



The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)



ACTIVITY REPORT 2024-25

Financial Reporting Review Board (FRRB)



**Moving Towards
Better Quality
Financial Reporting**

BOARD COMPOSITION



CHAIRMAN
CA. Vishal Doshi



VICE CHAIRMAN
CA. Dayaniwas
Sharma

MEMBERS



CA. Durgesh
Kumar Kabra



CA. Hans Raj
Chugh



CA. Kemisha
Soni



CA. Pramod
Jain



CA. Purushottamlal
Khandelwal



CA. (Dr.) Sanjeev
Kumar Singhal

GOVERNMENT NOMINEES



Shri Inder Deep
Singh Dhariwal
(MCA)**



Shri
Sanjay Kumar
(MCA)*



Shri Deepak
Kapoor
(C&AG)



Advocate
Vijay Kumar
Jhalani

SPECIAL INVITEES

CA. Kanishk Jain
(NITI Aayog)

Ms. Devangi Swarnkar
(CBDT)

CA. Sheetal Shrivastava
(NABARD)

*Till 3rd January 2025

**w.e.f. 3rd January 2025.



OBJECTIVE

To develop and maintain an environment of sound financial reporting in the country which is important to promote investor confidence in audited financial statements

PARTNER IN NATION BUILDING – COLLABORATION WITH REGULATORS



MCA

SEBI

IRDAI

RBI

ECI

C&AG

NABARD

CBDT

Niti Aayog

Undertaken review of **5** cases referred by Regulators (SEBI, C&AG).

Referred **9** cases to Regulators where significant non-compliances affecting true and fair view of the financial statements were found.

Submitted presentation to MCA on significant non-compliances observed in **7** cases.

Special Invitees from various Regulators (NABARD, CBDT, Niti Aayog) on Board and their participation in Board Meetings.

SCOPE OF FRRB

Review of General-Purpose Financial Statements

Compliance with the **generally accepted accounting principles**

Compliance with the **disclosure requirements** prescribed by statutes/ rules and regulations

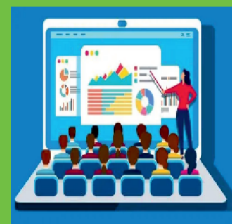
Compliance with the **reporting obligations**



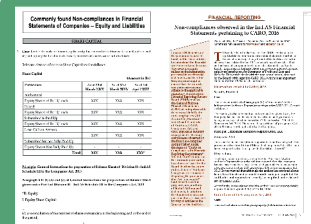
Publications:
Study on Compliance of Financial Reporting Requirements



X Handle:
[@frrbicai](https://twitter.com/frrbicai)



Programs:
Webinar Series and Awareness Programs on Financial Reporting Practices



Articles in ICAI Journal/Mass Mails on Commonly Found Non-Compliances

SPREADING AWARENESS ON PERTINENT OBSERVATIONS



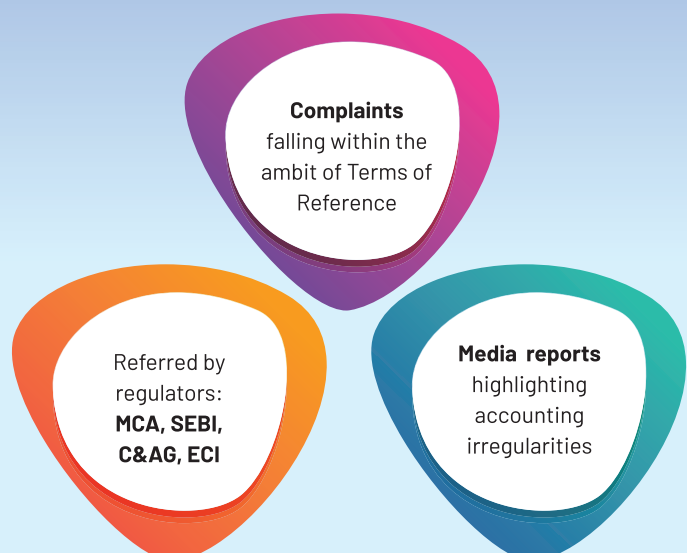
REVISED CRITERIA FOR SELECTION OF ENTERPRISES

