

“Let AI not cloud audit judgment.”

CA [Milan Mody](#) (Managing Partner) and CA [Prashant Daftary](#) (Partner – Audit & Assurance) at N. A. Shah Associates LLP have shared their analysis and insights on NFRA’s Framework for AI Governance in Audit.

“Published in the August 2026 edition of The Chamber’s Journal”, the article focuses on the principles laid down by NFRA for responsible AI governance in audit, which have been summarised and analysed by the authors.

The article examines how these principles address the evolving use of AI, data analytics and automated tools in audit, while highlighting key considerations around professional judgement, professional scepticism, accountability, data privacy, explainability, automation bias and over-reliance on technology.

The authors also analyse the practical implications of NFRA’s framework for audit firms, including AI governance and validation, data stewardship, continuous monitoring, documentation, staff training and safeguards against the unapproved use of AI.

Read the full article on The Chamber’s Journal: <https://www.ctconline.org/chambers-journals>