

Appointment and Qualifications of Directors

Sec 149 - Sec 172

+

The Companies (Appointment and Qualification of Directors) Rules, 2014

Director
Sec 2(34)

Board
Sec 2(10)

- ✓ Means a Director
- ✓ Appointed on the Board

- ✓ Collective Body
- ✓ of the Directors of Company

Section 149

Company to have Board of Directors

Director - Individual

Minimum and Maximum Director

Public Co.

Prvt Co.

OPC

3 Dir

2 Dir

1 Dir

15

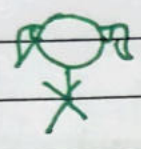
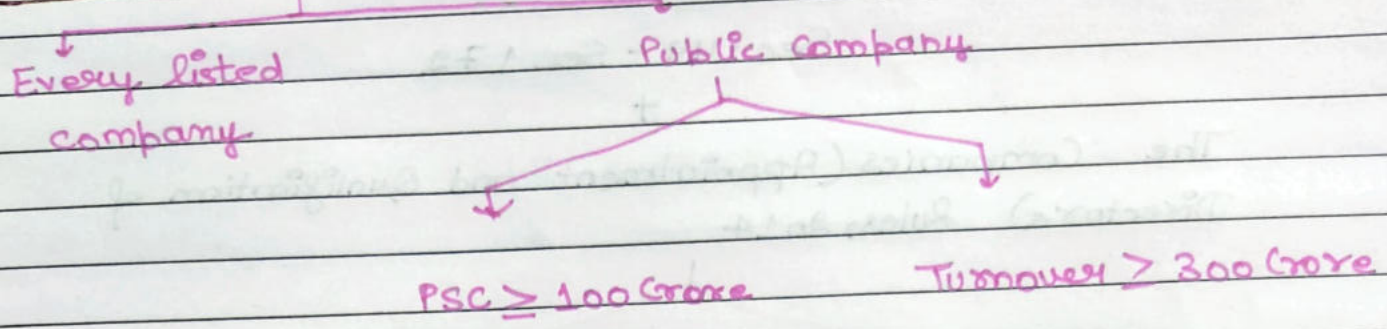
15

15

Max

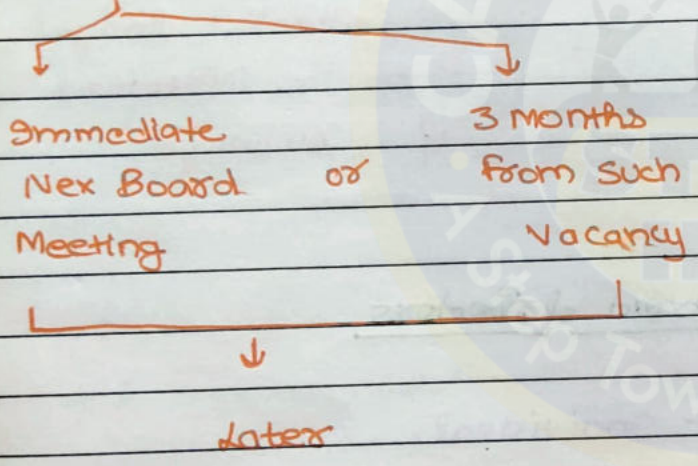
After SB, Number can be increased.

