

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 434
ANSWERED ON FRIDAY, THE 3rd FEBRUARY, 2017/
MAGHA 14, 1938 (SAKA)**

SETTING UP OF NFRA

QUESTION

434. SHRI ANURAG SINGH THAKUR:

**Will the Minister of CORPORATE AFFAIRS
be pleased to state:**

कारपोरेट कार्य मंत्री

(a) whether the Government is considering setting up a National Financial Reporting Authority (NFRA) to regulate the quality of audits and auditors;

(b) if so, the details thereof and the proposed functions of the body; and

(c) the time by when the NFRA established and starts its functioning?

ANSWER

**THE MINISTER OF STATE
MEGHWAL)**

(SHRI ARJUN RAM

IN THE MINISTRY OF CORPORATE AFFAIRS

(श्री अर्जुन राम मेघवाल)

कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(a) to (c):- Section 132 of the Companies Act, 2013 provides for establishment of the National Financial Reporting Authority (NFRA) with powers such as recommending accounting and audit policies, monitoring compliance of accounting and auditing standards with certain enforcement functions including dealing with cases of professional misconduct. The said provision has not yet come into force. Consultations have been held with Institute of Chartered Accountants of India (ICAI) on implementing the provisions contained in the section. Recommendations of the Standing Committee on Finance on section 132 have been received which are under consideration.
