

Companies Act 2013

(based on draft rules as on October 23, 2013)

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Books of Accounts

Section wise Comparison

Companies Act, 1956		Companies Act, 2013	
Section	Particulars	Section	Particulars
209 & 214	Books of accounts to be kept by the company & Rights of Holding Company's Representatives & members	128	Books of Accounts, etc. to be kept by company
210 & 211	Annual accounts & Balance Sheet & Form & Contents of Balance Sheet & Profit & Loss Accounts	129	Financial Statements
-	-	130	Re – Opening of accounts on Court's or Tribunal's Orders
-	-	131	Voluntary Revision of Financial Statements or Board's Report
210A	Constitution of National Advisory Committee on AS	132	Constitution of NFRA
215	Authentication of Balance Sheet & Profit & Loss Statement	134	Financial Statements, Board Report, etc
-	-	135	Corporate Social Responsibility
-	-	138	Internal Audit
Sch XIV	Rates of Depreciation	Sch II	Useful lives to Compute Depreciation
Sch VI	Form of Balance Sheet	Sch III	General Instructions for Preparation of Balance Sheet & Statement of Profit & Loss of a company

Section 2(40) – Financial Statements / Section 2(41) - Financial Year

Financial Statements means the following

- Balance Sheet
- Profit and Loss Account (or Income and Expenditure Account)
- Cash flow Statement *except One person companies, Small Company, Dormant Company*
- Statement of Changes in Equity, if applicable
- Any explanatory Note annexed thereto or forming part thereof

Financial Year means the period ending on March 31, every year;

- Two year window for aligning has been provided
- For a company incorporated after January 1 of a year the period ending March 31 of the following year will be the first financial year;
- On approval from Tribunal, a holding company or a subsidiary of a company incorporated outside India may if required to follow a different financial year for consolidation of its accounts outside India, can follow a different financial year;

Accounts of Company

- As per S 128 every Company shall maintain at its registered office, books of account and financial statements which reflect a true and fair view of the state of affairs of the Company including its branches.
- The books shall be kept on accrual system of accounting and on double entry system of accounting.

Accounts of Company (Continued...)

- Books of accounts shall be kept for a period of 8 years and where the company is in existence for less than 8 years then for the entire period.
- Such books shall be kept in good order and shall be kept together with the vouchers.

The books of accounts shall be open for inspection during the business hours by directors

Section 129 – Form of Financial Statements

- The financials statements shall conform to the form specified in **Schedule III** (similar to Revised Schedule VI except that Sch III provides for general instructions for preparation of Consolidated Accounts too)
- Where there is one or more subsidiaries, Consolidated accounts shall be prepared.
- For the purposes of S129(3), the word subsidiary shall include associate company and joint venture.
- This effectively means that even where there is no subsidiary but there are associates and joint ventures then consolidated accounts will have to be prepared.
- Statement containing the salient features of the financial statement of Company's subsidiaries, associate company & joint ventures in **Form 9.1** shall be attached to the financial statements.

Section 129 – Form of Financial Statements *(Continued...)*

- At each Annual General Meeting the financial statements shall be placed for approval of members
- The provisions relating to standalone accounts on adoption and approval shall also apply to CFS.
- The FS shall conform to the accounting standards notified in S133. (at present the same shall be Companies (AS) rules, 2006)
- Board Report to have a separate section on the performance & financial position of the subsidiaries, associates or joint ventures.
- The class of companies as may be notified by the Central Government from time to time, shall mandatorily file their financial statements in Extensible Business Reporting Language (XBRL) format and the Central Government may specify the manner of such filing under such notification for such class of companies.