Women Director

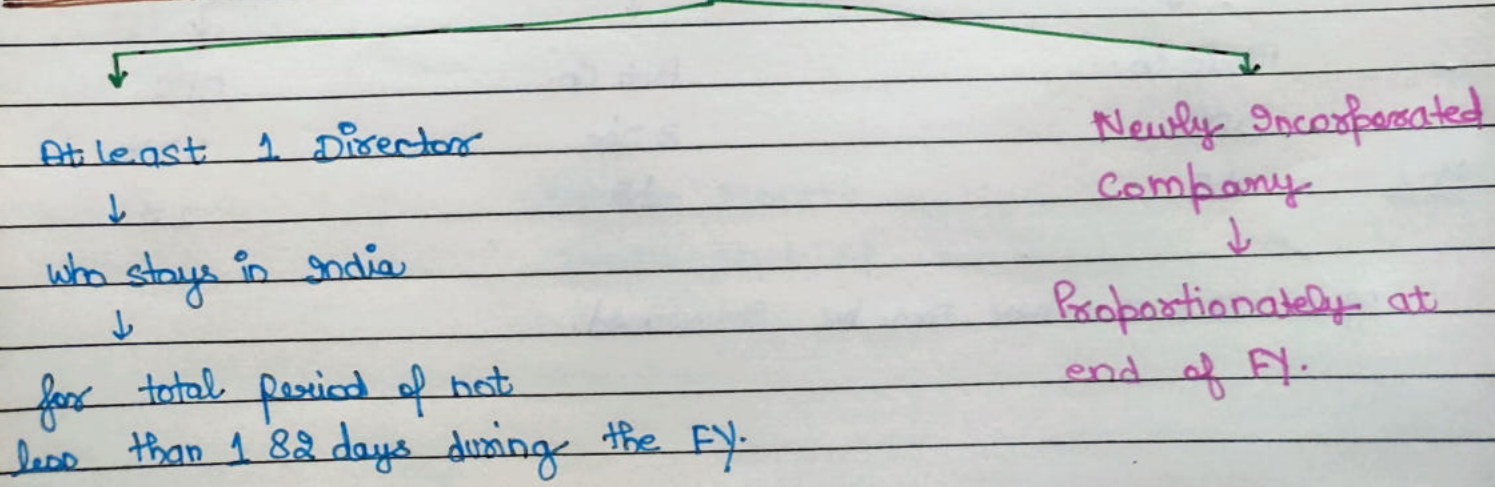


→ Women Director to be appointed within six months from date of its incorporation.

