



Fund Raising via Private Instruments

The background of the slide features a series of blue silhouettes of business professionals in various poses, appearing to walk across a transparent glass floor. The floor is composed of large, light blue rectangular tiles. The silhouettes are arranged in a line, with some figures in the foreground and others further back, creating a sense of depth. The overall color scheme is dominated by shades of blue and white.

Private Placement

A Genre for raising funds

Ambit of Private Placement

Section 42 read with
Rule 14 of the Companies
(Prospectus and Allotment of Securities) Rules, 2014



**Bible for all types
of issues to a
specific group of
persons**

Section 62 read with Rule 13
of the Companies
(Share Capital and Debentures) Rules, 2014

Section 71 read with Rule 18
the Companies (Share Capital
and Debentures) Rules, 2014

Private Placement

**Preferential
Offer**

**Issuance of
Redeemable
Preference
Shares**

**Issuance of
Redeemable
Debentures**

Section 55
read with
Rule 9 & 10
the
Companies
(Share
Capital and
Debentures)
Rules, 2014



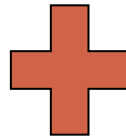
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Framework Governing Issuance of specific class of Securities

If the Company proposes to issue Redeemable Preference Shares, then it is required to comply:

1. Conditional Based Provisions:

***Section 42 read with Rule 14 of the
Companies (Prospectus and Allotment of Securities)
Rules, 2014***

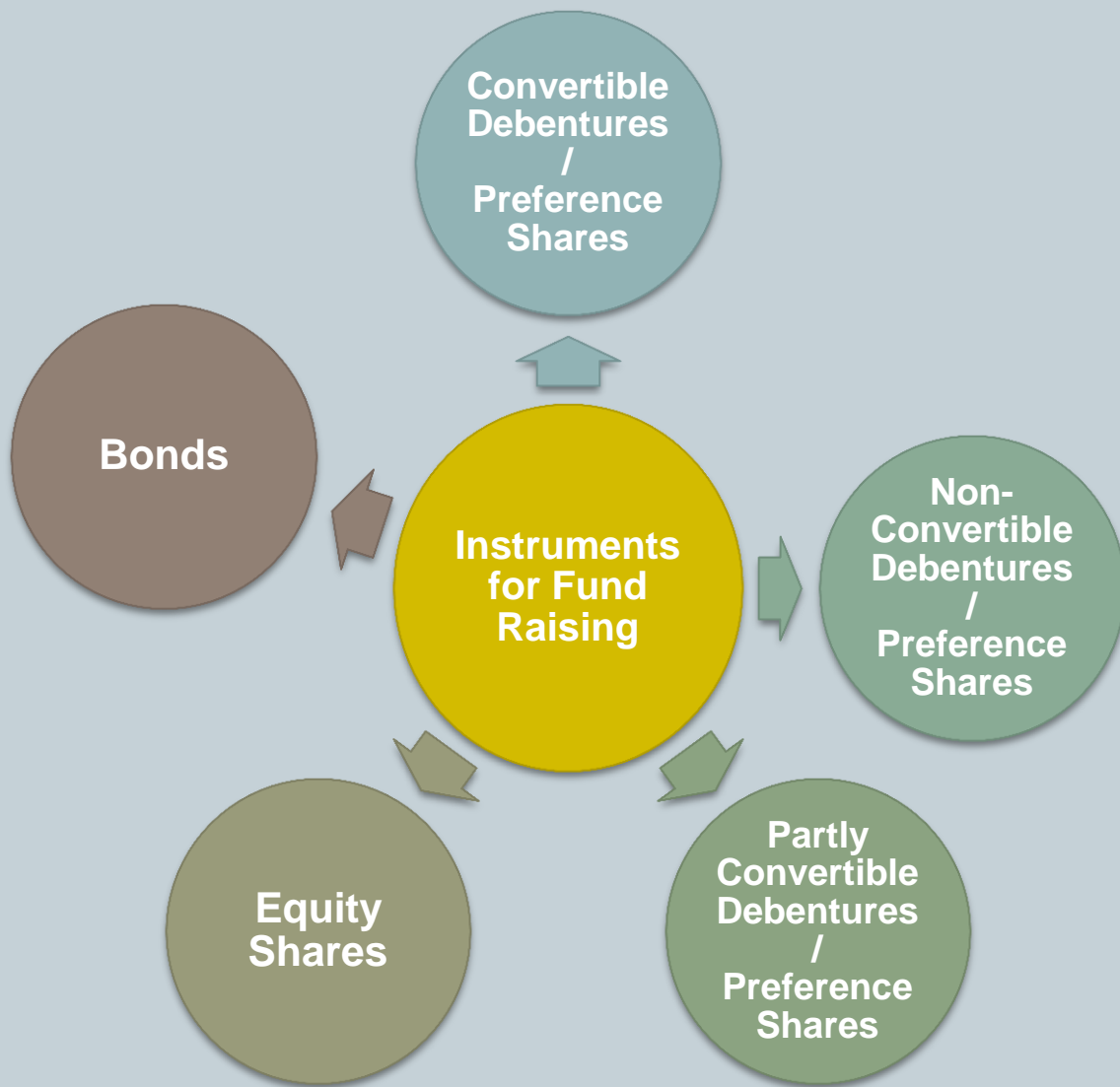


2. Procedural Based Provisions:

***Section 55 read with read with Rule 9 & 10 the
Companies (Share Capital and Debentures) Rules,
2014***



Instruments Available For Raising Funds via Private Placement Route

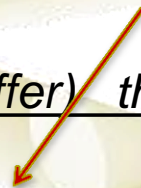


Private Placement as per Section 42 of the Act

For the 1st time in Indian legal history, the term “Private Placement” has been defined under the Companies Act 2013



