

DECLARATION OF NON-HOLDING OF SHARES / SECURITIES

(For Partners / Staff Members and Their Relatives)

To

The Managing Partner
KUMBHAT AND CO LLP
Chennai/Mumbai/Bangalore/Coimbatore

Subject: Declaration of Non-Holding of Shares / Securities

I, _____,
Designation: _____

hereby declare the following:

1. Declaration Regarding My Own Holdings

I confirm that I **do not hold**, whether directly or indirectly, any shares, debentures, securities, or other financial interests in any company or entity that is:

- a current audit client of the firm,
- a prospective audit client under consideration, or
- an entity in which holding such securities would impair the independence of the firm under the Chartered Accountants Act, 1949, ICAI Code of Ethics, or any other applicable law.

2. Declaration Regarding Relatives

I further confirm that **none of my relatives** (including spouse, parents, children, siblings, and other covered persons), as defined under the Companies Act, 2013 and ICAI Code of Ethics (including spouse, parents, children, siblings, and other covered persons), hold any shares, debentures, securities, or financial interests in the above-mentioned entities, which will impair the independence on the firm

In case any relative holds such securities without my knowledge, I undertake to immediately (within 7 days) inform the firm upon becoming aware of the same.

3. Undertaking

I undertake to:

- promptly notify the firm of any future acquisition or disposal of securities by me or my relatives,
- comply with all independence, conflict-of-interest, and ethical requirements applicable to audit professionals in India,
- refrain from engaging in any activity that may compromise or appear to compromise the independence of the firm.
- avoid any situation that may create **self-interest, self-review, or advocacy threats**

4. Quarterly Independence Confirmation

I confirm that:

- This declaration is valid for the current quarter:
Quarter: Q1 / Q2 / Q3 / Q4 – FY _____
- I will submit this declaration within 7 days of the start of each quarter, as required by the firm's Independence Monitoring Policy.

- I will promptly update the firm if there is any change during the quarter.

Quarterly Confirmation:

- No changes since the previous quarter
- Changes disclosed separately (attach details)

5. Confirmation

I confirm that the above information is true and correct to the best of my knowledge and belief. I understand that providing false or incomplete information may result in disciplinary action as per:

- **ICAI Code of Ethics,**
- **The Chartered Accountants Act, 1949,** and
- **Firm's internal disciplinary policy.**

Signature:

Name:

Designation:

Date:

Place: _____

NEGATIVE CONFIRMATION – INDEPENDENCE & STOCK HOLDING DECLARATION

(As per ICAI Code of Ethics, 2020 & Firm Independence Policy)

To

Priya Bhansali
Managing Partner
Kumbhat and Co LLP

Subject: Quarterly Independence & Stock Holding Confirmation – Negative Confirmation Basis

This communication is issued pursuant to the requirements of:

- **ICAI Code of Ethics, 2020 (Sections 120, 400, 410, 510 & 520)**
- **The Chartered Accountants Act, 1949**
- **Firm’s Independence & Conflict-of-Interest Policy**
- **Companies Act, 2013 – Section 2(77) (Definition of “Relative”)**

All partners, staff members, and trainees are required to review the contents of this notice and respond **only if** they or their relatives hold any prohibited financial interests or have any relationship that may impair the independence of the firm.

1. Purpose of This Negative Confirmation

This quarterly confirmation is intended to ensure compliance with:

- Prohibition on holding financial interests in audit or assurance clients (ICAI Clause R510.4)
- Prohibition on relatives holding such interests (ICAI Clause R520.4)
- Independence requirements for audit and review engagements (Section 410)
- Conceptual framework for identifying threats to independence (Section 120)

2. Negative Confirmation Requirement

You are required to **respond only if**:

- You **hold**, directly or indirectly, any shares, securities, debentures, or financial interests in any **audit client, assurance client, or prospective audit client** of the firm.
- Any of your **relatives** (as defined under Section 2(77) of the Companies Act, 2013) hold such interests.
- You become aware of any **relationship, employment, loan, guarantee, or other connection** that may impair independence under ICAI norms.
- You have participated in any investment scheme (including PMS or discretionary portfolios) that may include restricted securities.

If **none** of the above situations apply, **no action or response is required**.

3. Automatic Confirmation (If No Response Is Received)

If no response is received from you **within 7 days** of the date of this notice:

- It will be deemed that **you and your relatives are in full compliance** with ICAI independence requirements.
- It will be deemed that **you and your relatives do not hold any prohibited financial interests**.

- It will be deemed that **there has been no change** since the previous quarter's confirmation.

4. Mandatory Reporting (If Applicable)

If you fall under any of the situations listed in Section 2 above, you must **immediately notify** the Independence Compliance Officer / Managing Partner with:

- Details of the financial interest or relationship
- Name of the entity involved
- Nature of the connection
- Date on which you became aware of the situation

Such reporting must be made **within 48 hours** of identification.

5. Acknowledgement

All partners, staff, and trainees are expected to read this communication carefully and ensure continuous compliance with:

- ICAI Code of Ethics
- Firm's Independence Policy
- Applicable laws and regulations

Failure to report a violation may result in disciplinary action under the Chartered Accountants Act, 1949 and firm policy.

Issued By:

Priya Bhansali
Managing Partner
KUMBHAT AND CO LLP

WhatsApp Version:

Quarterly Independence Confirmation – Negative Confirmation

Dear

Team,

As per ICAI Code of Ethics (2020) and our firm's Independence Policy, this is your quarterly reminder to review your and your relatives' financial interests.

✦ **Action Required ONLY IF there is a violation**

Please reply **within 48 hours** *only if*:

- You or your relatives hold shares/securities in any of our audit/assurance clients or prospective clients
- You become aware of any relationship or situation that may impair independence
- You are invested in any PMS/discretionary scheme that may include restricted securities

If **none** of the above applies, **no reply is needed.**

Non-response will be treated as **confirmation of full compliance** for this quarter.

Thank you for your cooperation.

Priya Bhansali
Managing Partner
Kumbhat and Co LLP