



## Press Release

### CimplyFive releases **Secretarial Audit Reports: Trends & Practices in 2016**

A Report on the compliance status of S&P BSE 500 companies

*Report highlights the compliance status in companies, compensation of Company Secretaries, Ranking of Secretarial Auditors and Reporting on Mandates*

**March 16, 2017; Bangalore:** CimplyFive Corporate Secretarial Services Pvt Ltd (CimplyFive), a pioneer in offering research and technology based solutions for compliance with the Companies Act 2013, today announced the release of its report "**SECRETARIAL AUDIT REPORTS: TRENDS & PRACTICES IN 2016**", a report on the compliance status of S&P BSE 500 companies. This is the second report analysing trends and practices in Secretarial Audit Reports of the S&P BSE 500 companies under the new Companies Act, 2013. The first report was released in April 2016.

On the occasion of the release, **Suresh Senapaty, Chairman of CimplyFive**, said "We are happy to bring out the second edition of Secretarial Audit Reports. This unique and one of its kind report captures the essence and trends of Secretarial Audit Reports of the S&P BSE 500 companies released in 2016. Compared to 2015, the first year of Secretarial Audit Reports, this year the clean reports increased by 9% from 72% to 81%; correspondingly the number of qualified reports declining from 128 to 93. A trend indicating substantial improvement in compliance."

**Shankar Jagannathan, Founder & Chief Executive of CimplyFive** added that "Our study reveals that the average compensation of Company Secretaries in the S&P BSE 500 index increased by 14% in 2016. This increase was across the board, with companies paying compensation below Rs.25 lakhs falling by 4% made up by increase in all the other compensation buckets of Rs.25-50, 50-100 and 100+ lakhs compensation. A positive trend for the CS profession."

**SECRETARIAL AUDIT REPORTS: TRENDS & PRACTICES in 2016** carries an in-depth analysis of the Secretarial Audit Reports of companies that form part of S&P BSE 500 companies. The findings are reported under three major heads: findings on Secretarial Audit Reports, compensation of Company Secretaries and concentration of audits among Secretarial Auditors.

Some of the key findings in the report are:

- 480 of the S&P BSE 500 companies underwent a Secretarial Audit in 2016. Of this, 81% had an unqualified or 'clean' report, up from 72% in 2015. In absolute numbers the companies with unqualified report increased from 335 to 387.
- For the second year running, Mindtree Limited took the top spot for listing 230 mandates that they comply with. BASF India Limited with 92 and Geometric Limited at 91 ranked 2<sup>nd</sup> and 3<sup>rd</sup>.
- The average annual compensation for Company Secretaries in our sample was Rs.56.68 lakhs, an increase of 14% over the earlier year of Rs.49.61 lakhs. The highest compensation was of Rs.902.32 lakhs and the lowest was at Rs.3.00 lakhs.
- Gender-wise, Company Secretaries profession is well represented with women accounting for 43% of the total registered professionals. However among the S&P BSE 500 Companies,

women CS accounted for only 16%, with their representation coming down sharply at 6% among the top 100 companies ranked by turnover and 4% among the top 25 companies.

- The average compensation for women CS was Rs.31.61 lakhs, which is 52% of the average compensation paid to men CS of Rs.61.34 lakhs. Factors contributing to this variance in compensation was the size of the company and multiple roles held by the CS.
- Top 6 Secretarial Auditors conducted 76 audits compared to 80 in 2015. The top ranked Auditor, Ms. Parikh & Associates Mumbai, conducted 19 audits.
- Mumbai/Thane was the most preferred location with 77 Secretarial Auditors located there, followed by New Delhi with 53 and Bangalore with 24.

The full report can be accessed and downloaded at [www.cimplyfive.com](http://www.cimplyfive.com)

### **About CimplyFive**

CimplyFive Corporate Secretarial Services Private Limited is a pioneer in offering research and technology based solutions for compliance with the Companies Act, 2013. Board Leaders Integrated Software Solution (BLISS) the company's first product eliminates procedural non-compliance risk for entities incorporated under the Indian Companies Act, 2013. More details about the company and its product BLISS can be obtained from [www.cimplyfive.com](http://www.cimplyfive.com).

CimplyFive also provides a free to use website [www.ca2013.com](http://www.ca2013.com) that provides company law at your fingertips. This site uses hypertext to integrate rules, notifications, orders and circulars with the Act and provides real time, online access to the Companies Act as it stands on that day.

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