the firm determines the total amount available for distribution as remuneration to the Partners.

Compensation is determined in consultation with the various heads of departments after completion of annual performance evaluations for each of the Partners.

The Firm's Remuneration Committee (comprising partners of the Board) approves the process and oversees its application.

The following aspects are considered when arriving at the compensation:

- Individual's performance
- Service line performance
- Function's performance
- Firm's results
- Individual's behaviour (compliance with values, Code of Ethics)
- Risk incidents, if any (including training, results of independence compliance audits, in-flight reviews and QPR)



6. Network arrangements



6.1 Legal structure

The independent member firms of the KPMG network are affiliated with KPMG International, a Swiss cooperative which is a legal entity formed under Swiss law.

KPMG International carries on activities for the overall benefit of the KPMG network of member firms but does not provide professional services to clients. Professional services to clients are exclusively provided by member firms.

One of the main purposes of KPMG International is to facilitate the provision by member firms of high quality Audit, Tax and Advisory services to their clients. For example, KPMG International establishes and facilitates the implementation and maintenance of uniform policies, standards of work and conduct by member firms, and protects and enhances the use of the KPMG name and brand.

KPMG International is an entity that is legally separate from each member firm. KPMG International and the member firms are not a global partnership, joint venture, or in a principal or agent relationship or partnership with each other. No other member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

The name of each audit firm that is a member of the network and the EU/EEA countries in which each network member firm is qualified as a statutory auditor or has its registered office, central administration or principal place of business are available [here](#).

More information about the KPMG network can be found in the [2018 International Annual Review Report](#).

Total turnover achieved by EU/EEA audit firms resulting from the statutory audit of annual and consolidated financial statements²

2. The financial information set forth represents combined information of the separate KPMG member firms from EU and EEA Member States that perform professional services for clients. The information is combined here solely for presentation purposes. KPMG International performs no services for clients nor, concomitantly, generates any client revenue.

Aggregated revenues generated by KPMG audit firms, from EU and EEA Member States resulting from the statutory audit of annual and consolidated financial statements was EUR 2.8 Billion during the year ending 30th September 2018. The EU/EEA aggregated statutory audit revenue figures are presented to the best extent calculable and translated at the average exchange rate prevailing in the 12 months ended 30th September 2018.

6.2 Responsibilities and obligations of member firms

Under agreements with KPMG International, member firms are required to comply with KPMG International's policies and regulations including quality standards governing how they operate and how they provide services to clients to compete effectively. This includes having a firm structure that ensures continuity and stability and being able to adopt global strategies, share resources (incoming and outgoing), service multinational clients, manage risk, and deploy global methodologies and tools. Each member firm takes responsibility for its management and the quality of its work. Member firms commit to a common set of KPMG values.

KPMG International's activities are funded by amounts paid by member firms. The basis for calculating such amounts is approved by the Global Board and consistently applied to the member firms. A firm's status as a KPMG member firm and its participation in the KPMG network may be terminated if, among other things, it has not complied with the policies and regulations set by KPMG International or any of its other obligations owed to KPMG International.

6.3 Professional indemnity insurance

Insurance cover is maintained in respect of professional indemnity claims. The cover provides a territorial coverage on a worldwide basis.

6.4 Governance structure

The key governance and management bodies of KPMG International are the Global Council, the Global Board, and the Global Management Team.

Further details about KPMG International's governance structure, can be found in the [2018 KPMG International Transparency Report](#).

6.5 Area Quality and Risk Management leaders

The Global Head of Quality, Risk and Regulatory appoints Area Quality & Risk Management leaders who serve a regular and ongoing monitoring and consultation function to assess the effectiveness of a member firm's efforts and processes to identify, manage and report significant risks that have the potential to damage the KPMG brand. Significant activities of the ARL, including member firm issues identified and related member firm response/remediation, are reported to GQ&RM leadership:

The objectives of the ARL role are to:

- assist GQ&RM leadership in the monitoring of member firms in an effort to reduce the number of significant brand and legal risk matters;
- work with GQ&RM leadership and the International Office of General Counsel (IOGC) when significant brand and legal risk issues occur to assist in ensuring that matters are properly handled to reduce negative brand and financial impact; and
- monitor the effectiveness of member firm remediation of significant issues, including identification of the root cause(s) of serious quality incidents.

7. Statement by the Board of KPMG on the effectiveness of quality controls and independence



The measures and procedures that serve as the basis for the system of quality control for KPMG India outlined in this report aim to provide a reasonable degree of assurance that the audits carried out by our firm comply with the applicable laws and regulations. Because of its inherent limitations, the system of quality controls is not intended to provide absolute assurance that non-compliance with relevant laws and regulations would be prevented or detected.

The Board of KPMG India has considered:

- the design and operation of the quality control systems as described in this report;
- the findings from the various compliance programs operated by our firm (including the KPMG International Monitoring Programs as described in section 3.8.1 and our local compliance monitoring programs); and
- findings from regulatory inspections and subsequent follow up and/or remedial actions.

Taking all of this evidence together, the Board of KPMG India confirms with a reasonable level of assurance that the systems of quality control within our firm have operated effectively in the year to 31 March 2019.

Further, the Board of KPMG confirms that an internal review of independence compliance within our firm has been conducted in the year to 31 March 2019.

Akhil Bansal

Gurugram, India, 31 July 2019

A.1 Public interest entities

The public interest entity audit clients for which KPMG has signed an audit opinion in the year ended 31 March 2019 are given below.

- EU public interest entities (as defined in EU Directive 2014/56/EU) for which we carried out statutory audits between 31 March 2018 and 31 March 2019:
 - Currently the firm does not have any applicable clients
- Firm's relevant audit clients whose transferable securities are admitted to trading on a regulated market within the EU as of 31 March 2019:
 - Currently the firm does not have any applicable clients
- Other public interest audit clients for which KPMG has signed the audit opinion include the following US SEC registrants:
 - Dr Reddy's Laboratories Limited
 - Genpact Limited
 - ICICI Bank Limited
 - Makemytrip Limited
 - HDFC Bank Limited
 - Wipro Limited
 - Tata Motors Limited
 - National Energy Services Reunited Corporation

A.2 KPMG's values

KPMG people work together to deliver value to clients. We believe strongly in a common set of shared values which guide our behaviour when dealing with both clients and each other:

We lead by example

At all levels we act in a way that exemplifies what we expect of each other and our clients.

We work together

We bring out the best in each other and create strong and successful working relationships.

We respect the individual

We respect people for who they are and for their knowledge, skills, and experience as individuals and team members.

We seek the facts and provide insight

By challenging assumptions and pursuing facts, we strengthen our reputation as trusted and objective business advisers.

We are open and honest in our communication

We share information, insight, and advice frequently and constructively and manage tough situations with courage and candor.

We are committed to our communities

We act as responsible corporate citizens by broadening our skills, experience, and perspectives through work in our communities and protecting the environment.

Above all, we act with INTEGRITY

We are constantly striving to uphold the highest professional standards, provide sound advice and rigorously maintain our independence.

Follow us on:
[home.kpmg/in/social media](https://home.kpmg/in/social-media)



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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