Multi-Faceted Selection Process ensuring comprehensive assessment of wide range of entities, encompassing:

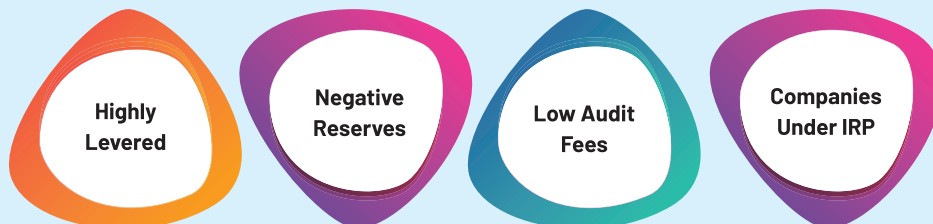
Suo Motto



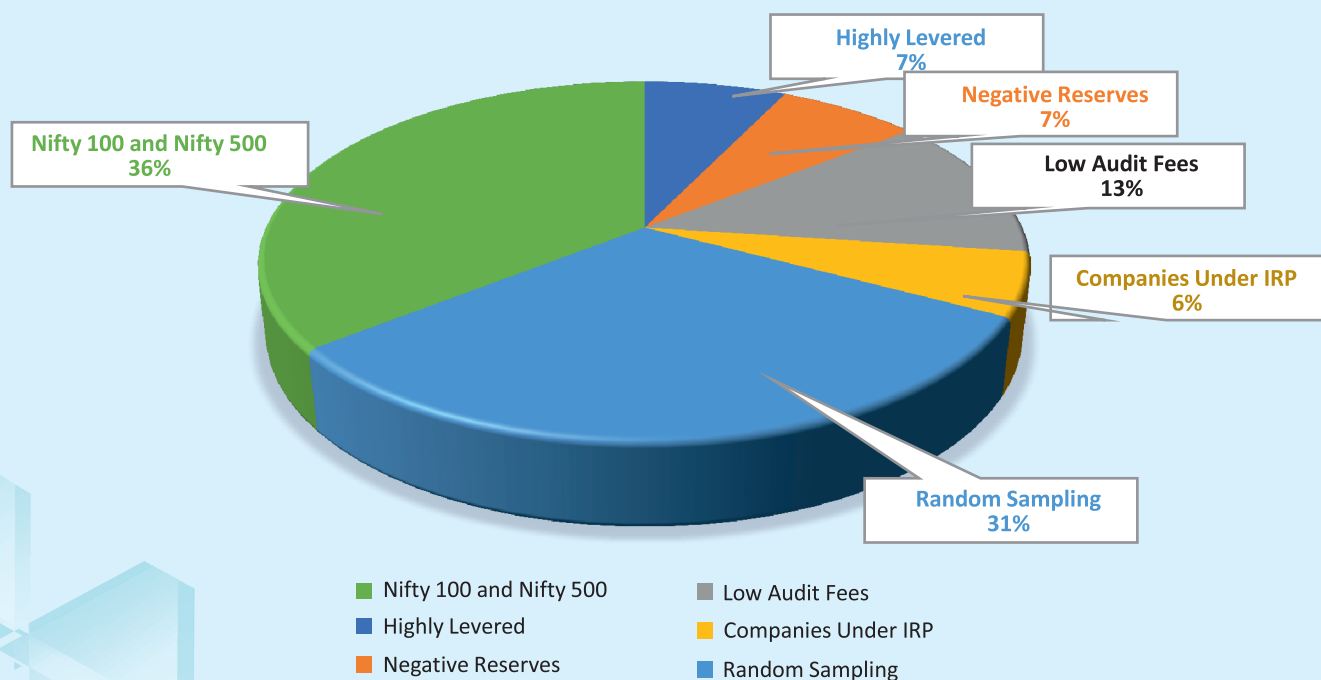
Special Case



New Parameters Introduced

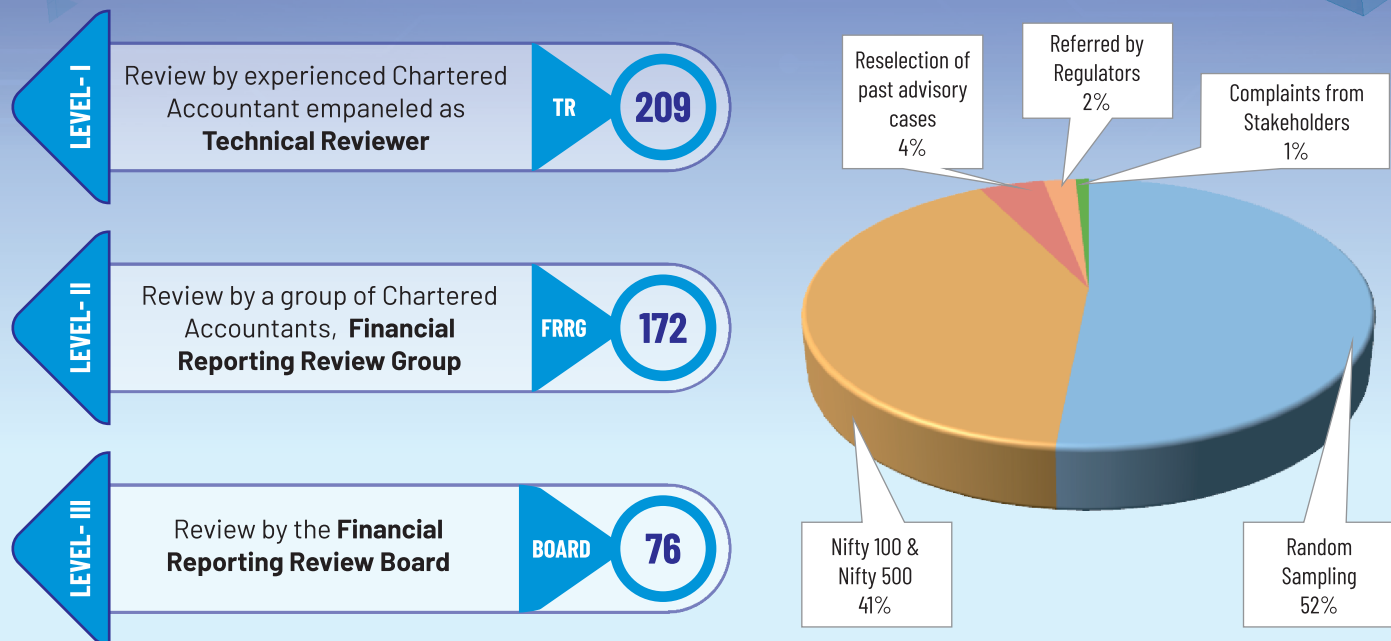


SELECTION OF ENTERPRISES FOR COUNCIL YEAR 2025-26



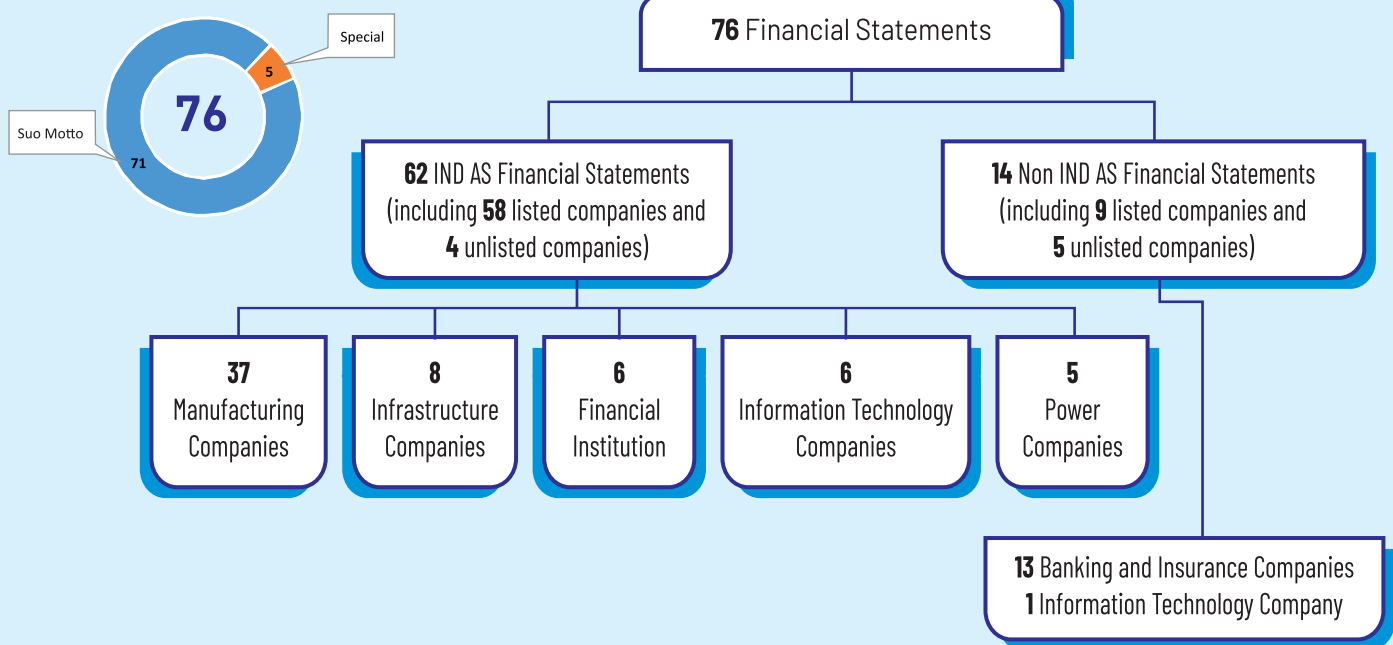


CASES UNDERTAKEN BY THE BOARD



CASES CONSIDERED BY THE BOARD

Cases considered by the Board



Completed all pending 27 cases pertaining to earlier Council Years, 2020-21 (4 cases), 2021-22 (6 cases) & 2022-23 (17 cases).



ACTIONS THAT ARE TAKEN BASED ON REVIEW

Material Non-compliance
affecting True & Fair view of the Financial Statements

Action against the Auditor(s):
Refer the case to the Director (Discipline)

Non-compliance, which are not material and **does not affect the True & Fair view of the Financial Statements**

Action against the Enterprise: Inform irregularity to the regulatory body, relevant to the enterprise

- **Bring the non-compliance to the attention of the auditor** by way of advisory.
- To make the regulatory mechanism of the Institute more robust and effective, FRRB shares relevant details of the auditor with Peer Review Board for consideration during Peer Review

