

★ iComply ★

Editorial

Dear Reader,

At CimplyFive we believe that we keep ourselves professionally relevant only when our knowledge is up to date. We stay on our toes with our free to use website www.ca2013.com that is updated every day for changes in the Companies Act, 2013.

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Interview with CA Sujatha Krishnaswamy, Director, Agilis Consultants



1. **As one of the pioneers of outsourced CFO services, what were the key challenges you faced in developing and growing your business?**

We began providing these services in the late 90s, when the concept was fairly new in India. Our initial customers, therefore, were subsidiaries of foreign companies, who understood and agreed with the concept. [Read more...](#)

Compliance calendar



Due dates for Income tax, Professional tax, Service tax, Companies Act, 2013 among others has been captured for your ready reference. [View the list...](#)

Gist of Regulatory Changes in Companies Act, 2013 in the month of February, 2017



Three Regulatory changes in Companies Act, 2013 in the month of February.

[View the list...](#)

Male Dominance Prevails, despite Growing Feminine Presence in CS Profession



-By Shankar Jaganathan

As we completed our analysis for the Secretarial Audit Reports: Trends and Practices in 2016, we found a few data points of interest that attracted our attention

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CimplyFive in News & Events

- Economic Times- February 18, 2017.
- Mr. Shankar Jaganathan, Founder & Chief Executive addresses Rotary District Convention on **Demonetization: What Next?** [Read more...](#)

Releasing on March 13, 2017

CimplyFive's Secretarial Audit Reports: Trends and Practices in 2016

A Study of the S&P BSE-500 companies covering

- Ranking of Secretarial Auditors
- Compensation of Company Secretaries
- Gender gap in the Profession
- Qualifications in Secretarial Audit Reports

Editorial

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At CimplyFive we believe that we keep ourselves professionally relevant only when our knowledge is up to date. We stay on our toes with our free to use website www.ca2013.com that is updated every day for changes in the Companies Act, 2013.

In addition to being current on professional developments, depth in understanding goes a long way in making us a useful member of our fraternity. In calendar 2016 we published four research reports and one survey on corporate secretarial practices. We continue this trend in 2017, with the first of our research reports on Secretarial Audit Report 2016, where we have studied the reports on S&P BSE500 companies. This report is being released this week and it has many interesting findings on Secretarial Audit Reports in addition to compensation levels of company secretary profession.

We have interviewed CA Sujatha Krishnaswamy, a pioneer in the field of CFO Outsourcing Services and sought her views on women in profession as it has a large bearing on CS professionals where women account for 43% of the registered members.

In line with the research findings of our report and to commemorate the International Women's Day on March 8th, we have published a brief article on women in CS profession titled, **Male Dominance Prevails despite Growing Feminine Presence**. Our other regular features in the newsletter – Gist of Regulatory Changes and Compliance Calendar are also available in this issue.

We at CimplyFive are extremely thankful to you and are greatly enthused by your words. Please do share your feedback on this issue of ***icomply***. You can share your thoughts with us at contact@cimplyfive.com.

Happy reading,

Shankar Jaganathan

Editor

March 3, 2017

Interview with CA Sujatha Krishnaswamy, Director, Agilis Consultants

1. As one of the pioneers of outsourced CFO services, what were the key challenges you faced in developing and growing your business?

We began providing these services in the late 90s, when the concept was fairly new in India. Our initial customers, therefore, were subsidiaries of foreign companies, who understood and agreed with the concept.

The concept has picked up in India and now boasts of many players.

The main challenge in everyone's mind was: HOW WOULD THIS WORK?

Over time & after some client education, businesses realize the value of a "virtual CFO":

- Backing of a company performing these services ensures continuity to the function, in a cost-effective manner
- Stress of handling day-to-day compliance & coordination taken away from the management, so that they can concentrate on building their business
- In many instances, the virtual CFO, as an "independent" arm has been able to aid decision making in an objective manner, relishing the role-play of a sounding board or Devil's advocate
- Our professional ethics & integrity have helped build the trust in our customers, to share ideas & information, in the strictest confidence.

