

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 3540  
ANSWERED ON TUESDAY, THE 27<sup>TH</sup> MARCH, 2018**

**ACTION UNDER CA ACT ON COMPLAINTS**

**QUESTION**

3540. SHRI NARAIN DASS GUPTA:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether ICAI can proceed with the complaint as per CA Act 1949, in case, complaint of a member or firm is filed with The Institute of Chartered Accountants of India (ICAI) pertaining to the audit of listed companies/unlisted companies within certain threshold limit, against which investigation is not initiated by National Financial Reporting Authority (NFRA); and

(b) if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE FOR LAW AND JUSTICE  
AND CORPORATE AFFAIRS

(SHRI P. P. CHAUDHARY)

(a) to (b):- As per clause (a) and (c) of sub-section (4) of Section 132 of the Companies At, 2013, and rules to be made thereunder, National Financial Reporting Authority (NFRA), shall have the power to investigate, either suo moto or on a reference made to it by the Central Government, for such class of bodies corporate or persons, in such manner as may be prescribed, into the matters of professional or other misconduct committed by any member or firm of chartered accountants, registered under the Chartered Accountants Act, 1949. The section further states that no other institute or body shall initiate or continue any proceedings in such matters of misconduct where NFRA has initiated an investigation under this section. Section 132 of the Act provides suitable clarity and flexibility to ensure that harmony and coordination is maintained in the role and powers of NFRA and Institute of Chartered Accountants of India.

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