

Comments of The Institute of Chartered Accountants of India (ICAI) on the Exposure Draft of Proposed Change to the Definition of "Those Charged with Governance" developed and approved by the International Ethics Standards Board for Accountants (IESBA).

S.N.	Section	Comments
1.	----- (Definition of "Those Charged with Governance")	Fine
2.	290.28	Fine
3.	100.19	Fine
4.	200.13	Fine
5.	200.14	Fine
6.	280.4	Fine (It may be noted that the following portion appearing at the end of section , as was inserted vide 2010 edition of IFAC Code of Ethics , is not appearing in the exposure draft):- "If safeguards cannot eliminate or reduce the threat to an acceptable level, the professional accountant shall decline or terminate the relevant engagement."
7.	290.34	Fine
8.	290.35	Fine
9.	290.36	Fine
10.	290.38	Fine
11.	290.39	The provisions pertaining to inadvertent violation, including this one, have /are not being adopted by the ICAI. Hence, we have not considered changes in this section.
12.	290.117	The provisions pertaining to inadvertent violation, including this one, have /are not being adopted by the ICAI. Hence, we have not considered changes in this section.
13.	290.133	The provisions pertaining to inadvertent violation, including this one, have /are not being adopted by the ICAI. Hence, we have not

		considered changes in this section.
14.	290.136	<p>Fine</p> <p>(It may be noted that the following portion appearing at the end of section , is not appearing in the exposure draft):-</p> <p>“ The significance of any threats created shall be evaluated and safeguards applied when necessary to eliminate the threats or reduce them to an acceptable level. Examples of such safeguards include:</p> <p><input type="checkbox"/> Modifying the audit plan</p> <p><input type="checkbox"/> Assigning individuals to the audit team who have sufficient experience in relation to the individual who has joined the client; or</p> <p><input type="checkbox"/> Having a professional accountant review the work of the former member of the audit team.”</p>
15.	290.141	Fine
16.	290.153	Fine
17.	290.174	<p>As per Indian law, the professional accountants are not permitted to write the books of accounts of their auditee clients. Therefore, this provision, which allows writing of books, although only in emergency or unusual situations, has not been adopted by the ICAI. Hence, we have not considered changes in this section.</p>
18.	290.186	Fine
19.	290.195	<p>As per Indian law, a statutory auditor of an entity cannot be its internal auditor as it will not be possible for him to give an independent and objective opinion. Therefore, the provisions of 'Internal Audit Services' have not been adopted by the ICAI. Hence, we have not considered changes in this section.</p>
20.	290.197	<p>As per Indian law, a statutory auditor of an entity cannot be its internal auditor as it will not be possible for him to give an independent and objective opinion. Therefore, the provisions of</p>

		'Internal Audit Services' have not been adopted by the ICAI. Hence, we have not considered changes in this section.
21.	290.198	As per Indian law, a statutory auditor of an entity cannot be its internal auditor as it will not be possible for him to give an independent and objective opinion. Therefore, the provisions of 'Internal Audit Services' have not been adopted by the ICAI. Hence, we have not considered changes in this section.
22.	290.222	Fine
23.	291.32	Fine
24.	291.33	The provisions pertaining to inadvertent violation, including this one, have /are not being adopted by the ICAI. Hence, we have not considered changes in this section.
25.	291.112	The provisions pertaining to inadvertent violation, including this one, have /are not being adopted by the ICAI. Hence, we have not considered changes in this section.
26.	291.127	The provisions pertaining to inadvertent violation, including this one, have /are not being adopted by the ICAI. Hence, we have not considered changes in this section.
27.	291.129	Fine
28.	320.5	Fine
29.	340.2	<p>Fine</p> <p>(It may be noted that the following portion appearing at the end of section , as was inserted vide 2010 edition of IFAC Code of Ethics , is not appearing in the exposure draft):-</p> <p>"□ Internal and external audit procedures.</p> <p>□ Up-to-date education on ethical issues and on the legal restrictions and other regulations around potential insider trading."</p>
30.	350.4	Fine