DECISION TAKEN BY THE BOARD ON CONSIDERED CASES

FOR THE YEAR

TILL DATE

76
Total No.
of cases
considered by
the Board

51 Cases (67%) -
Advisories
issued to
Auditors

9 Cases (12%) -
referred to
Director (Discipline)
of ICAI and/or
Regulators (MCA,
SEBI, RBI)

16 Cases (21%) -
where no action
is required

Referred to
appropriate
authority
16%

Reports
sent to ECI
3%

Advisory
Issued to
Auditors (LOA)
62%

No material
non-compliance
observed
19%

REVIEWS UNDERTAKEN BY BOARD SO FAR



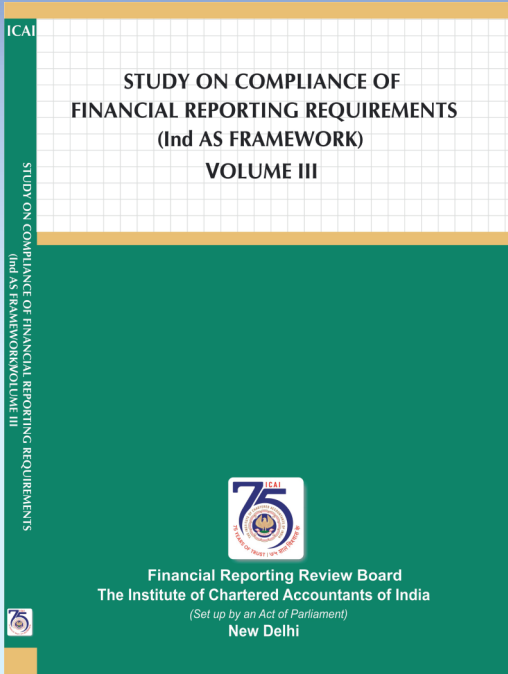
Undertaken review of companies representing
70% of market capitalisation
in last 3 years





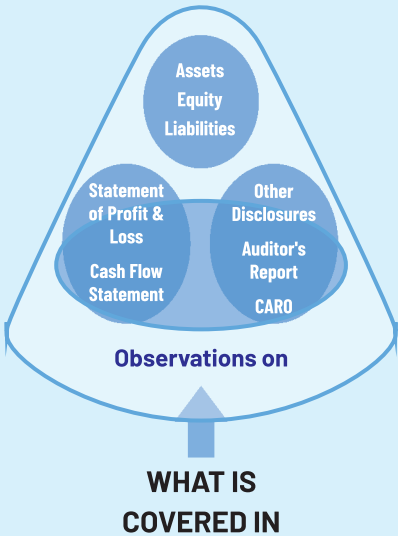
PUBLICATIONS

Released Volume III of FRRB Publication (Ind AS)



NOTABLE HIGHLIGHTS

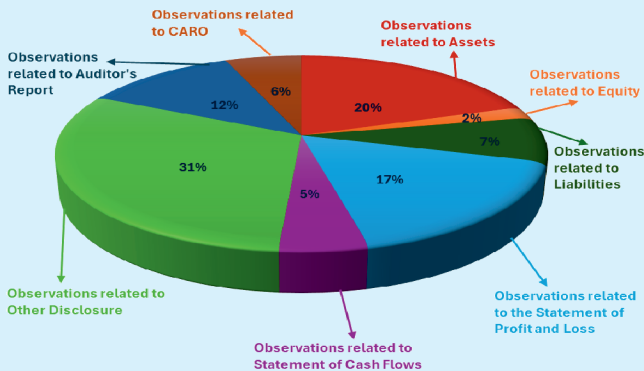
- More than 200 non-compliances
- Covering 88 financial statements
- Largest volume of Ind AS Publications of FRRB