2. How do you see CFO services expanding over time? While payroll services and financing are logical extension, where does outsourced compliance and corporate secretarial services fit in?

- With the impetus provided to start-ups and growth in the SME sector, the horizon has gotten that much bigger.
- With the average young age of today's Indian entrepreneurs, the start-ups require the guidance of services, such as ours, both from a good practices & knowledge perspective.

- Compliance is a mainstay, as today's generation of entrepreneurs are very clear that their house must be in order, in terms of all statutory regulations.
- The quality of secretarial services, is highly dependent on inputs from the management and in turn, from the CFO and therefore, quite a natural offering, either from our in-house resources or professional associates.

3. With the advent of Companies Act, 2013, how do you see the nature of corporate law compliances change? If so what are the major changes?

- The results of non-compliance under the Act have been well publicised and therefore, the management is now proactive on ensuring compliance.
- Viability of many decisions rests on their implementation under the Act, especially as it relates to infusion of capital & intercompany loans, as well as duties & obligations of the company's Directors and auditors.
- The compliance, however, causes some hardship to the SMEs and it remains to be seen if that is further eased up.

4. As a women professional who started your career in ICICI, what is special in that environment that made women professionals flourish?

We are reliable, meticulous and naturally multi-dimensional! ICICI was one of the elite few that recognised this very early on and promoted & encouraged women in the workforce – we all know how high they stand today! This would not be possible without a special mention of Mr. N Vaghul, who steered the organisation in this direction.

5. What is your advice to young women professionals who are starting out on their career? Can you share two dos and two don'ts to guide them?

Please pursue your dreams, one step at a time, without comparing yourself with others (men or women!). Find your happy space, within your own constraints and strengths. Once the choice is made, there is no looking back!

Good planning and organisational skills, as we handle responsibilities, both at home and work, are

pivotal, for a successful woman. Let us perform all our responsibilities with joy & respect. That would also help us build our self-confidence and inner strength, to handle all odds.

Best wishes for a very Happy Women's Day, to all my women colleagues!

Male Dominance Prevails, despite Growing Feminine Presence in CS Profession

By Shankar Jaganathan

As we completed our analysis for the Secretarial Audit Reports: Trends and Practices in 2016, we found a few data points of interest that attracted our attention. As in the previous year our population for this study was S&P BSE 500 Companies, which represents the cream of Indian Corporate Sector. It is possible that the International Women's Day on March 8th had something to do with our heightened sensitivity to the gender related issues as these are some of the data points we wish to highlight in this article for deliberation. To list a few data points of interest:

- 16% of the S&P BSE 500 Companies had women company secretaries. A number that increased by 4% compared to the earlier year.
- 10% of the Secretarial Audit Reports were signed by women company secretaries, an increase of 1% over the previous year.

We wanted to put these numbers into perspective, as anecdotal evidence of company secretaries seen in conferences, training sessions and applications received for job vacancies suggest that women company secretaries outnumber if not are equal to the number of men.

However a search on the Google revealed that this data was not readily available. We thought why not write to ICSI for getting this information. We were pleasantly surprised when on February 23, 2017 within 10 minutes of our sending an e-mail to the Institute, we received a reply with the data as on date:

- Total members : 43,822 100%
- Males : 25,070 57%
- Female : 18,752. 43%

A possible reason for this under representation in S&P BSE 500 companies sample size could be that the

women company secretaries were junior having qualified in recent years compared to their male counterparts.

The next logical step was to analyse the compensation paid, and see if there was any variance in the compensation paid between the two and if yes, what could be the reason for such variance.

- The average compensation of women Company Secretaries was Rs.31.61 lakhs, which is 52% of Rs.61.34 lakhs for men Company Secretaries.

However glaring, these are stark facts that cannot be disputed. Analysing further the reasons for variance in compensation, we came across two critical factors that contributed to the dispersion. The first was the size of the company and the second was multiple roles clubbed with the company secretary role. It goes without saying that larger the company higher the compensation and likewise wider the role higher the compensation.