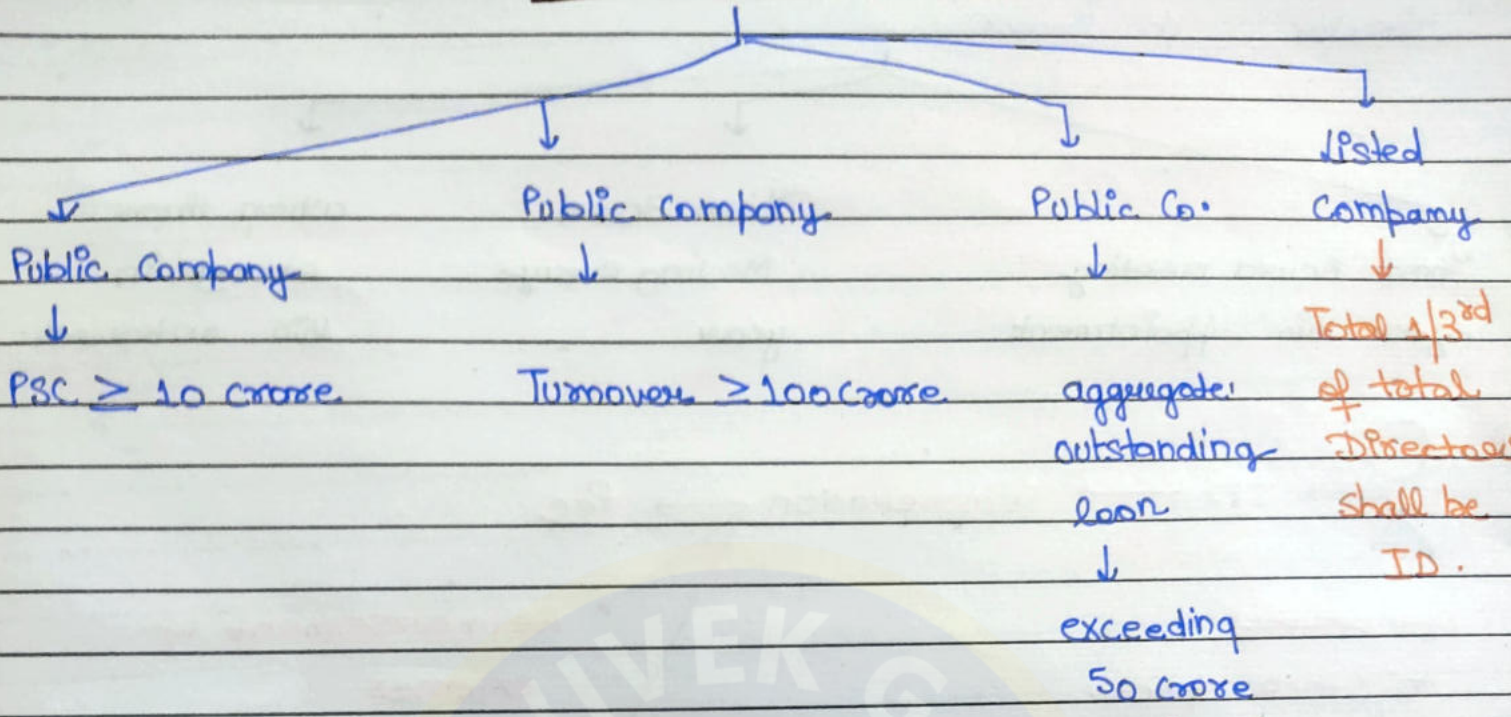
Vacancy



Resident Director

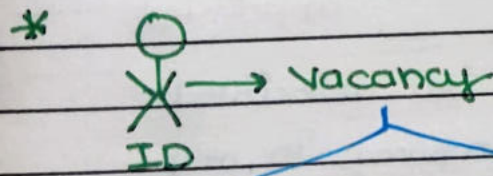


Independent Director



Shall have at least 2 Directors as Independent Director

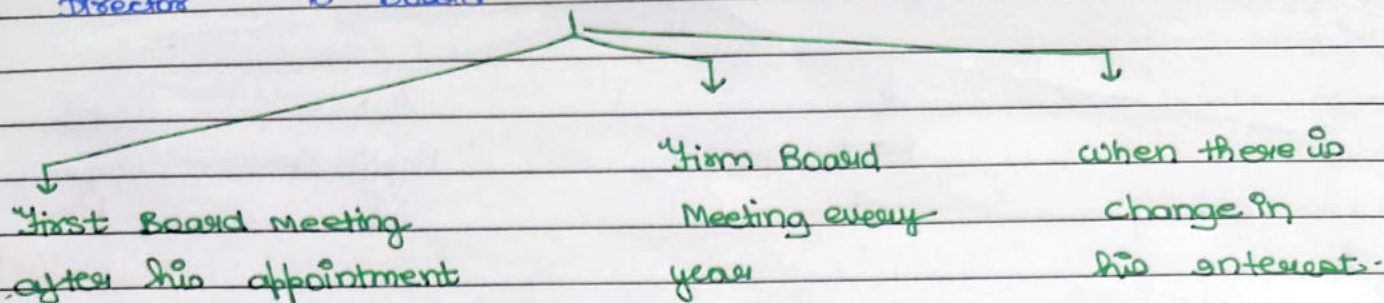
* If company cease to fulfil these conditions for three consecutive years, it shall not be required to appoint ID.




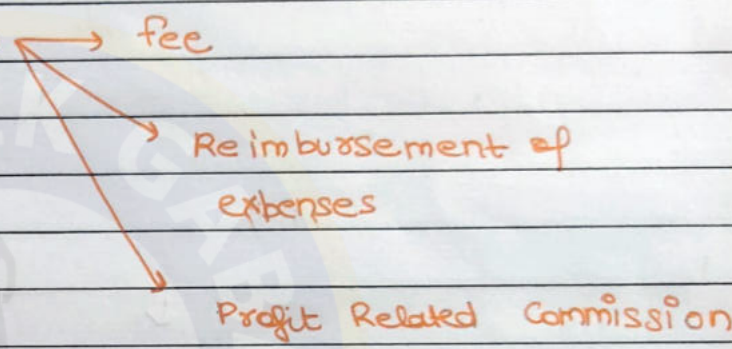
Next Board Meeting or 3-Months from date of Vacancy

Later

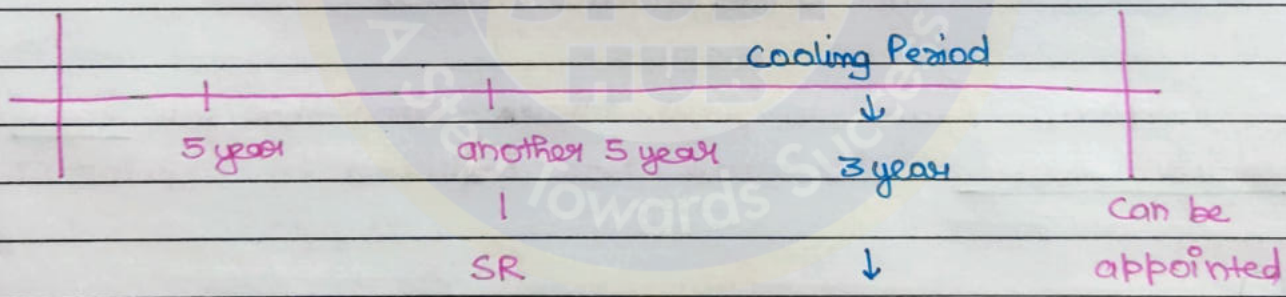
* Declaration of interest to be given by independent director to Board



*  → ID → Remuneration → fee
Not entitled to stock option.