***Private Placement** has been specifically defined to mean any offer of securities or invitation to subscribe **securities** to a select group of persons by a company (other than by way of public offer) through issue of a private placement offer letter.*



Securities

Securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956



Companies Act, 2013 seeks to regulate issue of all types of securities and not just shares and debentures



Securities as per Securities Contract (Regulation) Act, 1956

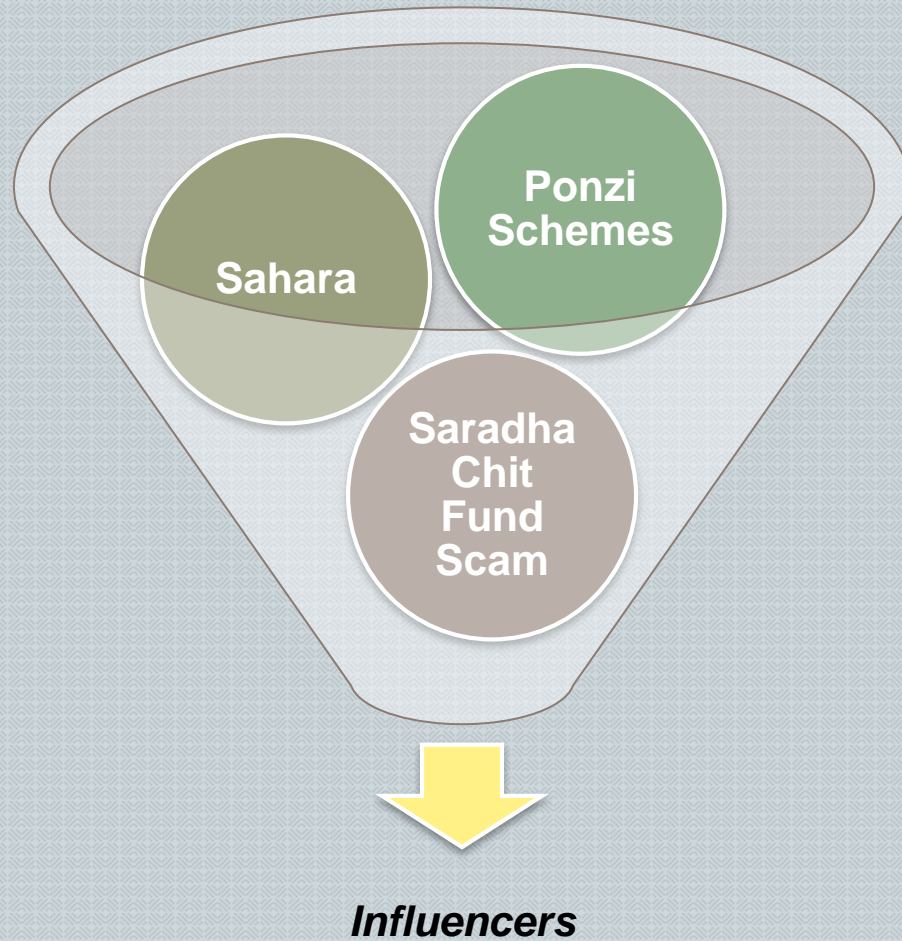
As per Clause (h) of Section 2, **Securities** include:

- (i) shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;*
 - (ia) derivative;*
 - (ib) units or any other investments issued by any collective investment scheme to the investors in such schemes;*
- (ii) Government securities;*
- (iia) such other instruments as may be declared by the Central Government to be securities; and*
- (iii) rights or interest in securities.*



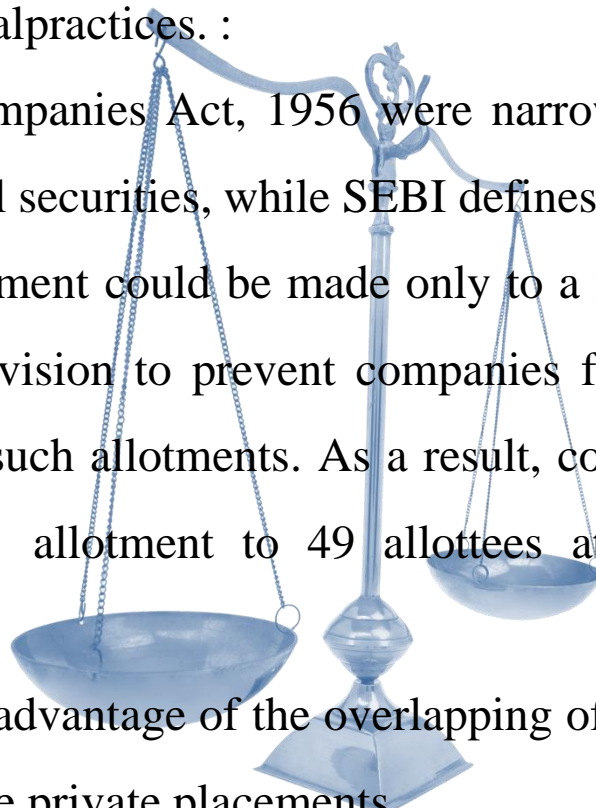
Use of term 'securities' instead of 'shares' - Use of the term shares in the Companies Act, 1956 restricted the dictatorial roof for issuances of various other instruments by Company to raise funds. Companies manipulated this loophole by using other terminology or nomenclature for instruments used to raise funds, thereby easily escaping the regulatory oversight.