Differences in Meanings

Sr. No.	Terms	Section of the		Significant Differences
1.	Subsidiary	2(87)	AS 21	As per AS 21, voting power held by one company in the other company is relevant. However, <u>as per the Act</u> , a subsidiary is a company in which the holding company controls more than one half of the total share capital. Total share capital will include preference shares, which generally do not carry voting rights. Accordingly, a subsidiary as per the Act may not be a subsidiary under AS and vice versa.
2.	Associates	2(6)		<u>As per the Act</u> , holding of 20% of total share capital is good enough to establish the relationship as Associates. However, under AS 23, a company can demonstrate that, in spite holding 20% interest in voting power it does not have significant AS influence and hence Associate relationship is not established. Associate also AS 23 means significant influence over the Business Decisions. In addition, under the Act, Associate includes a "Joint Venture". However, AS 27 deals with Joint Venture company and there is clear distinction between
3.	Control	2(27)	AS 21	The definition of "control" as per the Act is inclusive definition. In addition, it brings in the concept of "person acting in concert".
4.	Components for CFS	Expl. to Section 129(3)	AS and 21	As per the Act, for the purpose of consolidation the word "subsidiary" shall include Associate company and Joint venture. However, under AS, Subsidiary, Associate and 21 Joint Venture has different meaning and hence, the holding company is required to follow different method for consolidation.

Section 134 - Financial Statements

- The FS shall be approved by the Board before they are signed on behalf of the Board
- The FS are to be signed by
 - Chairperson, if he is authorised; or
 - Two directors; (One MD / CEO)
 - CFO
 - Company Secretary, wherever appointed
 - Auditor Report to be attached
 - Board Report

Section 134 - Financial Statements (Continued...)

The FS placed before the General meeting shall be accompanied inter-alia by the following:

- Extract of Annual return
- Directors' responsibility statement
- Declaration by independent directors
- Explanation or comments by the board on every qualification/ reservation / adverse comment.
- Particulars of loans. investments made u/s 186.

Section 134 - Financial Statements

(Continued...)

The report of Board shall also include the followings:

- Financial Summary/ Highlights
- Change in the nature of business, if any,
- Details of directors or KMP who were appointed or have resigned during the year
- Names of the companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year along with reasons therefor;
- Details relating to Deposits covered under Chapter V

Details of significant & material orders passed by the Regulators or courts or Tribunals impacting the going concern status & company's operations in future

Section 130 – Re-Opening of Accounts

- A new provision which permits re-opening of accounts under specified circumstances.
- A Company shall not reopen the books of account unless an application is made by Central Government, IT Authorities, SEBI or any other statutory body or authority or any person concerned **and** an order of the competent court or the Tribunal is made to
 - the accounts of earlier years ~~are prepared~~ prepared in a fraudulent
 - affairs were mismanaged during the relevant period casting a doubt regarding reliability of financial statements.
- The accounts so revised or re-casted shall be final.

Section 131- Voluntary Revision of the Accounts

- New provision for voluntary revision of accounts introduced in S131.
- If it appears to the Board that the FS do not comply with the provisions of Sec 129 they may prepare revised financial statements in respect of any of the 3 preceding FYs after obtaining approval of the Tribunal on an application made in this regard in [Form 9.2](#)
- The tribunal shall give notice to CG, IT authorities or other regulatory bodies and shall take into consideration their representations.
- The revision can be done only once in a financial year.
- Management has to necessarily revise the FS for all the relevant period, subsequent to the FY for which the revision of FS is sought to be made by the Board of Directors (*as per Draft Rules*)

The Board shall mention in its report the reasons for the revision in the FS in the year of revision.

Section 131 - Voluntary Revision of the Accounts *(Continued....)*

- The revised financial statements or revised report of the Board shall be signed in the manner specified in section 134 of the Act.
- Any such revised financial statement or revised report of the Board shall be accompanied by the reasons justifying the proposed revision.
- The revision shall be reported upon by the auditor who is presently holding the position of auditor.
- However, if the original financial statement was audited by a different auditor, then, the revised financials shall be accompanied by a consent letter from the auditor who reported upon the financial statement which is sought to be revised.
- In case such auditor does not agree or the company is unable to procure the consent letter, reasons for such different opinion or inability to procure the consent shall be explained.

Section 131 - Voluntary Revision of the Accounts *(Continued....)*

- It shall be the duty of the Board to send a copy of the revised financial statements and the revised auditor's report to the members, and in case of a listed company, to the stock exchange(s) and other regulatory authorities and it shall fix the date for convening general meeting for the approval of the revised financial statements and the revised auditor's report, or revised report of the Board, as the case may be.

The members shall approve the revised financial statements and the revised auditor's report at the general meeting.

Section 132 – National Financial Reporting Authority (NFRA)

- Constituted for matters relating to accounts & auditing standards and related disciplinary actions.
- Functions –
 - making recommendation on formulation & laying down of accounting & auditing policies & standards.
 - Monitor & enforce the compliance with the accounting & auditing standards.

