

Management Representation Letter on Segment Reporting

To,

The Auditors,

[Firm Name],

[Firm Address]

Date: [Insert Date]

Dear Sir/Madam,

This letter is provided in connection with your audit of the financial statements of [Company Name] for the year ended [Year End Date] for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the state of affairs and results of operations in accordance with the applicable financial reporting framework, including the requirements of segment reporting.

We acknowledge our responsibility for the fair presentation of segment information as required by [refer applicable standard, e.g., Ind AS 108 / IFRS 8 / US GAAP ASC 280]. We confirm, to the best of our knowledge and belief, the following representations:

- All reportable segments have been identified in accordance with the applicable financial reporting framework.
- The operating segments disclosed reflect how the business is managed and how information is regularly reviewed by the chief operating decision maker.
- Allocations of revenues, expenses, assets and liabilities among segments are true and fair and in line with company policies.
- There are no material items of income, expenses, assets or liabilities that require disclosure but have not been appropriately included in segment disclosures.
- All inter-segment transactions and balances have been properly eliminated or disclosed in the segment information.
- We have disclosed all significant assumptions used in identifying and aggregating operating segments.

We understand that your audit was conducted in accordance with applicable auditing standards and that your examination was planned so as to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement.

We confirm that to the best of our knowledge and belief, and as indicated above, the information provided with regard to segment reporting is accurate and complete.

For [Company Name],

[Name]

[Designation]

Important Notes:

- This letter should be addressed and signed by the authorized management of the company.
- Segment reporting disclosures must comply with the relevant accounting standards (e.g., Ind AS 108, IFRS 8, ASC 280).
- Ensure all segments, allocations, and eliminations are supported by documentary evidence.
- Misrepresentation in segment reporting can lead to audit qualifications and regulatory consequences.
- Always update the letter for any changes in reporting structure or standard requirements for each reporting period.