

National Financial Reporting Authority likely to be set up in two months

FE BUREAU

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THE NATIONAL FINANCIAL Reporting Authority (NFRA), an independent regulator overseeing the auditing profession, is likely to be set up in two months, a senior official at the Ministry of Corporate Affairs (MCA) said.

In March, the Cabinet approved setting up of the NFRA, which would be an independent regulator for the auditing profession.

The jurisdiction of the NFRA would extend to all listed companies as well as large unlisted public companies. It will have a chairperson, three full-time members and nine

part-time members, according to the rules notified by the ministry. The authority's creation was first recommended by the standing committee on finance in its 21st report.

The decision to form the NFRA has been taken at a time when auditors have come under the scanner for alleged lapses in various corporate scams.