



2nd August 2021

BIG 4 AUDIT FIRMS MAINTAIN DOMINANCE IN AUDIT OF LISTED COMPANIES IN 2020-21: primeinfobase.com

As per primeinfobase.com, an initiative of PRIME Database Group, the Big 4 audit firms, between them, handled a high 462 assignments of 1,797 companies whose equity shares were listed on NSE as on 31st March 2021 and for which auditor details were available for 2020-21 (auditor details not available for 25 companies), or 25.71 per cent of the total, a slight drop from 26.92 per cent in 2019-20. **Their dominance was even stronger in the NIFTY 500 subset wherein they handled 280 of the 500 audits or 56 per cent of the total.**

The **top 10 audit firms accounted for audit of as many as 653 companies or 36 per cent of the total.** Leading the league table was the EY Group with 145 companies, followed by KPMG Group (142), Deloitte Group (121) and Walker Chandiook & Co LLP (69).

On an overall basis, in 2020-21, as many as **871 audit firms audited the above mentioned 1,797 companies.** This was down from 885 audit firms which audited 1,746 out of the 1,757 companies listed on NSE as on March 31, 2020 (Auditor details not available for the balance 11 companies). This implies that, on an average, **an audit firm audited 2.06 companies in 2020-21 (up from 1.97 companies in 2019-20).**

Ranking by No. of Company Audits

Rank	Auditor Name or Group	No.of Companies Audited in 2020-21	No.of Companies Audited in 2019-20
1	EY GROUP (ERNST & YOUNG LLP, S R B C & CO LLP, S R BATLIBOI & ASSOCIATES LLP, S R BATLIBOI & CO LLP ,S R BATLIBOI & CO., S V GHATALIA & ASSOCIATES LLP)	145	142
2	KPMG GROUP (B S R & ASSOCIATES LLP, B S R & CO LLP, B S R & COMPANY, B S R AND ASSOCIATES, B S R AND CO, K P M G)	142	154
3	DELOITTE GROUP (DELOITTE HASKINS & SELLS, DELOITTE HASKINS & SELLS LLP, A F FERGUSON & CO, C C CHOKSHI & CO, FRASER & ROSS, P C HANSOTIA & CO, S B BILLIMORIA & CO)	121	115
4	WALKER CHANDIOK & CO LLP	69	64
5	PRICE WATERHOUSE GROUP (PRICE WATERHOUSE,PRICE WATERHOUSE & CO, PRICE WATERHOUSE & CO CHARTERED ACCOUNTANTS LLP, PRICE WATERHOUSE & CO BANGALORE, PRICE WATERHOUSE, BANGALORE, PRICE WATERHOUSE COOPERS, DALAL & SHAH, DALAL & SHAH CHARTERED ACCOUNTANTS LLP, DALAL & SHAH LLP, LOVELOCK & LEWES)	58	63
6	SINGHI GROUP (LUHARUKA & ASSOCIATES,SINGHI & CO,V K SURANA & CO)	37	36
7	BDO (M S K A AND ASSOCIATES,M Z S K AND ASSOCIATES)	24	23
8	S S KOTHARI MEHTA & COMPANY	20	22
9	LODHA & CO	15	16
10	HARIBHAKTI & CO LLP	11	17
10	KALYANIWALLA & MISTRY LLP	11	10

Source: primeinfobase.com

Distribution of audit firms and listed companies for 2020-21

There were only 15 audit firms which audited 10 or more listed companies. At the other end, as many as 634 audit firms audited a single listed company.

NSE-listed companies	No. of Audit Firms
10 or more	15
5 to 9	27
2 to 4	195
1	634

Source: primeinfobase.com

Ranking by Market capitalisation of companies audited

In terms of market capitalisation too, the Big 4 dominated with the market capitalisation of the companies audited by them being 62 percent of the total market capitalisation of all companies whose equity shares were listed at NSE during 2020-21. KPMG led with 23 per cent with EY at 20 per cent, Deloitte at 16 per cent and PWC at 3 per cent.