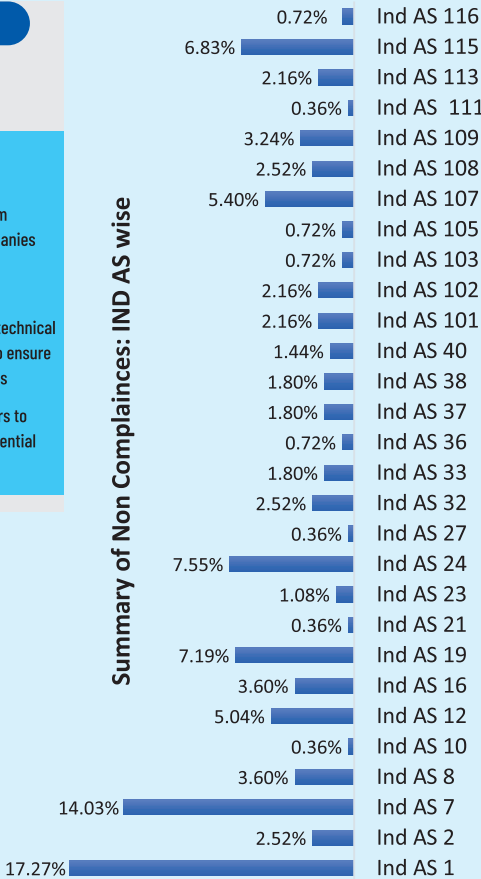
CORNERSTONES OF BOOK

- From Insight to Impact**
 - Contains graphical presentation on 'Deficiencies Observed'
 - Ind AS wise analysis
 - Analysis based on elements of financial statements
- Comprehensive Coverage**
 - Well structured content with logical flow and conclusion
 - Inclusive concepts and their relevant technical requirements
 - Simple & concise language
- Empowering Our Members**
 - Real case studies from listed companies of various industries
 - Enhancing technical expertise to ensure compliances
 - Help auditors to identify potential red flags

Elements of financial Statements wise




Summary of Non Compliances: IND AS wise





WEB PORTAL OF FRRB




The Institute of Chartered Accountants of India
Financial Reporting Review Board

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FINANCIAL REPORTING REVIEW BOARD - ICAI

Financial Reporting Review Board (FRRB) constituted in July 2002, is an important wing of ICAI that works to bring improvements in financial reporting practices and thereby promote investors' confidence in audited financial statements. [View More](#)

President & Vice President, ICAI



President
CA. Ranjeet Kumar Agarwal



Vice-President
CA. Charanjit Singh Nanda

Review Mechanism

3 Tier Review

Level 1
Technical Reviewer (TR)

Level 2
Financial Reporting Review Group (FRRG)
FRRB At a Glance

Level 3
Financial Reporting Review Group (FRRB)

Technical Reviewer

FRRG Members

FRRB Officer

Secretary

Chairman


Vice Chairman

Admin


Users

Key Features of the Portal


- Rule-Based Analytics
- Work Flow Automation
- Repository
- Monitoring Work Progress
- Advanced Search




XBRL
eXtensible Business Reporting Language




Workflow



Repository




Monitoring Work Progress



ADV

X (TWITTER) HANDLE

Ongoing 'Did you know?' series on X(Twitter) handle @FRRBICAI



The Institute of Chartered Accountants of India
Financial Reporting Review Board (FRRB)

Did You Know?

Now on capital management decided that the company will continue as going concern while in another note it was stated that the entire net worth of the company has been substantially eroded. Further, no material business activity was there during the year.

Relevant disclosures as per the quoted requirement of Ind AS 1 have not been made although there exist material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.



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Did You Know?

It was noted from financial instruments disclosures given in the financial statements of a company that risk management strategy and other disclosures related to financial instruments were not given.

As per quoted requirement, an entity shall disclose information that enables users of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which entity is exposed and how they have been managed. These risks typically include, but not limited to, credit risk, liquidity risk and market risk.



Financial Reporting Review Board (FRRB)
561 posts

The Institute of Chartered Accountants Of India

(Set up by an Act of Parliament)
Financial Reporting Review Board (FRRB)

Following

Financial Reporting Review Board (FRRB)


@frrbicai

FRRB was formed in 2002 to carry out the review of financial statements to determine compliance with accounting principles and disclosure requirements.

New Delhi, India [icai.org/post/financial...](#) Joined August 2020

86 Following 4,360 Followers

Followed by Aniket Talati and CA Ranjeet K Agarwal



The Institute of Chartered Accountants of India
Financial Reporting Review Board (FRRB)

Did You Know?

