



**Professional Development Committee
The Institute of Chartered Accountants of India**

April 25, 2022

Important Announcement

Adherence to RBI's circular dated 27th April 2021 regarding "Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)"

As members are aware, RBI has issued a circular dated **April 27, 2021**, regarding ["Guidelines for appointment of SCAs/SAs of Commercial Banks \(Excluding RRBs\), UCBs and NBFCs \(including HFCs\)"](#) wherein-

- **Para 8.3** of the aforesaid circular (and [FAQ No 6](#) issued thereafter), prescribes that ***an audit firm can concurrently take up audit of maximum of eight NBFCs during a year, irrespective of the asset size of the auditee NBFC.***
- Further, the aforesaid circular states that Auditee entities shall obtain a Certificate of eligibility, Form B, from the Audit Firm(s) proposed to be appointed as SCAs/SAs by the entity to the effect that the Audit Firm(s) complies with all the eligibility norms prescribed by RBI for the purpose.

Members are hereby advised to ensure full adherence to the stipulation of the aforesaid Circular (para 8.3) and the related FAQs. Members are also advised to ensure that the complete information is provided, particularly in respect of audit experience of the audit firm (**as specified under Note 3 Annex 1 of the above-mentioned circular**); other eligibility criteria related information submitted in Form B and the requirement of the aforesaid Circular.

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