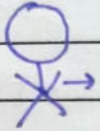
* Tenure



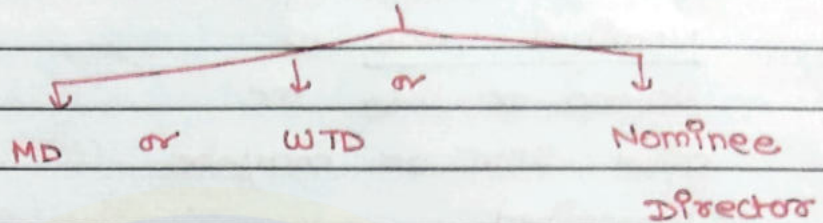
Can not be associated with company in any other capacity either directly or indirectly.

* Retirement by Rotation Does not apply to ID.

* ID and NED → liable → only such acts and omissions which have occurred with his knowledge.

Independent Director149(6)

Means a Director, other than



⊕

Satisfy certain conditions

Section 150Manner of Selection of Independent Director and Maintenance of Data Bank of ID

who are eligible and willing to act as ID



Data Bank



can select IB ID



Maintained by any Body, Institute or Associate as Notified by CG



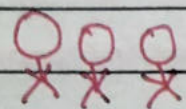
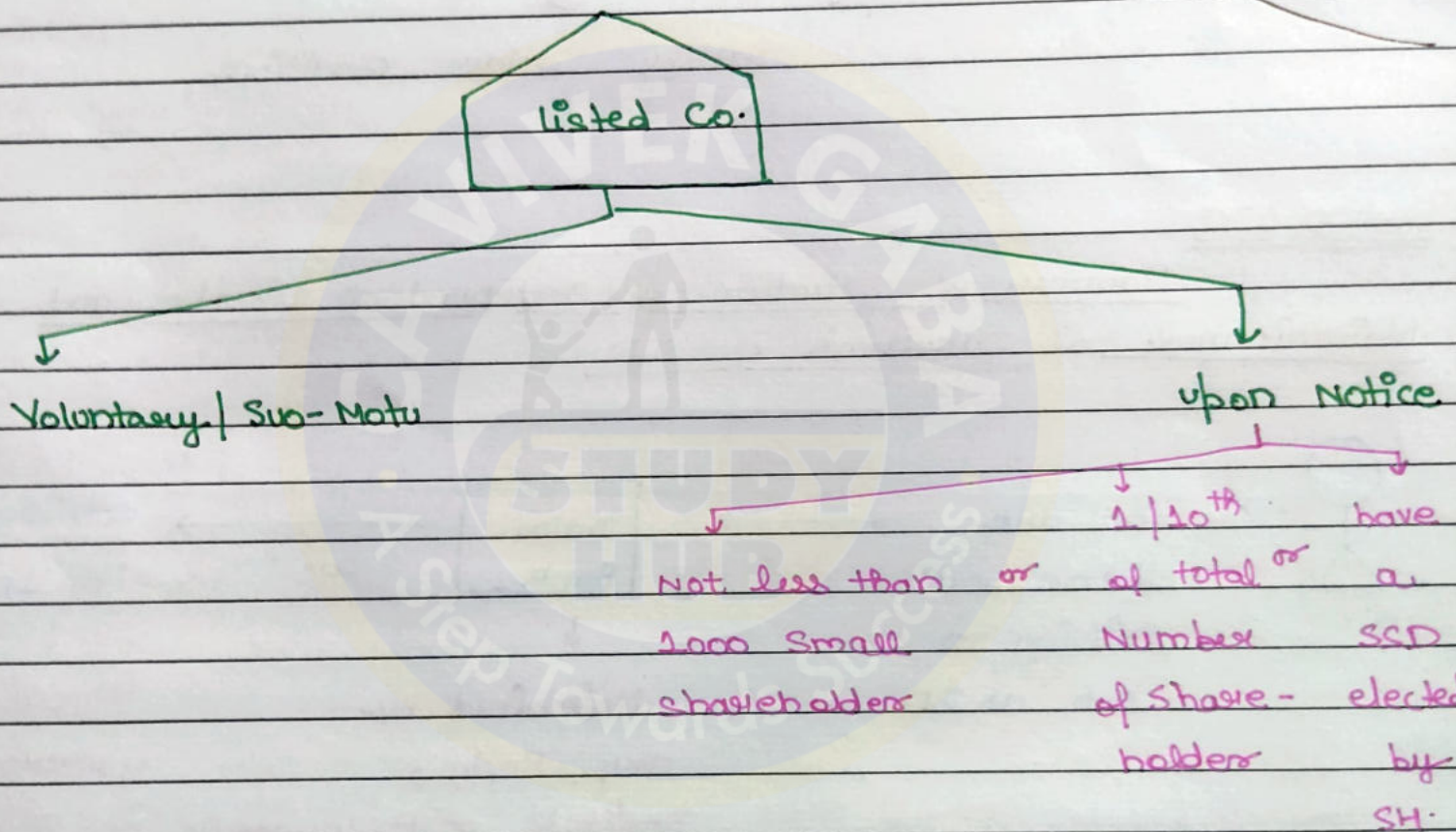
Responsibility of exercising Due diligence lie with the Company