Oversee the quality of service of the professions associated & suggest measures for improvement in quality of service & other prescribed related matters.

NFRA (*Continued...*)

- NFRA Shall consist of –
 - accountancy, auditing, financing or law to be appointed by Central Govt.
 - Other Members – not exceeding 15 consisting of part time or full time members.
- Chairperson & members shall make a declaration regarding no conflict of interest or lack of independence.
- Person in full time employment With NFRA shall not be associated with any audit firm or related consultancy firm.

Powers of NFRA

- To investigate, either suo motu or on a reference by CG, into matters of professional or other misconduct committed by any member or firm of CA
 - Powers vested to the civil court
 - Where professional misconduct is proved –
 - Imposing penalty
 - Debarring the member or the firm from engaging in practice for a minimum period of 6 months & not exceeding 10 years
 - If aggrieved, then one can apply to Appellate Authority
- Appellate Authority consisting of a Chairperson & two other members

Section 135 - Corporate Social Responsibility (CSR)

■ **Applicability**

- Net worth of Rs. 500 crore or more, or
- Turnover of Rs. 1000 crore or more ,or
- Net profit of Rs. 5 crore or more during any financial year

shall constitute a Corporate Social Responsibility Committee of the Board

■ **Composition**

- Minimum 3 Directors of which at least 1 shall be Independent Director

■ **Role & Responsibility**

- To formulate and recommend to Board, a CSR policy for undertaking permissible activities
- To recommend the amount of expenditure to be incurred on CSR activities
- To monitor the CSR Policy

Section 135 - Corporate Social Responsibility (CSR) *(Continued...)*

- The Board of every company referred to above shall after taking into account the recommendations made by CSR Committee:
 - approve the CSR Policy for the company and disclose contents of such Policy in its report and also place it on the company's website, and
 - ensure that the activities as are included in CSR Policy of the company are undertaken by the company, and
 - ensure that the company spends, in every financial year, at least two per cent of the average net profits made by the Company in a block of three years.
- If the Company fails to spend such amount, the Board shall, in its report specify the reasons for not spending the amount
- "Average net profit" shall be calculated in accordance with the provisions of section 198 of the 2013 Act.
- For the purposes of S135, net profit before tax as per books of accounts and shall not include profits earned by branches outside India.

Schedule VII – CSR activities

Activities which may be included by companies in their CSR Policies

-
- eradicating extreme hunger and poverty;
- promotion of education;
- promoting gender equality and empowering women;
- reducing child mortality and improving maternal health;
- combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- ensuring environmental sustainability;
- employment enhancing vocational skills;
- social business projects;
- contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- such other matters as may be prescribed.

Section 136 – Rights of Members to Copies of Audited Financial Statements

- Copy of FS to be sent to all the members including CFS, if any, not less than 21 days before the date of meeting as prescribed in [Form 9.6](#)
- in case of all listed companies and such public companies which have a net worth of more than Rs. 1 crore and turnover of more than Rs. 10 crore , the financial statements may be sent:
 - by electronic mode to such members who have positively consented in writing for receiving by electronic mode; and
 - by despatch of physical copies by any other recognised mode of delivery as specified under section 20 of the Act, in all other cases.
- Company having subsidiary / subsidiaries shall –
 - Place separate audited accounts for each subsidiary on its website
 - Provide a copy of audited FS of subsidiary to any shareholder who asks for it
- Penalty for Default –
 - Company – Rs. 25000
 - Officer – Rs. 5000

Section 137 – Copy of FS to be filed with Registrar

- Copy of FS* including CFS shall be filed with the Registrar within 30 days of General Meeting with fees or additional fees.
- Un-adopted accounts shall be considered as provisional.
- Accounts adopted at adjourned meeting shall be filed within 30 days of adjourned meeting.
- OPCs to file within 180 days from closure of FY.

If the AGM is not held, FS along with a statement of facts & reason for not holding the AGM shall be filed with Registrar.

Section 138 – Mandatory Internal Audit

- For the purpose of sub-section (1) of section 138 of the Act, the following class of companies shall be required to appoint an internal auditor or a firm of internal auditors:-
 - every listed company
 - every public company having paid up share capital of Rs.10 crores or more;
 - every other public company which has any outstanding loans or borrowings from banks or public financial institutions exceeding Rs. 25 crores or which has accepted deposits of Rs. 25 crores or more at any point of time during the last financial year.