Scandals that lead Lawmakers to enact Stringent Provisions



Why Stringency in Provisions??

- Lacunae in the legal provisions of the Companies Act, 1956 regarding private placement have lead to increase in malpractices. :
 - Provisions of the Companies Act, 1956 were narrow and covered under its ambit only shares and not all securities, while SEBI defines the term ‘securities’
 - While a private placement could be made only to a maximum of 49 persons at one go, there was no provision to prevent companies from convening multiple board meetings to approve such allotments. As a result, companies started calling several meetings and made allotment to 49 allottees at each such meeting, thereby manipulating the law.
 - Companies also took advantage of the overlapping of powers between the MCA and SEBI to make multiple private placements.

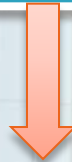


The landmark judgment in the Sahara Case has set the direction for private placement code and the Companies Act, 2013 draws heavily out of the principles enunciated by the Apex Court

Ambit of Listed Companies as per Companies Act, 2013



A company which has any of its securities listed on any recognized stock exchange.



Meaning thereby

The company even if having its debentures/preference share listed on any recognized stock exchange is now deemed to be considered as the Listed Company.

For the Preferential offer, the Listed Companies are required to comply with SEBI (ICDR) Regulations, 2009 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in addition to the provisions of Companies Act, 2013



Private Placement in terms of Section 42 of the Act:

A Stringent Regime governing all types of Companies

Limit would be reckoned individually for each class of security (i.e. Equity, Debentures, Preference Shares,)

Offer in One FY

- 200 investors excluding QIB and ESOP

Conditions related to Private Placement

- Prior approval of Shareholders is required to be obtained via Special Resolution

For Non-Convertible Debentures, a previous special resolution in respect of all the offers during one year can be obtained.

- Justification or basis for the offer price to be disclosed in the Explanatory Statement calling General Meeting
- * Minimum investment size (in face value terms) of Rs 20,000 per person
- Cash receipt prohibited

The above mentioned limit of 200 investors and Rs 20,000/- Face Value of Investment shall not be applicable to:

- NBFC Companies; and
- Housing finance companies;

Provided they comply with the Regulations made in respect of offers on private placement basis, by RBI or National Housing Board. However, if RBI or NHB have not specified any similar regulations, even such companies would be required to comply with the provisions of these Rules.

Private Placement in terms of Section 42 read with Rule of the Companies (Prospectus and Allotment of Securities) Rules, 2014

Conditions related to Private Placement

- Maintenance of complete database of the persons to whom the offer to subscribe to the securities is proposed to be made
- Offer of Securities will be made only through personalized offer letter to such persons whose names are recorded prior to the invitation to subscribe
- Maintenance of Record of the Bank Account of the Applicants
- Allotment to be made within 60 days from the date of receipt of application money, else refund within 15 days from the date of completion of 60 days
- In the event of non-refund within the stipulated time period, repay with 12% interest p.a. from the expiry of sixtieth day.
- No fresh offer to be made unless previous offer is completed
- Share application money to be kept in Separate Bank Account.
- * Transfer of securities is permitted



CONSIDERED AS DEPOSITS



As per Rule 1(c)(vii) of **The Companies (Acceptance of Deposits) Rules, 2013:**

Deposits does not include

*“any amount received and held pursuant to an offer made in accordance with the **provisions of the Act** towards subscription to any securities, including share application money or advance towards allotment of securities pending allotment, so long as such amount is appropriated only against the amount due on allotment of securities applied for”.*

Note :-

If the securities for which application money was received cannot be allotted within 60 days from the date of receipt of the application money and such application money is not refunded to the subscribers within 15 days from the date of completion of 60 days, such amount shall be treated as a deposit.



Disclosures Required under Offer Document



- *General Information about the Company*
- *Factors that directly impact the business of the Company*
- *Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –*
 - I. statutory dues;*
 - II. debentures and interest thereon;*
 - III. deposits and interest thereon;*
 - IV. loan from any bank or financial institution and interest thereon.*
- *Details of Issuance of Securities*
- *Disclosures with regard to interest of Directors, Litigation etc.*
- *Financial Information of the Company*

Preferential Offer

As per Explanation to Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, 'Preferential Offer' means an issue of shares or other securities, by a company to any select person or group of persons on a preferential basis and does not include shares or other securities offered through a public issue, rights issue, employee stock option scheme, employee stock purchase scheme or an issue of sweat equity shares or bonus shares or depository receipts issued in a country outside India or foreign securities.

"shares or other securities" means equity shares, fully convertible debentures, partly convertible debentures or any other securities, which would be convertible into or exchanged with equity shares at a later date.

Section 62 read with **Rule 13** of the Companies (Share Capital and Debentures) Rules, 2014 pertaining to issuance of Equity Shares & other convertible securities.