Rank	Auditor Name or Group	Average end of quarter Mkt.Cap. of Companies Audited (INR crore) 2020-21	% share
1	KPMG GROUP	38,56,295	22.74
2	EY GROUP	33,23,454	19.60
3	DELOITTE GROUP	27,45,140	16.19
4	WALKER CHANDIOK & CO LLP	11,30,681	6.67
5	BDO GROUP	7,53,484	4.44
6	D T S & ASSOCIATES LLP	6,82,027	4.02
7	PRICE WATERHOUSE GROUP	5,55,324	3.27
8	HARIBHAKTI & CO LLP	2,50,991	1.48
9	G M KAPADIA & CO	1,16,392	0.69
10	SHAH DHANDHARIA & CO	1,00,209	0.59

Source: primeinfobase.com

Mid-term cessations of Auditors

2019-20 had seen 50 auditors in 49 companies resigning in the middle of the year before completing the full year audit. In 2020-21, there were 38 such instances of auditors resigning from 36 companies.

Moreover, 30 auditors from 29 companies also resigned after completing the audit for 2020-21, even though they had been appointed for a longer tenure (62 auditors from 60 companies had resigned after completing the audit for 2019-20, even though they had been appointed for a longer tenure). This also includes cases where the auditor has had to step down because of regulatory requirements.



Auditor Changes

Auditor changes (including addition/deletion of one or more auditors for companies with joint audits), **were seen in 261 companies from 2019-20 to 2020-21 (out of 1695 companies where auditor details were available for both 2019-20 and 2020-21)**. Auditor changes in Nifty companies from 2019-20 to 2020-21 are given in Annexure 1.

Between 2018-19 and 2019-20, auditor changes were seen in 263 companies (2017-18 to 2018-19: 247 companies, 2016-17 to 2017-18: 1047 companies, 2015-16 to 2016-17: 218 companies, 2014-15 to 2015-16: 175 companies, 2013-14 to 2014-15: 172 companies, 2012-13 to 2013-14: 149 companies, 2011-12 to 2012-13: 147 companies, 2010-11 to 2011-12: 145 companies and 2009-10 to 2010-11: 139 companies).

Forthcoming Expiry of Auditor Tenures

Going forward, in line with the regulations around auditor rotation, tenures of huge 828 auditors in 813 companies shall expire in 2021-22, 139 auditors in 138 companies in 2022-23, 209 auditors in 202 companies in 2023-24, 159 auditors in 158 companies in 2024-25 and 75 auditors in 74 companies in 2025-26.

Ranking by 2019-20 Audit Fee on Standalone basis (INR crore)

The **Audit Fee paid out by companies whose equity shares were listed on NSE**, on standalone basis, **was INR 1,446 crore** in 2019-20 (data based on 1,691 companies for which Audit Fee or Overall Fee data was available). This was a decrease of 10 per cent from the INR 1,611 crore paid out in the previous financial year 2018-19. The **average Audit Fee was INR 0.86 crore per company, down from INR 0.96 crore in 2018-19**.

The Big 4 had a 27 per cent share of Audit Fee, on standalone basis, in 2019-20. The EY Group again led with an Audit Fee, on standalone basis, of INR 130.53 crore followed by KPMG Group at INR 130.22 crore, Deloitte Group at INR 88.30 crore and PWC Group at INR 36.25 crore.

The top 10 auditors by Audit Fee, on standalone basis, along with the change from previous year are given below.

Rank	Auditor Name or Group	2019-20 (INR crore)	2018-19 (INR crore)	Change (INR crore)
1	EY GROUP	130.53	130.55	-0.01
2	KPMG GROUP	130.22	112.48	17.73
3	DELOITTE	88.30	89.94	-1.64
4	WALKER CHANDIOK & CO LLP	50.44	44.05	6.39
5	PRICE WATERHOUSE GROUP	36.25	35.59	0.65
6	N B S & CO	33.13	29.13	3.99
7	CHATURVEDI & CO	29.12	25.73	3.38
8	BANSHI JAIN & ASSOCIATES	26.27	23.55	2.72
9	SINGHI GROUP	24.18	18.71	5.47
10	G M KAPADIA & CO	23.00	17.86	5.14