- The Audit Committee of the company or the Board shall, in consultation with the Internal Auditor, formulate the scope, functioning, periodicity and methodology for conducting the internal audit & submit the report to the Board.

- Internal Audit can be done by
 - a Chartered Accountant; or
 - a Cost Accountant; or
 - such other professional as may be decided by the Board.



DEPRECIATION

Schedule 11

Schedule II – Depreciation (Including Amortisation)

- Schedule II to the 2013 Act
- Depreciation is systematic allocation of the depreciable amount of an asset over its useful life (Para 1 of Part A of Schedule II)
- Schedule provides useful lives to compute depreciation instead of rates as earlier, it can be even on production units
- Depreciation for intangible asset will be governed by AS.

Companies are divided into three classes

Extra Shift Depreciation.

For many assets useful lives have been shortened.

Depreciation (Including Amortisation)

(Continued.....)

- The useful lives of assets is specified based on their single shift working.
- If an asset is used for double shift, the depreciation to be increase by 50% for the relevant period;
- If an asset is used for triple shift the depreciation to be increased by 100% for the relevant period;
- Useful lives could be different from that envisaged under Schedule II;
- Where cost of a part of the asset is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part shall be determined separately.
- From the date the Schedule comes into effect, the carrying amount as on date shall be depreciated over the remaining useful life of the asset, and
- If the remaining useful life of an asset is 'Nil', after retaining the residual value, the carrying amount is written off in the opening balance of retained earnings;

Depreciation (Including Amortisation)

(Continued.....)

For Regulated entities,
the useful life or residual value notified by
the regulatory authority or CG

The useful life and residual value normally
be as per the Schedule

Adopt a different parameters by disclosing
the justification

For companies as prescribed whose FS have
to comply with S133
(and also comply with AS)

Consider useful lives as given in Part C of
Sch II

Other Companies

The useful life and residual value within what
is provided under the Schedule and cannot
be longer

Comparison

			Companies Act, 2013	Companies Act, 1956
Prescribed Companies	Useful Life	Can it be higher	Yes	No
		Can it be lower	Yes	Yes
	Residual Value	Can it be higher	Yes	No such Provision*
		Can it be lower	Yes	No such Provision*
Other Companies	Useful Life	Can it be higher	No	No
		Can it be lower	Yes	Yes
	Residual Value	Can it be higher	No	No such Provision*
		Can it be lower	Yes	No such Provision*

* Residual Value was inbuilt in Depreciation Rates prescribed under Schedule XIV

Major Changes in Rates of Depreciation

- Some of the Major Changes in useful lives for Depreciation –
*Buildings (Other than Factory Buildings not being RCC Frame Structures),
Fences, Wells, Tube wells, Other Buildings (including temporary structure),
Carpeted Roads, Plant & Machinery, Continuous Processing Plant,
Electrically operated vehicles including battery powered or fuel cell powered
vehicles*

- Some of the Major Industry Wise Prescription in useful lives for
Depreciation-
 - *Exploration, Production & Refining Oil & Gas
Generation, Transmission & Distribution of Power
Manufacture of Non Ferrous Metals
Civil Construction*

 - *Manufacture of Pharmaceuticals & Chemicals, etc*



*Provisions Relating to
Directors*

Section Wise Comparison

Companies Act, 1956		Companies Act, 2013	
Sec	Particulars	Sec	Particulars
252 & 253	Minimum No of Directors Only individual to be	149	Company to have Board of Director
252	Minimum No of Directors	151	Appointment of Director elected by small Shareholders
254, 255, 256 & 264	Subscribers to Memorandum, Appointment of Director & Proportion of those who are to retire by rotation, etc	152	Appointment of Directors
202, 274, 283(2)	Un discharged insolvent not to manage companies, Disqualification of Director, Vacation of Office	164	Disqualification for appointment of Director
275	No person to be director in more than 15 companies	165	Number of Directorships
312, 388	Prohibition of Assignment of Office by Director Application of Sections to	166	Duties of Director
-	-	168	Resignation of Directors
303 & 307	Register of Directors, etc Register of Directors' Shareholdings, etc	170	Register of Director & KMP & their shareholding

Section 149 - Number of Directors

- Minimum No of Directors shall be as follows –
 - Private Company – 2
 - Public Company – 3
 - OPCs – 1

- Max. Directors – 15 (*may be increased by special resolution*)

- **At least one Resident Director** (*who has stayed in India for a total period of not less than 182 days in the previous calendar year*)

- **Woman Director at least one –**
 - Listed company within 1 year of the commencement of Provisions
 - Every other public companies with paid-up capital of Rs. 100 crores or more; or Turnover of Rs. 300 crores or more within 3 years from the commencement of provisions.