Section 151

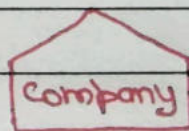
Small Shareholder Director

Holding shares of
Nominal value of
20,000 or less or
other sum as may be
prescribed.

SSD
Should Not
be a Small
Shareholder.



At least 14 Days Before G.M



Notice

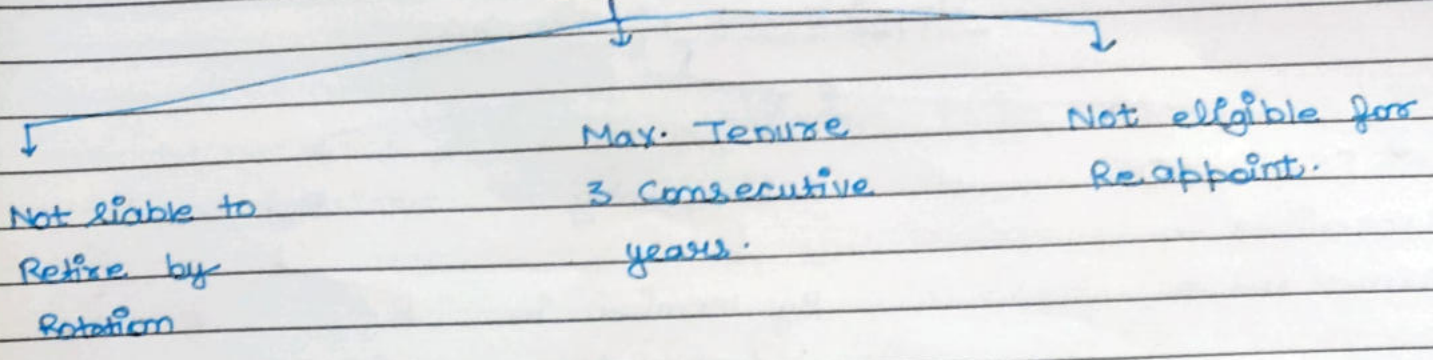
Specify

Accompanied Statement
by proposed Director
↓
consent to act as
SSD.

- Name
- Address
- Shares held
- Folio Number

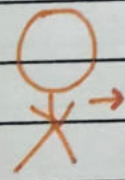
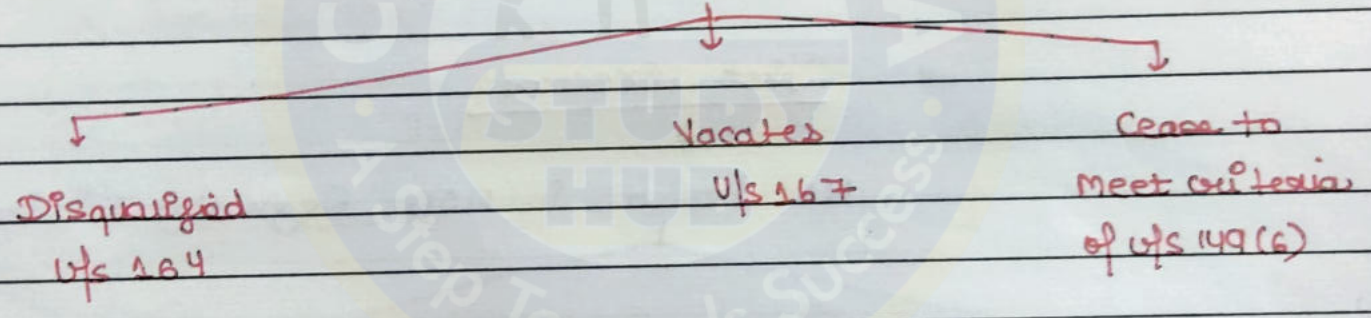
→ of proposed Director
and S.S.H who are
Proposing

S.S.D



Can not be SSD for more than 2 Companies; second Company shall not be in conflict with first Company's Business.

