

The Bureau Chief

July 01, 2019

COMPANY SECRETARIES STRENGTHENING THE CORPORATE GOVERNANCE FRAMEWORK

The Ministry of Corporate Affairs (MCA) had introduced e-form INC-22A (ACTIVE) for taking into account the active companies and their registered offices. Furthermore, the form had mandated filling of the details of Company Secretary for companies mandated to appoint the same thereat. India is perhaps the only country where a form like INC-22A (Active), to be filed by every company incorporated on or before the 31st December, 2017, is introduced capturing such details like the Latitude and Longitude of the Registered Office, directors, KMPs and auditors, etc. It is evident that the MCA is hoping to achieve significantly high level of governance norms.

However, the monitoring of appointment of Company Secretary is an attempt to further strengthen the existing governance framework in the Indian corporate scenario. This mandate of Government has recently raised various contentions regarding the shortfall in the number of CS professionals as against the number of companies eligible and mandated under the Act to make appointments and even further of Company Secretaries demanding high salaries in the wake of such shortage.

Being the parent organisation of Company Secretaries, the Institute of Company Secretaries of India intends to clarify that there is no shortage of Company Secretaries who shall be willing to serve the corporates and support in their compliances. Further so, the Institute has a dedicated Placement Cell in place for the purpose of coordinate between corporates intending to appoint Company Secretaries and the professionals seeking employment. As far as the salary packages are concerned, it may be noted that akin to any other professional, the salaries of Company Secretaries, too, are driven by market factors such as number of years of experience, size of organisation, work profile, position etc. Considering the trend from the past few months, there is no immediate surge in pay packages of Company Secretaries, as has been claimed by various quarters.

Emphasizing upon improving the level of corporate governance in the country, CS Ranjeet Pandey, President, ICSI said, “ICSI being the parent organization of Governance professionals in India believes in having strong credentials in corporate governance. Improving the level of transparency and accountability shall go a long way in strengthening the Corporate governance framework of the nation”.

“The India Inc. is expected to whole-heartedly support the MCA in its initiative of eliminating inactive companies. The corporates are suggested to pursue employment and appointment of Company Secretaries in their entities not merely as a tick-box initiative but as an attempt to perfect their parts in attaining the goals of good governance which shall go a long way in achieving the vision of NEW INDIA 2022”, ICSI President further added.

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The Institute of Company Secretaries of India (ICSI) is a premier professional body set up under an Act of Parliament, i.e., Company Secretaries Act, 1980, for the regulation and development of the profession of Company Secretaries in India. It functions under the jurisdiction of Ministry of Corporate Affairs, Government of India. The Institute, being a pro-active body, focuses on best and top-quality education to students of Company Secretaries Course and best quality set standards for CS members. The institute has over 58,000 members and about 3.5 lakh students on its roll.