Section 149(6) - Independent Director

■ Requirement

- 1/3 of the total number of Directors to be independent applicable to:
 - ✓ Listed companies
 - ✓ Public Companies having paid up share capital of Rs.100 crores rupees or more; or
 - ✓ in aggregate, outstanding loans or borrowings or debentures or deposits, exceeding Rs. 200 crores
- Transition period of one year

■ Term

- Two terms of 5 years each
- Reappointment after a cooling off period of 3 years
- Not liable to retire by rotation

Section 149(6) - Independent Director (Continued....)

- Person of integrity with relevant expertise & experience
- Independence from promoter/management group
- No pecuniary relationship for self
- No pecuniary relationship for relatives amounting to 2% or more or Rs. 50 Lakhs whichever is higher
- No KMP or employee relationship in last 3 years
- No Audit/CS/CMA relationship
- No Legal/Consulting relationship earning 10% or more
- Nominee Directors not considered as independent

Such other qualifications as prescribed Declaration of meeting criteria of independence at first board meeting and annually thereafter

Schedule IV – Code of Conduct for Independent Directors

- Guidelines of professional conduct – ethical conduct, act objectively, devote time and exercise responsibilities in bona fide manner
- Role and functions – judgment, objectivity in evaluation of performance, safeguard interest of stake holders
- Duties – strive to attend meetings, participate constructively, update knowledge and skills, pay sufficient time, report concerns, non-disclosure of confidential information,
- Manner of appointment – appointment process, explanatory statement, letter stating terms of appointment
- Reappointment – based on report of performance evaluation
- Resignation or Removal – replacement in 182 days
- Separate meeting – at least once a year without non-independent directors, all Independent directors shall strive to attend this meeting, review performance of non-independent directors at such meeting and assess the quality of flow of information.
- Evaluation mechanism – to be done by the entire Board

Section 151 - Small Shareholder Director

- A listed company may *suo motu* or upon the notice of not less than 500 or 1/10th of the total number of small shareholders, whichever is lower, elect a small shareholders' director
- Such small shareholders intending to propose a person as a candidate for the post of small shareholders' director shall leave a notice of their intention with the company at least 14 days before the meeting accompanied by necessary details
- Small Shareholder Director shall be considered as an Independent Director
- The appointment of small shareholders' director shall be subject to the provisions of section 152 except that -
 - The director shall not be liable to retire by rotation;
 - The director's tenure as small shareholders' director shall not exceed a period of 3 consecutive years; and
 - on the expiry of the tenure, the director shall not be eligible for re- appointment.

Section 152 - Appointment of Directors

- Every Director shall be appointed by the company in the GM *except the First Directors, subscribers to the memorandum*
- No person shall be appointed unless he has a DIN
- Person proposed to be appointed shall furnish his DIN & Declaration of Non Disqualification
- Director, on appointment, shall give his consent & file the same with the Registrar within 30 days
- 2/3rd of the Director shall be liable for rotation at every subsequent AGM

The AOA may confer that an additional director be appointed at

or on the last day on which the meeting is to be held

Section 164 - Disqualification of Directors

- A person shall be disqualified if he is of unsound mind, un discharged insolvent, convicted of any offence, etc
- Disqualified by the Tribunal or a Court
- Calls unpaid after 6 months from the last date fixed for payment
- Convicted of Offence dealing with Related Party
- Has been a director of a company which has –
 - Not filed FS or annual returns for consecutive 3 FY
 - Failed to repay deposits or interest thereon, or redeem debentures, or pay the declared dividend
- Such disqualification shall be withdrawn after 5 years from date of failure by such company
- A Private company may provide for additional disqualification in its articles.