Provides Procedural Framework



Main Highlights of Section 62 read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014

Main Highlights of Preferential Offer

- Prior approval of Shareholders is required to be obtained via Special Resolution
- Allotment to be made within 12 months from the date of Special Resolution
- Mandatory Disclosures in the Explanatory Statement to the Notice calling General Meeting:
 - a. Intention of the promoters, directors & KMPs
 - b. Change in control, if any, consequent to the preferential offer
 - c. Justification for the allotment proposed to be made for consideration other than cash
 - d. Details of the proposed allottees along with post preferential shareholding
 - e. Basis on which price is arrived along with the report of

Registered Valuer

Rule 13 is applicable only on unlisted companies

As on date, valuation can be done by an Independent Merchant Banker or by Independent Chartered Accountant in Practice having minimum experience of 10 years.



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Issuance of Redeemable Debentures

Section 71 read with **Rule 18** of the Companies (Share Capital and Debentures) Rules, 2014
pertaining to issuance and redemption of Debentures



Provides Procedural Framework

Main Highlights for issuance of Redeemable Debentures:

- a. Creation of Charge or mortgage on securities;
- b. Maximum tenure for redemption of Debentures shall not exceed 10 years;

In case of Company engaged in setting:

- (a) infrastructure projects,
- (b) Infrastructure Finance Companies,
- (c) Infrastructure Debt Fund NBFCs

maximum tenure for redemption is 30 years.



Issuance of Redeemable Preference Shares

Section 55 read with **Rule 9** of the Companies (Share Capital and Debentures) Rules, 2014 pertaining to issuance and redemption of preference shares.



Provides Procedural Framework

Main Highlights for issuance of Redeemable Preference Shares:

- a. Prior approval of shareholders via Special Resolution is required for issuance of Redeemable Preference Shares;
- b. Maximum tenure for redemption of preference shares shall not exceed 20 years;
- c. Enhanced disclosure requirement in the Explanatory Statement to the Notice calling General Meeting of the Shareholders;
- d. Specific requirement of making disclosures of certain parameters in the shareholders' resolution that have a direct bearing on the interest of shareholders'.

Relaxation for Issuance of Redeemable Preference Shares by Infrastructure based Companies

Company Engaged in Infrastructural Projects

May Issue

Preference Shares for a maximum period of 30 years.

Provided option be given to preference shareholder for redemption of a minimum 10% preference shares per year from the 21st year onward or earlier.

Main Highlights of Preferential Issue as per applicable Regulations prescribed by SEBI

1. Prior intimation of at least 2 working days of the Board Meeting where proposal of fund raising will be considered is needed to be given to the Stock Exchange;
2. Outcome of the aforesaid Board Meeting is mandatorily required to be given to the Stock Exchanges within 30 minutes of its conclusion;
3. A special Resolution has been passed by the Shareholders for issuance of securities on Preferential Basis;
4. In order to evaluate the criteria for determination of **issue price**, as per SEBI ICDR Regulations, 2009, it is needed to be computed whether the shares of the Company are frequently or infrequently traded at Stock Exchange(s) in terms of Regulation 71A of the SEBI ICDR Regulations, 2009.



Shares are considered as frequently traded if the traded turnover on any stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares.



Main Highlights of Preferential Issue as per applicable Regulations prescribed by SEBI Contd....

If the equity shares of the Company are frequently traded, then, the issue price of convertible securities shall be higher of the following:

Average of the weekly high and low of the weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date;

or

Average of the weekly high and low of the weighted average price of the related equity shares quoted on the recognised stock exchange during two weeks preceding the relevant date.

If the equity shares of the Company are infrequently traded, then the price is needed to be determined by an independent merchant banker or an independent chartered accountant in practice having a minimum experience of ten years by taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.

Main Highlights of Preferential Issue as per applicable Regulations prescribed by SEBI Contd....

5. Preferential issue of specified securities shall not be made to any person who has sold any equity shares of the issuer during the six months preceding the relevant date;

6. Any person belonging to promoter(s) or the promoter group who has previously subscribed to warrants of an issuer but failed to exercise the warrants, then the promoter(s) and promoter group shall be ineligible for issue of specified securities of such issuer on preferential basis for a period of one year from:

- (a) the date of expiry of the tenure of the warrants due to non-exercise of the option to convert; or
- (b) the date of cancellation of the warrants, as the case may be.



PROPOSED AMENDMENT [COMPANIES (AMENDMENT) BILL, 2016]

Private Placement offer letter shall not contain any right of renunciation.

Money received under the private placement shall not be utilized unless the return of allotment is filed with the ROC..

Return of allotment has to be filed within 15 days instead of 30 days.



Penal Provisions for contravention with the stipulations of Private Placements

If a Company makes an offer or accepts monies in contravention with the provisions of Section 42, its promoters & directors shall be liable for a penalty which may extend to:

- (a) The amount involved in the offer or invitation; or
- (b) Rupees 2 Crores,

Whichever is higher

And

The Company shall also refund all monies to subscribers within 30 days of the order imposing the penalty.





Industry Concerns...

Industry Concerns with the promulgation of New Provisions

SEBI presently allows listed Companies to come out with Warrant issues, however, Companies Act restricts the issuance of warrants as the term securities does not cover issuance of Warrants. *In such scenario, what would be the status of Warrants that have already been issued by the Listed Companies.*

In the event of conversion of unsecured loans into Equity Shares/transaction involving share swap, how the Company will ensure compliance with the provision of depositing application money in a separate bank account.

