Series
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REQUIREMENT FILING OF NFRA-1

National Financial Reporting Authority

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There is question in mind of professionals/ corporate i.e. As per Rule 3(2) of NFRA *"Every existing body corporate other than a company governed by these rules, shall inform the Authority within thirty days of the commencement of these rules, in Form NFRA-1, the particulars of the auditor as on the date of commencement of these rules."*

1. Whether every Company, which are not covered in NFRA rules are required to file NFRA -1?
2. Which are the Companies on whom NFRA rules are applicable?

A. Companies cover under NFRA:

a) All Listed Companies/ Listed Body Corporate;

Body Corporate: body corporate" or "corporation" includes a company incorporated outside India,

b) Unlisted Public Companies with

- Paid up Capital or Loans > = INR 500 crores OR
- Turnover > = INR 1000 crores OR
- Outstanding Loan, Debentures and Deposit >= INR 500 crores

**Above Limits shall be check on as on the 31st March of immediately preceding financial year;

- Banking Companies
- Insurance
- Electricity Companies
- Special Act Companies

c) Body corporate; or Company; or Person on a reference made by CG in public interest .

d) Certain specific foreign Subsidiaries/Associates of Indian Companies

**NOTE: Once a Company falls under the above limits under NFRA, will be covered by NFRA for 3 More years.

Whether every Company, which are not covered in NFRA rules are required to file NFRA -1?

As per Rules, Every ***existing body corporate***, other than a company, governed by these rules, shall inform the Authority within thirty days of the commencement of these rules, in Form NFRA-1, the particulars of the auditor as on the date of commencement of these rules.

Note: NFRA-1 shall be required to file by a "**BODY CORPORATE**" which not covers in above mentioned companies.

Therefore, it can be opine that Indian Companies are not required to file NFRA-1. Only body corporate are required to file the same.

B. Other Compliances:

- Everybody corporate shall within 15 days of appointment of an auditor, inform the Authority about the particulars of the auditors appointed by the body corporate, inform NFRA-1;

Note: Indian Cos. are exempted from this requirement.

- **Annual return** - Every auditor referred to in rule 3 shall file a return with the Authority on or before 30th April every year in such form as may be specified by the Central Government

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