TO WHICH COMPANIES SECRETARIAL AUDIT IS MANDATORY?

As per section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following companies are required to obtain 'Secretarial Audit Report' form independent practicing company secretary; -

1. Every listed company and
2. Every public company having :-
   - Paid-up share capital of **50 Crore** rupees or more or;
   - Turnover of **250 Crore** rupees or more;

Note:-

- "**Turnover**" means the aggregate value of the realisation of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the company during a financial year. [Section 2(91)]
- Secretarial Audit is also mandatory to a private company which is a subsidiary of a public company, and which falls under the prescribed class of companies.
- Secretarial Audit Report will be given by PCS/CS in **MR-3.**

(*Point to be Noted: - Secretarial Audit is not Applicable on Private Companies)**

TO WHICH COMPANIES MGT-8 IS MANDATORY?

Form **MGT 8 (Annual Return Certification)** is compulsory from Practicing Company Secretary for:-

1. Listed Companies and
2. The Companies(Public + Private) having:-
   - Paid Up Capital more than **10 Crores** or
   - Turnover more than **50 Crores**.

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