

---

# ICAI to seek review of NFRA move on audit standards

**Sidhartha**@timesofindia.com

**New Delhi:** The Institute of Chartered Accountants of India (ICAI) is going to move the ministry of corporate affairs for a review of the National Financial Reporting Authority's decision to amend Standards of Audit (SA) 600 and SA 299, arguing it is not feasible to 'blindly adopt' global standards in the Indian context.

"They are citing a few abrasions to seek these changes. If someone (auditor) is negligent, it doesn't

mean the standard is wrong. We have said that in these years you should not regret concentration of work in the hands of a few large firms and frauds should not increase," a senior ICAI functionary said, a day after NFRA voted in favour of recommending changes, which will be notified by MCA.

The official said views were similar on 38 of the 40 standards but argued that there were several member countries of the International Federation of Accountants, including India,

China and the US, which only adopted the standards partially. "Given the diversity in India, carveouts are needed. If you want to fix the responsibility of the auditor of the holding company, there are other ways to do that, like mandatory reporting of critical areas," the source added.

NFRA has argued that the changes were required to plug loopholes that it had seen during its probe into scam cases such as Reliance Home Finance, DHFL, IL&FS and Café Coffee Day.