

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 2355  
ANSWERED ON MONDAY THE 1<sup>ST</sup> AUGUST, 2022  
{SRAVAN 10, 1944 (SAKA)}**

**EMPOWERING OF NFRA**

**QUESTION**

**2355. SHRI VIJAYAKUMAR (ALIAS) VIJAY VASANTH:**

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

कारपोरेट कार्य मंत्री

- (a) whether over 1,67,000 businesses were set up during the financial year 2021-22 in comparison with previous years and if so, the details thereof;
- (b) whether it is proposed to empower National Financial Reporting Authority (NFRA) similar to Insolvency and Bankruptcy Board of India (IBBI) with more powers in order to act against audit lapses, if so, the details thereof;
- (c) whether any expert committee has been set up by the Government to study the issue;
- (d) if so, the details thereof including the recommendations of the Committee; and
- (e) the steps taken by the Government to implement the same?

**ANSWER**

**THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING; AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS.**

**(RAO INDERJIT SINGH)**

(a): Limited Liability Partnership (LLP) and Companies are incorporated under the Ministry of Corporate Affairs as per the provisions of LLP Act, 2008 and Companies Act, 2013. During FY 2021-22, 1,67,080 companies were registered as compared to 1,55,377 in the previous year. Further, during FY 2020-21, 43,050 LLPs were registered as compared to 42,187 in previous year.

(b): The Company Law Committee constituted by the Ministry of Corporate Affairs in its report of March, 2022 (Chapter 1 Para 11) has *inter-alia*, recommended that National Financial Reporting Authority (NFRA) be empowered to take appropriate action against other contraventions under NFRA Rules, 2018, in addition to its existing powers to take action against 'professional or other misconduct'. The report is available on the website of Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).

(c): No, sir.

(d) & (e): Does not arise.

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