Source: primeinfobase.com

Ranking by Overall Fee on Standalone basis (INR crore)

The **Overall Fee** (comprising Audit Fee and fee paid for other services) **paid out by companies whose equity shares were listed on NSE**, on standalone basis, **was INR 1,744 crore** in 2019-20 (data based on 1,691 companies for which Overall Fee data was available). This was a decrease of 7.38 per cent from the INR 1,882 crore paid out in the previous financial year 2018-19. The **average Overall Fee was INR 1.03 crores per company, down from INR 1.12 crores in 2018-19.**

The **Big 4 had a 33 per cent share of the Overall Fee, on standalone basis, in 2019-20.** The EY Group again led with a total Overall Fee, on standalone basis, of INR 189.31 crore, followed by KPMG Group at INR 186.32 crore, Deloitte Group at INR 132.81 crore and PWC at INR 57.98 crore.

The top 10 auditors by Overall Fee, on standalone basis, along with the change from previous year are given below.

Rank	Auditor Name or Group	2019-20 (INR crore)	2018-19 (INR crore)	Change (INR crore)
1	EY GROUP	189.31	186.21	3.10
2	KPMG GROUP	186.32	171.82	14.49
3	DELOITTE GROUP	132.81	133.74	-0.93
4	WALKER CHANDIOK & CO LLP	65.31	52.44	12.87
5	PRICE WATERHOUSE GROUP	57.98	55.52	2.46
6	SINGHI GROUP	42.38	22.08	20.31
7	N B S & CO	33.18	29.13	4.05
8	CHATURVEDI & CO	29.53	26.14	3.38
9	BANSHI JAIN & ASSOCIATES	26.27	23.55	2.72
10	G M KAPADIA & CO	23.87	18.62	5.25

Source: primeinfobase.com

Companies paying maximum Overall Fee (on Standalone basis)

The 35 listed banks paid an overall fee of INR 836 crore or 48 per cent of the total in comparison to INR 908 crore paid out by the balance 1656 companies. **Of the INR 836 crore paid by banks, the 16 listed PSU banks paid a lion's share of INR 779 crore or 93 per cent of the total.**

Banks

Rank	Company	Total Fee (INR crore)
1	STATE BANK OF INDIA	244.68
2	BANK OF BARODA	100.16
3	BANK OF INDIA	78.80
4	PUNJAB NATIONAL BANK	70.77
5	CANARA BANK	55.91
6	UCO BANK	42.70

7	UNION BANK OF INDIA	39.87
8	INDIAN BANK	34.18
9	INDIAN OVERSEAS BANK	33.90
10	CENTRAL BANK OF INDIA	28.17

Source: primeinfobase.com

Non-Banks

Rank	Company	Total Fee (INR crore)
1	RELIANCE INDUSTRIES LTD.	30.00
2	NEW INDIA ASSURANCE CO.LTD.,THE	12.47
3	TATA MOTORS LTD.	12.19
4	TATA CONSULTANCY SERVICES LTD.	12.00
5	VEDANTA LTD.	12.00
6	VODAFONE IDEA LTD.	11.10
7	JSW STEEL LTD.	10.00
8	BHARTI AIRTEL LTD.	9.10
9	INFOSYS LTD.	9.00
10	WIPRO LTD.	8.90

Source: primeinfobase.com

Leading Signatory Name Partners

Mr.Jayesh M.Gandhi, Mr.Jayanta Mukhopadhyay and Mr.N.K.Lodha from EY, KPMG and Lodha & Co respectively signed the most number of audits in 2019-20.