As per FEMA, the allotment to be made to foreign investor within 180 days from the date of receipt of Share Application Money whereas as per Companies Act, 2013, the allotment is required to be made within 60 days from the date of receipt of application money. Whether the allotment is supposed to be made within 60 days or 180 days from the receipt of application money from Non-Resident?



Provisions as per
SEBI (Listing
Obligations &
Disclosure
Requirements)
Regulations, 2015



Applicability Of Listing Regulations

**Specified Securities Listed
on Main Board or SME
Exchange or ITP.**

***Specified Securities** means equity
shares and other Convertible Securities*

**Non-convertible
debt securities
(NCDs)**

**Non- Convertible
Redeemable
preference Shares
(NCRPS)**

Listed Entities
Whose **Securities** are
Listed On any
Recognised
Stock Exchange

**Perpetual
Debt securities**

**Securitized
Debt instruments**

**Indian Depository
Receipts;**

Mutual fund Units

**any other securities as may be
specified by the Board**



Compliance under Listing Regulations, 2015

In case the Listed entities issues **Specified Securities** on Preferential basis



All the Intimations and Approvals are to be complied in terms of **Chapter IV** of Listing Regulations

In case the Listed entities **issues Non- Convertible Debt Securities Or Non-Convertible Redeemable Preference Shares** on Preferential Basis

All the Intimations and Approvals are to be complied in terms of **Chapter V** of Listing Regulations



Relaxation to the listed entities whose NCDs/ NCRPSs are Listed

- ▶ No requirement of framing of Policies pertaining to Determination of Materiality of transactions and Archival of Documents Policy as stated for listed entities whose specified securities are listed.
- ▶ Financial Statements are required to be submitted on Semi -Annual basis only as against the requirement of quarterly submission prescribed in respect of listed entities whose specified securities are listed.
- ▶ Lesser disclosure requirement in Annual Report.
- ▶ Relaxation to comply with the Corporate Governance Norms including the norms prescribed for determination of Board Composition.



Additional Requirements needed to be Complied for Entities whose NCDs are only listed

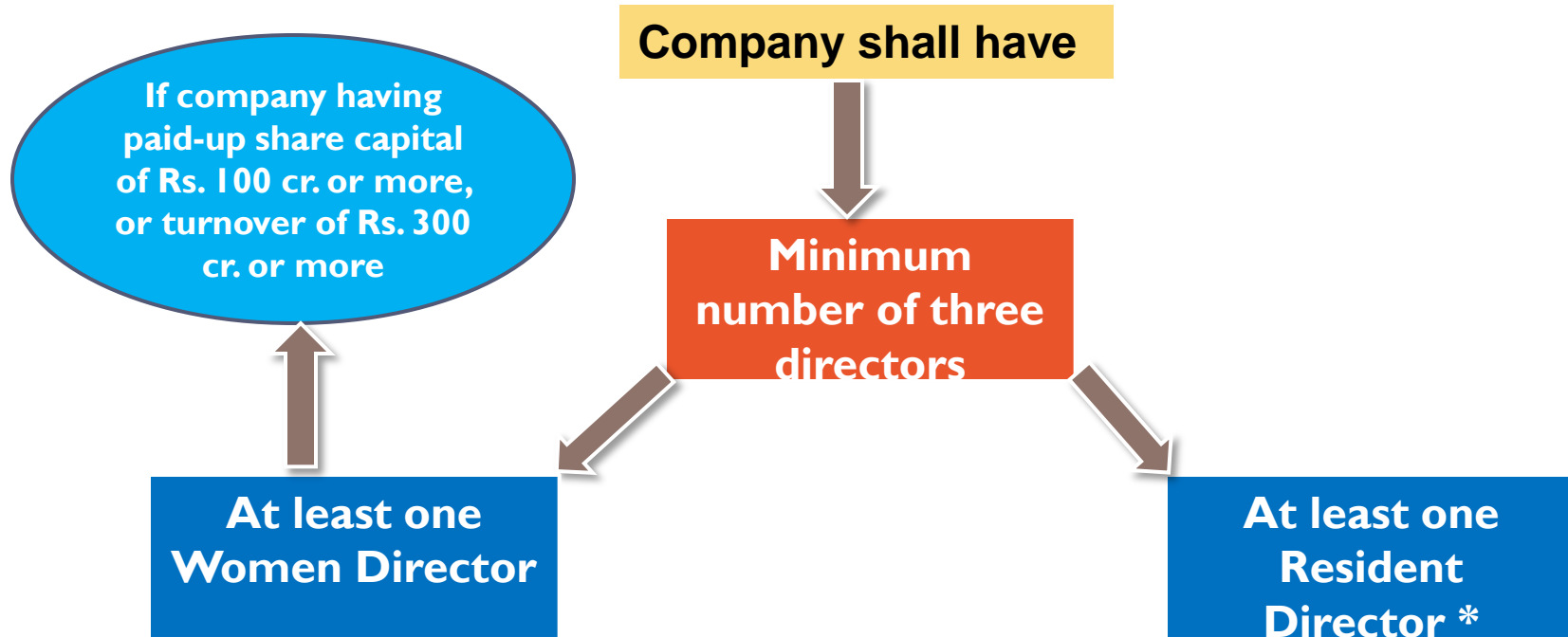
- ▶ Mandatory Disclosure of Asset Cover on a quarterly basis.
- ▶ Mandatory disclosure of Credit Rating is needed to be made once in a financial year.
- ▶ Submission of financial/material information to the Debenture Trustees.
- ▶ Apart from fixation of Record Date, atleast 11 working days intimation would also be required to be given if it is pertaining to payment of interest or principle amount thereon.