Vacation of office of SSD



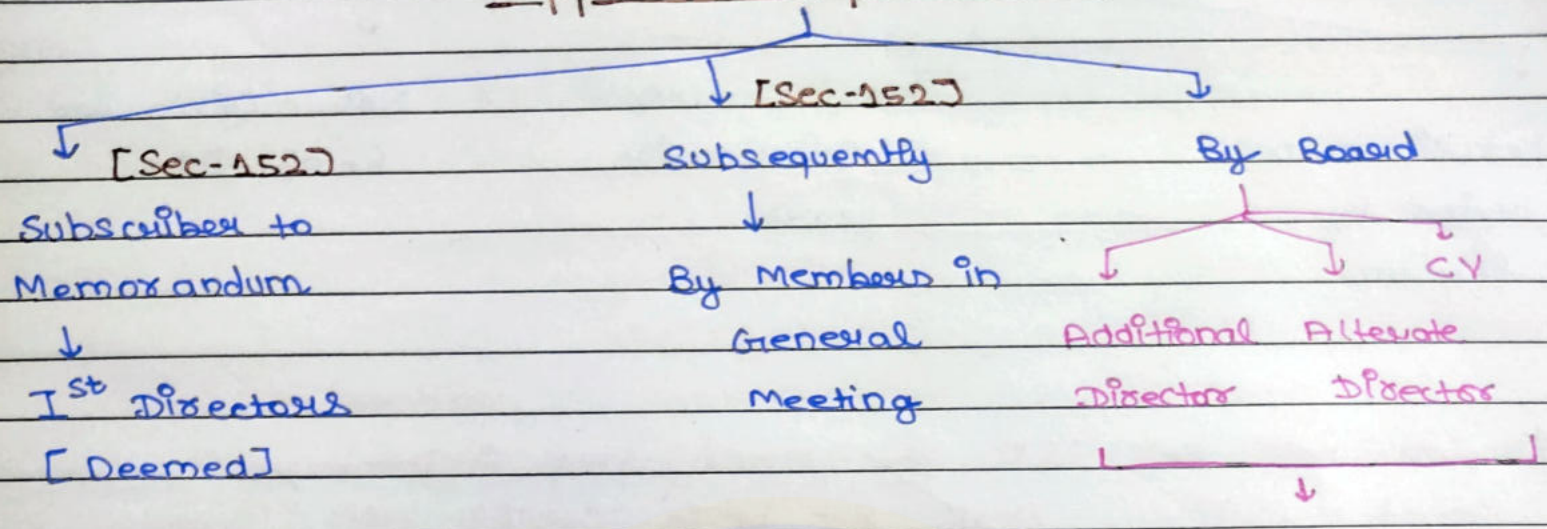
After ceasing → shall not be appointed in CASH for 3 years.

Aap 1 Director ko appoint kar sakte ho, as a SSD as well as ID.