Rank	Signatory Partner	Audit Firm	No. of Audits (2019-20)
1	MR.JAYESH M.GANDHI	EY GROUP	7
1	MR.JAYANTA MUKHOPADHYAY	KPMG GROUP	7
1	MR.N.K.LODHA	LODHA & CO	7
2	MR.ARVIND SETHI	EY GROUP	6
2	MR.SHASHANK AGARWAL	KPMG GROUP	6
2	MR.SUNIL WAHAL	S S KOTHARI MEHTA & COMPANY	6
2	MR.BIMAL KUMAR SIPANI	SINGHI GROUP	6
3	MR.VINAY SOMANI	BAGARIA & CO LLP	5
3	MR.K.GOPALA KRISHNA	CHANDRA BABU NAIDU & CO	5
3	MR.ABHIJIT BANDYOPADHYAY	DELOITTE GROUP	5
3	MR.KEDAR RAJE	DELOITTE GROUP	5
3	MR.RUPEN K.BHATT	DELOITTE GROUP	5
3	MR.SANJIV V.PILGAONKAR	DELOITTE GROUP	5
3	MS.ANANTHI AMARNATH	DELOITTE GROUP	5
3	MR.SANJAY KUMAR AGARWAL	EY GROUP	5
3	MR.VISHAL P.DOSHI	K C MEHTA & CO	5
3	MR.RAJESH ARORA	KPMG GROUP	5
3	MR.SRIRAM MAHALINGAM	KPMG GROUP	5
3	MR.VIJAY MATHUR	KPMG GROUP	5
3	MR.NEERAJ BANSAL	S S KOTHARI MEHTA & COMPANY	5



3	MS.KHUSHBOO B.PANTHAKY	WALKER CHANDIOK & CO LLP	5
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Source: primeinfobase.com

Notes:

1. Data has been updated till filings/disclosures made till 22nd July 2021.
2. Only companies whose equity shares are listed on NSE main board and SME platform have been considered for the purpose of this report. Companies which are exclusively listed on BSE or whose only debt is listed are not covered.
3. If a company has multiple auditors, credit by count has been provided to each auditor.
4. If a company has multiple auditors, credit by market capitalisation has been provided to each auditor on a pro-rata basis.
5. Where fee paid for audit was not given separately, the total fee paid to Auditors has been considered.
6. In case there is more than one auditor in a company and the fee break-up amongst them has not been given by the company, the overall fee paid to auditors has been split equally amongst all auditors.
7. Auditor for non-audit services (eg. Tax Audit) may be different from the Statutory Auditor. Since breakup of fee paid to different auditors for different services is not disclosed, full credit for fee paid for such non audit services is provided to the Statutory Auditor.
8. For standardizing auditor fee across different financial years/accounting periods of companies, fee details for years other than an 'April-March' Financial Year have been adjusted on a pro-rata basis. For e.g. fee for calendar year 2019 (viz. January-December 2019) has been taken 3 months into 2018-19 and 9 months into 2019-20.
9. In cases of mid term cessations of auditors, credit by count, market capitalisation and fee has only been provided to the auditor who signed the full year audit
10. For providing credit by count, market capitalisation or fee, branch auditors are considered the same as statutory auditors.



Annexure 1

Auditor Changes in Nifty companies from 2019-20 to 2020-21

Company	Auditors 2019-20	Auditors 2020-21
BRITANNIA INDUSTRIES LTD.	B S R & CO LLP	WALKER CHANDIOK & CO LLP
SBI LIFE INSURANCE CO.LTD.	G M J & CO R DEVENDRA KUMAR & ASSOCIATES S C BAPNA & ASSOCIATES	S C BAPNA & ASSOCIATES S K PATODIA & ASSOCIATES
STATE BANK OF INDIA	CHATURVEDI & SHAH LLP (OLD NAME: CHATURVEDI & SHAH) G P AGRAWAL & CO J C BHALLA & CO K VENKATACHALAM AIYER & CO KARNAVAT & CO KHANDELWAL JAIN & CO N C RAJAGOPAL & CO O P TOTLA & CO RAY & RAY S C VASUDEVA & CO S K KAPOOR & CO S K MITTAL & CO SHAH GUPTA & CO UMAMAHESWARA RAO & CO	A S A & ASSOCIATES LLP G P AGRAWAL & CO GUHA NANDI & CO J C BHALLA & CO K VENKATACHALAM AIYER & CO KARNAVAT & CO KHANDELWAL JAIN & CO N C RAJAGOPAL & CO O P TOTLA & CO PREM GUPTA & CO S C VASUDEVA & CO S K KAPOOR & CO SHAH GUPTA & CO UMAMAHESWARA RAO & CO

Source: primeinfobase.com



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