COMPOSITION & ROLE OF BOARD



COMPOSITION OF BOARD-UNLISTED PUBLIC COMPANY



***Who has stayed in India for a total period of not less than 182 days in the Previous Calendar Year.**

PROPOSED AMENDMENT [Companies Amendment Bill, 2016]:-
182 days during the financial year.

COMPOSITION OF BOARD (Maximum No. of Directorship)



Members by
Special Resolution
can specify any
lesser number of
companies in
which a director
can act as
directors.

- Maximum number of directors is 15, but the number can be increased by passing Special resolution.
- Independent Director can be appointed as such in 7 listed companies. In case he is Executive Director in any company then he can be appointed as ID in 3 listed companies
- A person can be director in maximum 20 companies out of which maximum 10 can be **public companies**.

For reckoning the limit of Public Company

Included:

- ✓ private companies that are either holding or subsidiary of public companies and
- ✓ Alternate Directorship

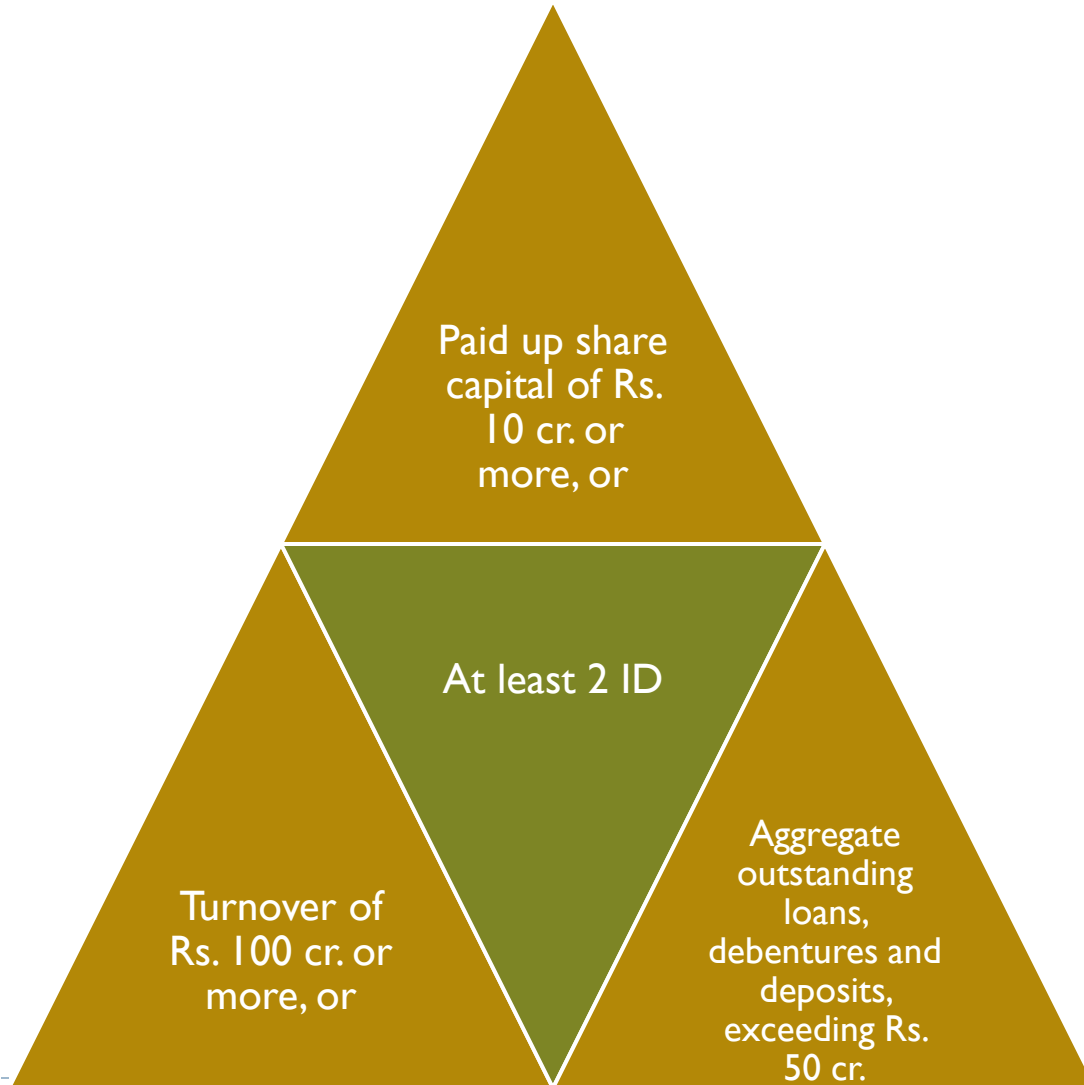
Excluded:

- ✓ Private Companies

INDEPENDENT DIRECTORS



REQUIREMENT OF INDEPENDENT DIRECTOR (ID)



DEFINITION OF INDEPENDENT DIRECTOR (ID)

"independent director" means a director other than a managing director or a whole-time director or a nominee director:

Who possesses relevant expertise and experience;

Who is not a promoter or directors or their relatives in the company, its holding, subsidiary or associate company;

who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year

who has not holds together with his relatives two per cent. or more of the total voting power of the company; or

DEFINITION OF INDEPENDENT DIRECTOR (ID)

who, neither himself nor any of his relatives holds or has held the position of a KMP or is or has been employee of the company or its holding, subsidiary or associate company in any of the three preceding financial years.

who is a Chief Executive or director of any NPO that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company

who is or has been an employee or proprietor or a partner, in any of the three preceding financial years of a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company.