1 person → 2 Director

Section 152

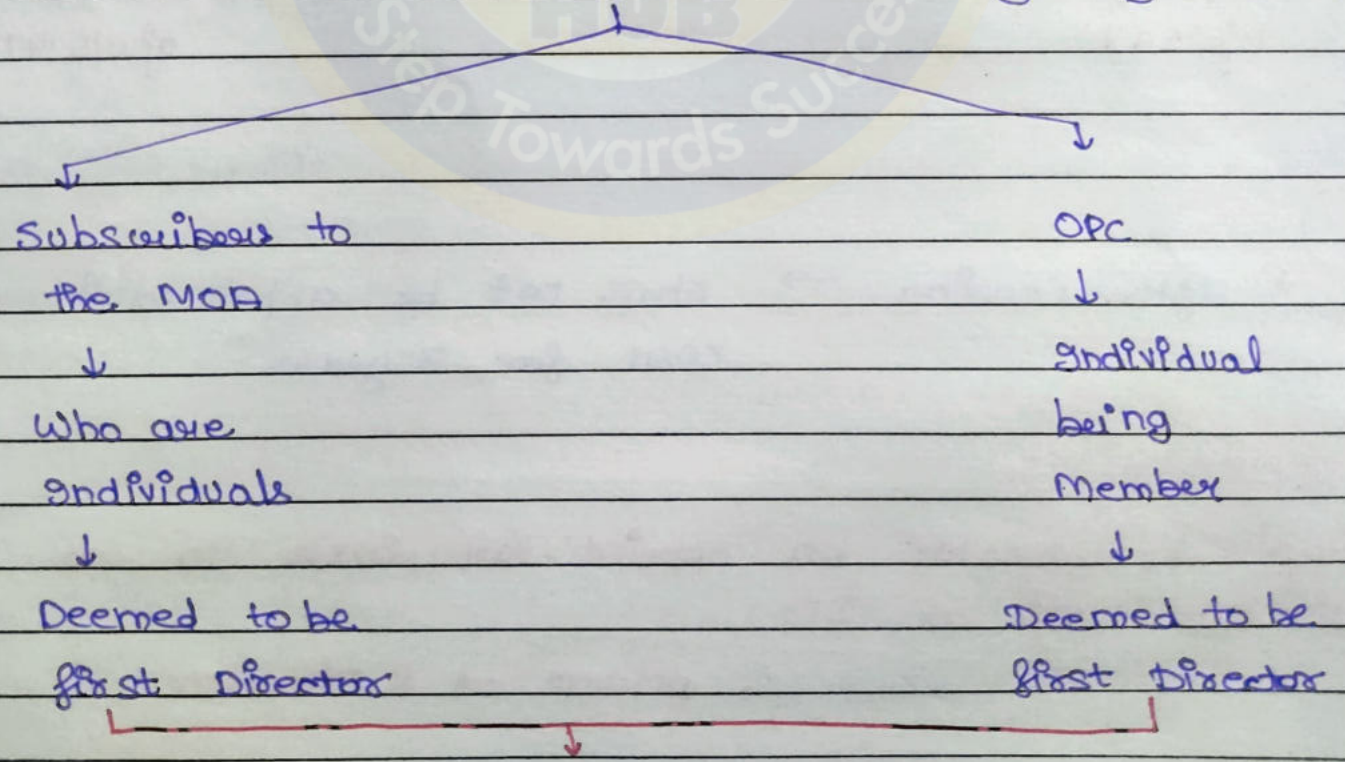
Appointment of Directors



[Agar Articles Mein likha hai ki first directors kon honge. To vhi honge.]