Abstract of Cash Flow Statement is reproduced below:

Particulars	\$1.03.20XX	\$1.03.20XX
Cash flow from Financing Activities	XXX	XXX

As per quoted requirement, an entity shall report major classes of gross cash receipts and gross cash payments arising from investing and financing activities except cash flow described under paragraph 22 and 24. However, proceeds from borrowings have been disclosed on net basis which is not in line with the stated requirements.

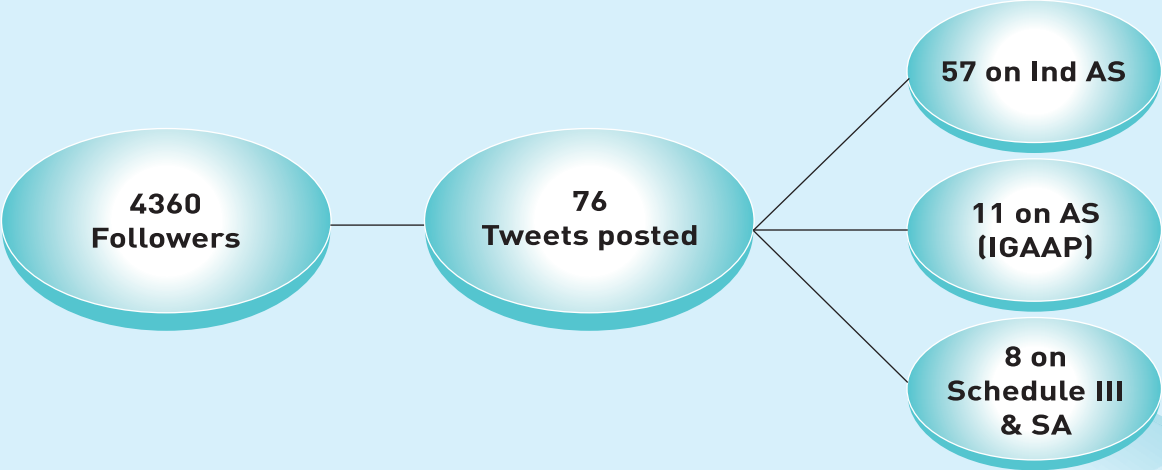


The Institute of Chartered Accountants of India
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Did You Know?

In accounting policy of financial assets, measurement principle was not mentioned which was adopted at the time of initial recognition of the financial assets.

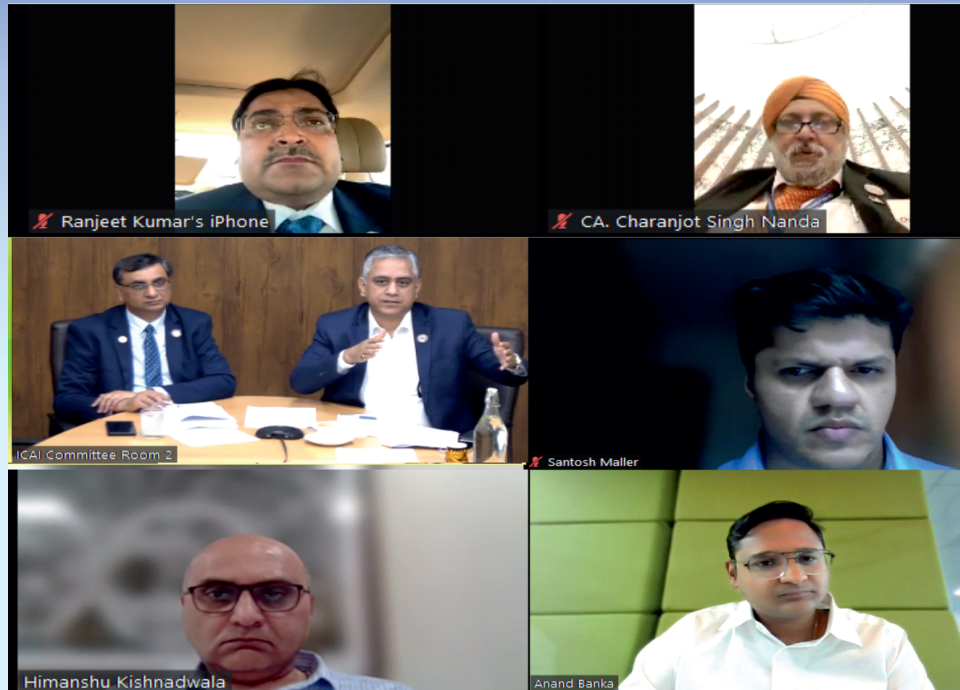
As per quoted requirement, the financial assets are initially measured at their fair value and subsequently measured on the basis of business model and contractual cash flow characteristics of the financial assets.





