

# NFRA imposes 5-year ban on third auditor in IL&FS case



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The National Financial Reporting Authority (NFRA) has barred another auditor for five years for alleged professional misconduct in the statutory audit of IL&FS Financial Services (IFIN) for 2017-18.

The watchdog has also slapped a fine of ₹15 lakh on Shrenik Baid, who was a partner in the statutory audit. Baid is at least the third auditor against whom action has been taken by NFRA in the IFIN matter. Deloitte Haskins and Sells LLP conducted the statutory audit of IFIN for 2017-18.

However, the regulator said its order would not come into force till July 31 due to a Delhi High Court ruling in June.

In a 92-page order dated July 28, NFRA has imposed a fine of ₹15 lakh on Baid.

Besides, Baid has been “debarred for a period five years from being appointed as an auditor or internal auditor or undertaking any audit in respect of financial statements or internal audit of the functions and activities of any company or body corporate”.

Last week, NFRA barred two other auditors in the matter. While a seven-year ban was imposed on Udayan Sen, who was an Engagement Partner of Deloitte Haskins and Sells LLP, Rukshad Daruvala was banned for five years. Penalties were also imposed on them.

Daruvala was Engagement Quality Control Reviewer (EQCR) in the statutory audit of IFIN for 2017-18.