IMPORTANT TERMS & CONDITIONS RELATED TO ID



IMPORTANT TERMS & CONDITIONS RELATED TO ID

Manner of Appointment of Independent Director

Selection of ID's may be made from the data base posted on the website of a body, institute as may be notified by the central government

Appointment to be approved at a General Meeting

A statement that in the opinion of the Board the person proposed to be appointed as independent director fulfils the condition prescribed in the Act shall be disclosed in the explanatory statement attached to the notice of Shareholders meeting



IMPORTANT TERMS & CONDITIONS RELATED TO ID

Declaration by ID that ID meets the criteria of independence

At the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an ID

Remuneration of ID

- Shall not be entitled to any stock option;
- May receive remuneration by way of fee for attending meetings of the Board or Committee thereof, such sum as may be decided by the Board of directors thereof which shall not exceed Rs. 1 lakh per meeting;
- Reimbursement of expenses for participation in the meetings;
- Profit related commission as may be approved by the members.



IMPORTANT TERMS & CONDITIONS RELATED TO ID

Liability

Liability as an Independent Director
(held liable for contravention taken place-)

- With his knowledge; or
- With his consent; or
- Connivance; or
- Where he has not acted diligently

Liability as Officer in Default

- **Every director**, in respect of contravention of any of the provisions of the Act, who is aware of such contravention
- participation in such proceedings without objecting to the same
- where such contravention had taken place with his consent or connivance;



IMPORTANT TERMS & CONDITIONS RELATED TO ID

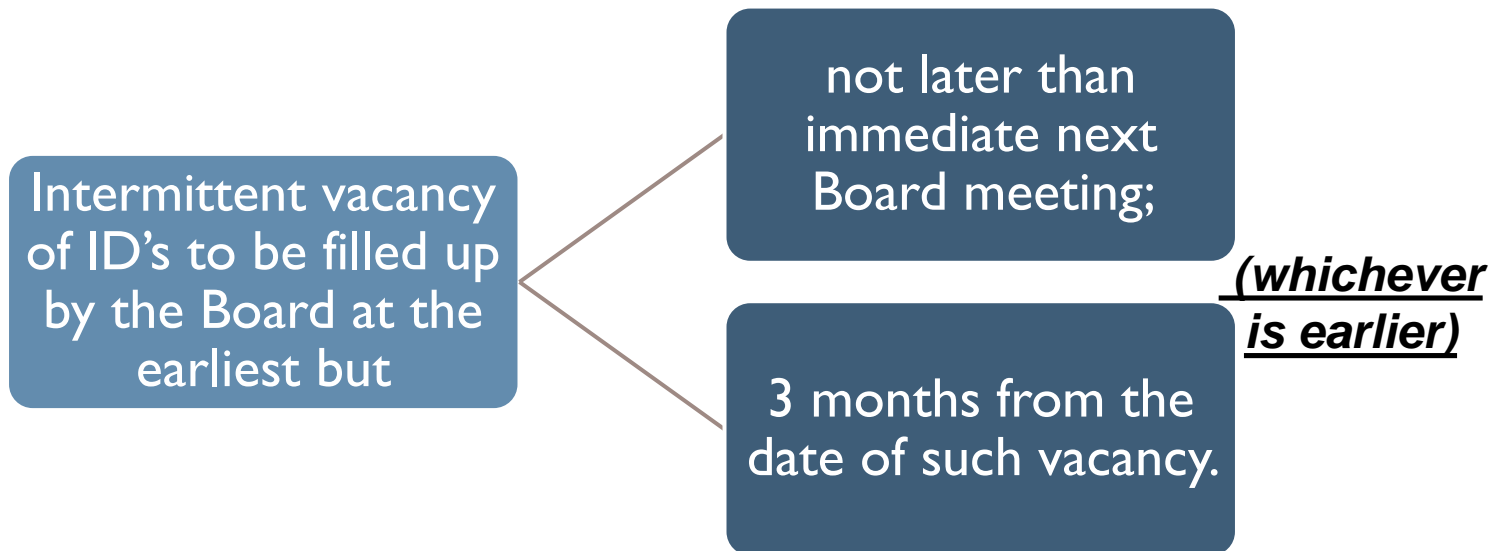
Tenure of ID's

	Shall hold office for a term up to 5 consecutive years
	shall not hold office for more than 2 consecutive terms
	(cooling period of 3 for re-appointment) for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.
	Independent Director shall not be liable to retire by rotation.
	The re-appointment shall be on the basis of performance evaluation.