Section 165 - No of Directorships

- Not more than 20 Companies
 - Of which not more than 10 Public Companies
(private companies which are subsidiaries or holding companies of the public companies shall be reckoned as Public Companies)
- If the person holds directorship in more than specified no. of companies than he shall resign from such position
- Intimation of choice to each of the companies & to the Registrar having jurisdiction in respect of each such company

Section 166 – Duties of Directors

- Act in accordance with the Articles of the Company
 - Act in good faith to:
 - promote the objects of the Company;
 - in the best interests of the Company; its employees; the shareholders; the community and for the protection of environment.
- Exercise duties with reasonable care, skill and diligence
- No direct or indirect conflict of interest
- No pecuniary advantage for himself or any of his Relatives
- Not to assign his office

S167 - Vacation of office of Director

Office of director shall become vacant in case

- He incurs any of the disqualification specified in S164
- He absents from meeting during a period of 12 months with or without seeking leave of absence.
 - He becomes disqualified by an order of court or tribunal
 - He acts in contravention of S184
- He is convicted of offence involving moral turpitude
- He is removed in pursuance of the provisions of this Act
- He having been appointed a director by virtue of his holding any office or employment in its holding or subsidiary company ceases to hold such employment in that company.
- A private company may provide for additional grounds for vacation of office of director in its articles.

Section 168 - Resignation of Directors

- The company shall within thirty days from the date of receipt of notice of resignation from a director, intimate the Registrar in **Form No. 11.8** and post the information on its website, if any.
- Where a director resigns from his office, he shall within thirty days from the date of resignation, forward to the Registrar a copy of his resignation along with reasons for the resignation in [Form No. 11.7](#) along with the fee as provided in Annexure 'B'.
- The effective date of resignation shall be the date of receipt of intimation or the date mentioned in the said intimation whichever is later.
- The director shall however be responsible for period before the effective date of resignation.

Section 170 – Register of directors and KMP & Return containing particulars of Directors & KMP

- Every company shall keep at its registered office a register of its directors and key managerial personnel
- The Company shall also include in the register details of securities held by them in the company, its holding company, subsidiaries, subsidiaries of the company's holding company and associate companies
- The Company shall maintain return containing the particulars of appointment of director or KMP & changes therein, shall be filed with the Registrar in [Form No. 11.8](#)
- Such register & return shall be kept open for inspection during business hours and the members shall have a right to take extracts therefrom and copies thereof.
- It shall also be kept open for inspection at every annual general meeting of the company and shall be made accessible to any person attending the meeting.

Mandatory Committees

Audit Committee

■ Applicability

- Listed Companies
- Other Public Companies having a Paid-Up capital of Rs.100 crores or more or in aggregate, o/s loans or borrowings or debentures or deposit exceeding Rs.200 crores

Composition

Minimum 3 Directors, majority Independent Directors, persons able to read/understand financial statements

■ Role & Responsibility

- To recommend appointment and remuneration of auditors
- To review and monitor the auditor's independence and performance and effectiveness of audit process
- To examine financial statement and the auditors' report
- To approve or modify any related party transactions
- To scrutinize inter-corporate loans and investments
- To evaluate internal financial controls and risk management systems
- To monitor the end use of funds through public offers, etc.

Nomination & Remuneration Committee

■ **Applicability**

- Listed Companies
- Other Public Companies having a Paid-Up capital of Rs.100 crores or more or in aggregate, o/s loans or borrowings or debentures or deposit exceeding Rs.200 crores

■ **Composition**

- Minimum 3 Non-Executive director, of them 50% independent
- Chairperson of the company can be a member but cannot be a chairperson of this committee

■ **Role & Responsibility**

- To identify persons who are qualified to be Directors of the company and who can be appointed in senior management
- To recommend to Board a policy relating to remuneration of Directors, KMP and other employees keeping in mind appropriate performance benchmarks striking a balance between fixed and incentive pay, etc.
- To evaluate performance of every Director of Board

Stakeholders' Relationship Committee

■ **Applicability**

- Companies whose total number of shareholders, deposit holders, debenture holders and other security holders exceed 1,000 at any time during a FY

■ **Composition**

- To be decided by Board
- Chairperson to be a NED

■ **Role & Responsibility**

- To consider and resolve grievances of the security holders of the company

Thank you.....