

India: Proposal approved for independent regulator

On 1 March, the Union Cabinet [approved a proposal](#) to establish the National Financial Reporting Authority (NFRA), an independent accounting and auditing regulator. The NFRA will oversee auditing and accounting standards and enforcement. The NFRA's remit will include all listed companies and certain large unlisted companies as prescribed in a final rule.

Included in the NFRA are three committees: Auditing, Accounting and Enforcement. Membership will include representatives from the Ministry of Corporate Affairs, Reserve Bank of India, the Securities and Exchange Board of India (SEBI) and the Institute of Chartered Accountants (ICAI).

ICAI will continue to have a regulatory role around private limited and public unlisted companies below a set threshold. It will also retain its advisory role on accounting and auditing standards.