Analysed by their turnover, we notice that the presence of women was lower in bigger companies. For instance, among the top 100 companies only 6 had women Company Secretaries. Further, the top 50 had 3 and in the top 25 companies only one was a woman and that company was 24th in the ranking.

Among Company Secretaries holding multiple roles, only 30% of women company secretaries held multiple roles in contrast to 48% among male company secretaries. Further while 11 companies combined the role of CFO&CS, all these eleven were held by men.

These factors taken together is reflected at the two ends of the range, where the highest paid Company Secretary in our study sample was a male holding multiple roles (Jt MD, Company Secretary & CFO) drawing Rs.902.32 lakhs. In contrast the lowest paid Company Secretary was a female, holding the sole charge as Company Secretary drawing Rs.3.00 lakhs per year.

Given this male dominance, despite growing feminine presence, we present the obvious road to bridge the gap:

- Of the two—size of company and multiple roles, we believe multiple roles has a higher weightage in influencing the compensation. Hence women company secretaries desirous of bridging the gap

should look at acquiring multiple qualifications like Law degrees and CA or ICMA certifications.

Wish you all a very happy Women's day. Hope to soon see the day when this gap is fully bridged, for a fair society is good not just for women but for men as well.

Compliance Calendar

March 5, Sunday	Physical payment of Excise duty, Non-SSI for the month of February, 2017
	Physical payment of Service Tax for the month of February, 2017
March 6, Monday	E-payment of Excise duty, Non-SSI for the month of February, 2017
	E-payment of Service Tax
March 7, Tuesday	TDS Return for the month of February, 2017
March 15, Wednesday	Pay PF contribution for February, 2017
March 20, Monday	Professional Tax payment
March 21, Tuesday	ESIC monthly deposit
March 25, Saturday	PF return Filing-Monthly

Gist of regulatory changes in Companies Ac, 2013 in the month of February, 2017

- **03.02.2017**
[Amendment of the notification number S.O. 1935 \(E\) dated the 1st day of June, 2016](#)
Territorial Jurisdiction of the National Company Law Tribunal bench for the State of Haryana has been shifted from New Delhi to Chandigarh.
- **22.02.2017**
[General Circular 01/2017](#)
MCA has clarified that provisions of sub-section (2) of Section 391 of the Companies Act, 2013 regarding closure of Foreign Company, will only be applicable to the Foreign Company that has issued prospectus or IDRs pursuant to provisions of XXII of Companies Act, 2013.

- **28.02.2017**

- [Companies \(Transfer of Pending Proceedings\) Amendment Rules, 2017](#)

The period within which petitioner shall submit the information regarding the petition to the Tribunal has been increased from sixty days to six months.

CimplyFive in News & Events



- **Economic Times, February 18, 2017**

Indian boardrooms have lately been swirling thick with stories of quibbles, misunderstandings, clarifications and speculations.

Read more at:

http://economictimes.indiatimes.com/articleshow/57213369.cms?utm_source=contentofinterest&utm_medium=te xt&utm_campaign=cppst

- Mr. Shankar Jaganathan, Founder & Chief Executive addresses Rotary District Convention on **Demonetization: What Next?**



About us

CimplyFive Corporate Secretarial Services Pvt Ltd

Vision:

Leverage research and technology to eliminate procedural non-compliance risk for entities regulated by the Indian Companies Act, 2013

Mission:

Provide a cost-effective, secure web-based, menu driven, subscription services that provides curated resolutions, timely alerts and informative dashboards to free the management bandwidth for pursuing business goals

www.ca2013.com: Company law at your fingertips. A free to use website, integrating Companies Act with Rules, Notification, Orders and Circulars that is real time and online

BLISS

(Board Leaders Integrated Software Solution)

Our product BLISS (Board Leaders Integrated Software Solutions)

- A digital productivity tool for Compliance with the Companies Act,2013
- Provides comprehensive coverage of Board meetings, Shareholder meetings and Sub-committee meetings
- Rich bank of curated but editable resolutions
- Fully integrated modules- Agenda, Minutes, Registers and Returns
- Timely alerts and reminders
- Rich and real-time dashboard

Contact:

contact@cimplyfive.com

Phone: 080-23441212



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