



**National Financial
Reporting Authority**



**Indian Institute of
Corporate Affairs**
Partners in Knowledge. Governance. Transformation.

Directors' Certification Program for **AUDIT COMMITTEE MEMBERS** (4 months)

First Batch Starting December, 2024

Introduction

The "4 Month Certification Course for Independent Directors on Audit Committees," developed by the Indian Institute of Corporate Affairs (IICA) in partnership with the National Financial Reporting Authority (NFRA), is a specialized program designed for Audit Committee members. This course provides in-depth coverage of key financial indicators, regulatory frameworks, stakeholder relationships, and best practices. Tailored to enhance the effectiveness of Audit Committees, this program equips participants with the necessary skills and knowledge to fulfill their oversight responsibilities and contribute to robust corporate governance.

Audit Committees: Trust, Verification, & Corporate Responsibility



What is an Audit Committee?

Audit Committees, established by the board, are vital to corporate governance. They oversee financial reporting, internal controls, risk management, and audit functions, ensuring the accuracy and integrity of financial statements and compliance with regulations.

Typically composed of independent directors with expertise in finance, accounting, or governance, the committee includes key participants including the CFO, CEO, company secretary, and both internal and external auditors.



Crucial role of Audit Committees

Audit Committees play a crucial role in maintaining investor confidence and corporate integrity. They serve as a bridge between the board of directors and auditors, verifying management's financial assertions and evaluating risk management practices. The committee's responsibilities include examining financial statements, ensuring robust internal controls, and maintaining transparent communication with auditors. By delegating specific tasks to internal and external auditors, audit committees can provide thorough oversight without being involved in day-to-day operations.

Who Should Attend & Why It Matters

Target Audience //

- ▶ Independent Directors
- ▶ Senior Executives and Board Members
- ▶ Chief Financial Officers (CFOs)
- ▶ Chief Compliance Officers

Course Framework: Core Modules + Optional Finance Essentials

Overview //



01

Enhanced Oversight

Capabilities: Advanced understanding of financial reporting, internal controls, and

02

Regulatory Compliance: Latest regulatory requirements and best practices, reducing the risk of non-compliance and associated penalties.

03

Improved Decision-Making:

Foster informed decision-making through a deeper understanding of the complexities and nuances involved in audit committee functions.

Comprehensive Curriculum

- 12 Core Modules covering essential audit committee functions
- **Optional** 3-week Finance Essentials module for non-finance professionals at no extra cost

Practical Skill Development

- Enhanced oversight capabilities for audit committee members
- Up-to-date knowledge of regulatory frameworks and best practices

Flexible Delivery Pedagogy

- Primarily virtual format for accessible learning
- 30 online sessions, 90 minutes each, spread over 4 months
- Concludes with a 2-day in-person program for hands-on experience and networking





Course Patron

Dr. Ajay Bhushan Pandey
Chairperson-
National Financial Reporting Authority



Course Mentor

Mr. Nawshir Mirza
Professional Independent Director



Course Director

Dr. Niraj Gupta
Head-School of Corporate Governance &
Public Policy and Nodal officer,
Independent Directors' Databank

Detailed Course Structure

1 Optional Module // Finance For Non-Finance Directors

Covering finance essentials for directors from a non-finance background, this need-based module includes 6 technical sessions and 2 case studies, totaling 10 hours of expert-led, case-driven learning. It will add 3 weeks to the current program and can be availed at no extra cost.

Module 1	Understanding & Interpreting Financial Statements
Module 2	Understanding & Analyzing Funds Flow Statements
Module 3	Using Ratio Analysis
Module 4	Working Capital Management
Module 5	Cost Management
Module 6	Capital Budgeting & Financing / Investment Decisions

2 Core Modules // Audit Committee Certification Program

Essentials of Finance: Key Financial Indicators

Conceptual Understanding of Role and Responsibilities of the Audit Committees

Reviewing Financial Statements and Annual Reports

Relationship with Stakeholders: The Finance Team

Relationship with Stakeholders: Internal Audit

Case Study: Develop and prioritize a typical Audit Committee (AC) terms of reference

Case Study: Examining the essential qualities of an AC member

Case Study: Analyzing sample financial statements of a company

Case Study: Reviewing a typical internal audit report to an AC

▶ Continues on the next page

Relationship with Stakeholders: External Audit

Case Study: Reviewing and evaluating an external audit proposal

Related Party Transactions & UPSI

Case Study: Discussion on micro caselets of typical related party transactions (RPTs)

Analyzing Inter-corporate Loans and Investments

Audit Committee Interface with ESG/
Sustainability and Risk Indicators

Case Study 1+1: Assessing the financial impact of sustainability measures + Risk Assessment

Best Practices for Developing Audit Committee Minutes/Reports

Case Study: Assessing examples of good and poor Audit Committee minutes

Audit Committee Effectiveness: Evaluation and Review

Case Study 1+1: Real-life whistleblowing examples and outcomes + Findings of AC



The Course structure is tentative and is subject to changes by IICA as per the Industry requirements.'



Indian Institute of Corporate Affairs

The Indian Institute of Corporate Affairs (IICA) is the apex think tank established by the Ministry of Corporate Affairs, Government of India. We provide policy advice, research, and training to promote sustainable and responsible growth in the Indian corporate sector. Our role in shaping the corporate governance landscape and fostering stakeholder collaboration contributes to a vibrant business ecosystem.

School of Corporate Governance & Public Policy	
Key Areas of Work//	Our Sub-Verticals //
Capacity Building & Training	Independent Director Databank
Consulting & Advisory Services	Centre for Independent Directors
Policy Research & Knowledge Dissemination	Centre for Board Excellence & Leadership
Stakeholder Consultations	National CSR Awards Secretariat

Practical Information

Course Fee

₹ 50,000/- Plus 18% GST = ₹ 59,000

Corporate Discount

If any organisation nominates 3 or plus delegates, IICA will offer 10% discount on basic fee. there is no discount for individual nomination.



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