IMPORTANT TERMS & CONDITIONS RELATED TO ID

Casual Vacancy of ID



IMPORTANT TERMS & CONDITIONS RELATED TO ID

Separate Meeting of ID



- At least 1 separate meeting of IDs in a calendar year;
- All IDs to strive to attend such meeting;
- In the said meeting IDs shall :-
 - ✓ Review the performance of **Non-ID's and Board** as whole;
 - ✓ Review the performance of **chairman of the company**;
 - ✓ Assess the **quality, quantity and timeliness** of flow of information b/w the Co. management and Board.



DUTIES OF DIRECTORS



- ▶ A director of a company shall act in accordance with the **articles of a company**.
- ▶ A director of a company shall act in **good faith** in order to promote the objects of the company for the benefit of its members as a whole.
- ▶ A director of a company shall exercise his duties with **due and reasonable care**, skill and diligence.
- ▶ A director of a company shall not involve in a situation in which he may have a direct or indirect **interest that conflicts**, or possibly may conflict, with the interest of the company.
- ▶ A director of a company shall **not assign his office and any assignment** so made shall be void.



DISQUALIFICATION OF DIRECTOR

A person shall not be eligible for appointment as a director of a company if, he is:-

Unsound mind

Undischarged
insolvent

Sentence in
respect to
Imprisonment for
at least 6 months

Disqualified by a
court or Tribunal
through an order

Convicted of the
offence dealing
with RPT's

Default in payment
of any calls of any
shares

Not applied for
DIN

Shall not be eligible to be re-appointed as a director of that company or appointed in other company for a period of 5 years from the date on which the said company fails to do so.



DISQUALIFICATION OF DIRECTOR

Who is or has been a director of a company which-

Has not filed financial statements or annual returns for any continuous 3 financial years.

Has failed to repay the deposits accepted by it or to redeem any debentures on the due date or pay any dividend declared

Shall not be eligible to be re-appointed as a director of that company or appointed in other company for a period of 5 years from the date on which the said company fails to do so.





Industry Concerns...

DISQUALIFICATION OF DIRECTOR

Presently, if a company has failed to filing its financial statements or annual returns for continuous 3 financial years, then all directors of the company shall incur disqualification under section 164(2)

Under section 167 , Director who incur disqualification under section 164, shall vacate office

Literal interpretation of section 167, will result in vacation of directors under disqualified under section 164(2) and this will also cause chain reaction as every new director appointed will incur this disqualification



DISQUALIFICATION OF DIRECTOR-PROPOSED AMENDMENTS

PROPOSED AMENDMENT [Companies Amendment Bill, 2016]:-

In case any director incur disqualification under section 164(2) then he shall not incur the disqualification for a period of 6 months from the date of his appointment

The director disqualified under section 164(2) shall only vacate the office of director under section 167 in all companies other than the one, which is in default



CALLING OF BOARD MEETINGS



- **Minimum 4 Board meeting should be held each year, with a gap of not more than 120 days between two Board meetings;**
- **First Board Meeting should be held within 30 days of the Incorporation;**
- **A notice of not less than seven days in writing is required to call a board meeting;**
- **Notice of Board meeting shall be given to all directors, whether he is in India or outside India by hand delivery or by post or by electronic means;**
- **Director can participate in the Board meeting through video conferencing or other audio visual mode as may be prescribed;**
- **Every Meeting shall have a serial number.**
- **Every company shall maintain separate attendance registers for the Meetings of the Board and Meetings of the Committee.**

CALLING OF BOARD MEETINGS

- **The Notice shall be sent to the postal address or e-mail address, registered by the Director with the company or in the absence of such details or any change thereto, any of such addresses appearing in the Director Identification Number (DIN) registration of the Director.**
- **Proof of sending Notice and its delivery shall be maintained by the company.**
- **Notice shall be issued by the Company Secretary or where there is no Company Secretary, any Director or any other person authorised by the Board for the purpose.**
- **The Notice shall specify the serial number, day, date, time and full address of the venue of the Meeting.**
- **The Agenda, setting out the business to be transacted at the Meeting, and Notes on Agenda shall be given to the Directors at least seven days before the date of the Meeting, unless the Articles prescribe a longer period.**



PERFORMANCE APPRAISAL- OVERLAPPING OF PROVISIONS

Performance Evaluation of Board

- **By Board/ Independent Directors**

Performance Evaluation of Committee

- **By Board**

Performance Evaluation of non-independent Directors

- **By Nomination & Remuneration Committee & By Independent Directors**

Performance Evaluation of Independent Directors

By Nomination & Remuneration Committee



PERFORMANCE APPRAISAL- STRATEGIES WHICH CAN BE FOLLOWED – CASE A

**Performance Evaluation
of Board**

- **By Board itself**

**Performance Evaluation
of Committee**

- **By Board itself**

**Performance Evaluation
of all directors**

- **By Nomination & Remuneration
Committee and then by Board**

**Performance Evaluation
of Non-Independent
Directors**

By Independent Directors



PERFORMANCE APPRAISAL- STRATEGIES WHICH CAN BE FOLLOWED – CASE B

**Performance Evaluation
of Board**

- **By Board itself**

**Performance Evaluation
of Committee**

- **By Board itself**

**Performance Evaluation
of Independent
directors**

- **By Nomination & Remuneration
Committee and then by Board**

**Performance Evaluation
of Non-Independent
Directors**

By Independent Directors



Thank You



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