



Press Release: For Immediate Circulation

CimplifyFive releases **India Secretarial Practices 2018** report on the governance practices of Nifty 50 companies

Report provides critical data points for debate on audit firm's concentration, board composition, non-executive directors compensation, and company secretary's compensation among others

March 1, 2019; Bangalore: CimplifyFive Corporate Secretarial Services Pvt Ltd (CimplifyFive), a pioneer in offering research and technology-based solutions for compliance with the Companies Act 2013, today announced the release of its report '**INDIA SECRETARIAL PRACTICES 2018**'. This is the third report where trends and practices of the Nifty 50 companies that impact governance issues is analysed. The first report was released in December 2015.

Shankar Jagannathan, Founder & Chief Executive of CimplifyFive releasing the report said, "This report provides critical data points for introspection and debate on many factors influencing governance like audit firm's concentration, board composition, non-executive directors' compensation and company secretaries' compensation among others. We have highlighted the issues and created an environment for debate."

The report, **INDIA SECRETARIAL PRACTICES 2018** carries an in-depth analysis of the Secretarial Practices of companies that form part of the NIFTY 50® Index of the National Stock Exchange by analysing their annual reports published in 2018. Nine key areas are analysed, namely Board Composition, Sub-Committees, Non-Executive Directors Compensation, concentration of Statutory Auditors and Secretarial Auditor, Company Secretary's Compensation, Analysis of Directors' Report, Spends on Corporate Social Responsibility and the AGM notice.

Some of the more significant findings in the report include:

- **Board Size and Meetings:** The average number of Directors in the Board was 12 (range of 5 to 22) and they held an average of 8 (range of 4 to 22) Board meetings in the year.
- **Sub-committees:** Nifty 50 companies had an average of 8 (range of 4 to 15) sub-committees.
- **Non-executive directors' compensation:** The average sitting fees and profit based commission paid to all the non-executive directors was Rs.60 lakhs (range of Rs.11 lakhs to Rs.195 lakhs) and Rs.505 lakhs (range of Rs.31.5 lakhs to Rs.2125 lakhs) respectively.
- **Statutory Auditors:** The Big 4 Audit firms audited 40 (80%) of the Nifty 50 companies. The average audit fees paid by the Nifty 50 companies was Rs.259 lakhs (range of Rs.8 lakhs to Rs.10 crores).
- **Secretarial Auditors:** The top 5 Secretarial Audit firms audited 23 (46%) of the Nifty 50 companies.

- **CS Compensation:** The average compensation paid to Company Secretaries, who are the designated compliance officers was Rs.116 lakhs (range of Rs.26 lakhs to Rs.601 lakhs).
- **CSR mandate and spends:** The mandated amount of CSR to be spent by all the Nifty 50 companies was Rs.6434 crores. Rs.6300 crores was the actual spends, which is 98% of the mandated amount.

The full report can be accessed and downloaded at www.cimplifyfive.com.

About CimplifyFive

CimplifyFive Corporate Secretarial Services Private Limited is a pioneer in offering research and technology-based solutions for compliance with the Companies Act, 2013. Under the brand name of **BLISS** (**B**oard **L**eaders **I**ntegrated **S**oftware **S**olution), CimplifyFive offers a range of automation and risk management SaaS solutions for listed and unlisted companies to eliminate procedural non-compliance required by the SEBI regulations and the Indian Companies Act, 2013. More details about the company and its product BLISS can be obtained from www.cimplifyfive.com.

CimplifyFive also provides a free to use website www.ca2013.com and an android app **CAIRR+** that provides an integrated view of the Companies Act, IB code and SEBI's regulations at one's fingertips. Hypertexts are used 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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