GLIMPSES OF EVENTS

Webinar Series on 'Commonly found Non-Compliance of Ind AS and Companies Act 2013'



CA. Ranjeet Kumar Agarwal, President, ICAI, CA. Charanjot Singh Nanda, Vice-President, ICAI, CA. Vishal Doshi, Chairman, FRRB, CA. Dayaniwas Sharma, Vice-Chairman, FRRB along with the panellists CA. Himanshu Kishnadwala, CA. Anand Banka and CA. Santosh Maller gracing the webinar organized on 16th-17th April 2024 and attended by more than 1700 members.

Awareness Programme on Financial Reporting Practices in Bhopal Branch



CA. Amarjit Chopra, Hon. Past President, ICAI addressing the participants at the programme organized by FRRB and hosted by Bhopal Branch (CIRC) of ICAI on 9th August 2024.

Awareness Programme on Financial Reporting Practices in Udupi Branch



Programme organized by FRRB and hosted by Udupi Branch (SIRC) of ICAI on 9th November 2024

MEMBERS OF THE 25TH COUNCIL OF ICAI



CA. Ranjeet Kumar Agarwal
President, ICAI



CA. Charanjot Singh Nanda
Vice President, ICAI



CA. (Dr.) Rajkumar Satyanarayan Adukia



CA. Piyush S. Chhajed



CA. Chandrashekhar Vasant Chitale



CA. Vishal Doshi



CA. Durgesh Kumar Kabra



CA. Dheeraj Kumar Khandelwal



CA. Purushottamlal Hukamchand Khandelwal



CA. Mangesh Pandurang Kinare



CA. Priti Paras Savla



CA. Umesh Sharma Ramnarayan



CA. Aniket Sunil Talati, Immediate Past President



CA. Dayaniwas Sharma



CA. Sridhar Muppala



CA. Prasanna Kumar D



CA. Rajendra Kumar P



CA. Cotha S Srinivas



CA. Sripriya K



CA. Sushil Kumar Goyal



CA. (Dr.) Debashis Mitra, Past President



CA. (Dr.) Rohit Ruwatia Agarwal



CA. Abhay Chhajed



CA. (Dr.) Anuj Goyal



CA. Gyan Chandra Misra



CA. Prakash Sharma



CA. Kemisha Soni



CA. Pramod Jain



CA. Sanjay Kumar Agarwal



CA. (Dr.) Raj Chawla



CA. Hans Raj Chugh



CA. (Dr.) Sanjeev Kumar Singhal

GOVERNMENT NOMINEES



Shri Inder Deep Singh Dhariwal



Shri Ritvik Ranjanam Pandey



Shri Balamurugan D



Shri Deepak Kapoor



Shri Rakesh Jain



Dr. P.C. Jain



Shri Vijay Kumar Jhalani, Advocate



Shri Chandra Wadhwa



The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

ICAI Bhawan, A-29, Sector-62, Noida, UP-201 309

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