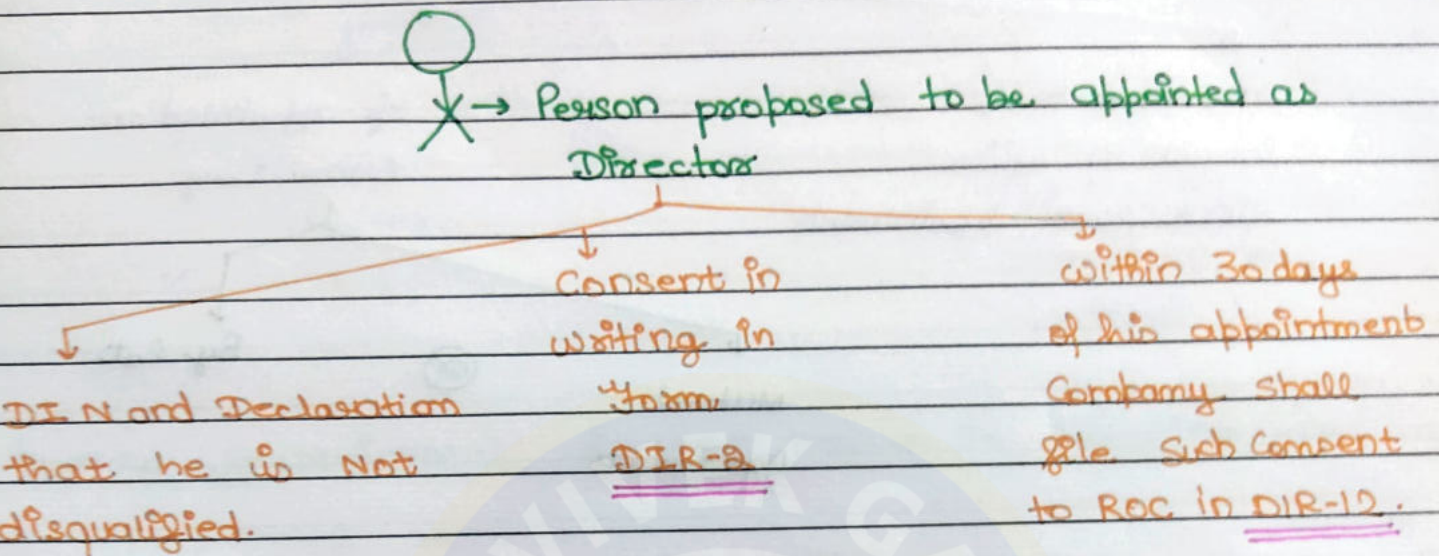
First Director

No Provision in AOA Regarding Ist Director



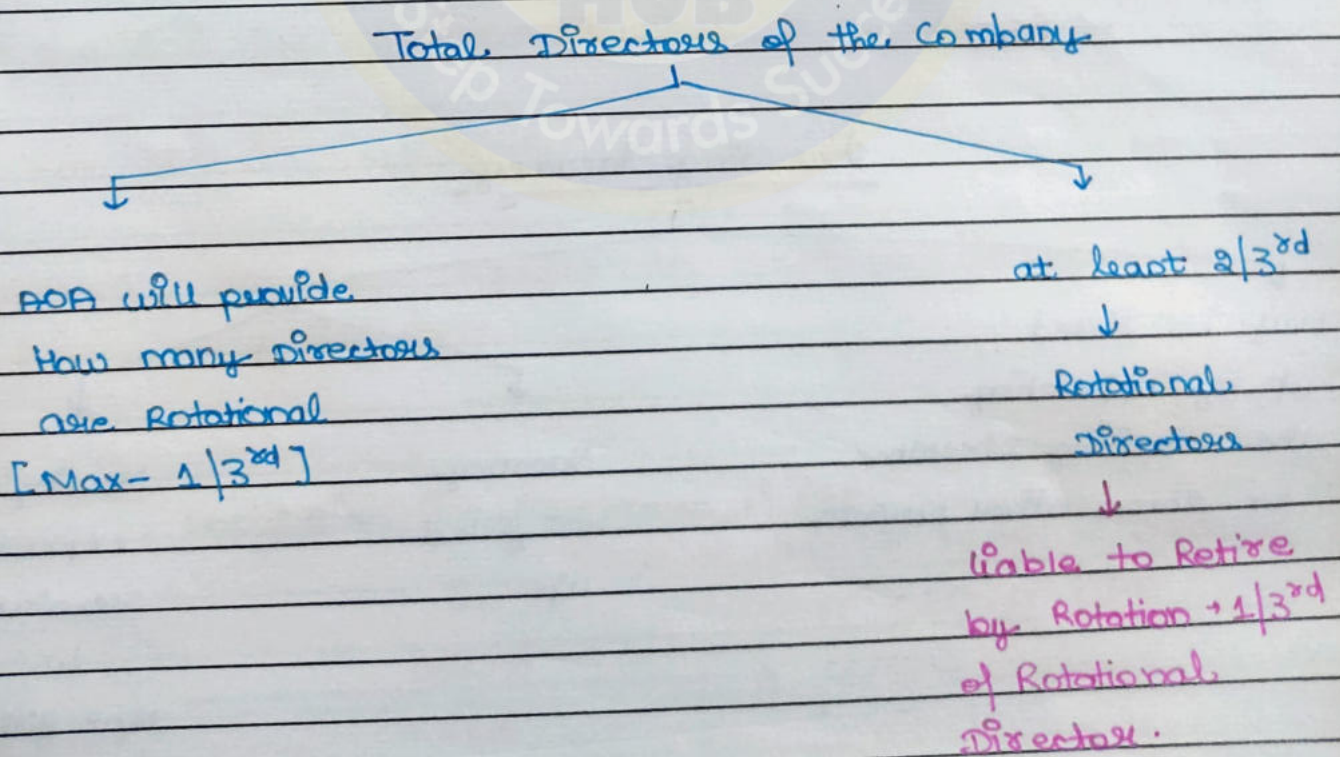
UNTIL are directors are duly appointed.

Appointment of Director in General Meeting



Retirement by Rotation

↓
Sec 152 (6)



Order of Retirement

who have been longest in office since last appointment

If appointed on same day

Mutual Agreement

or

By lot

Rotational Director

exclude [Non-Rotational]

- ✓ Independent Director
- ✓ Director appointed by Tribunal.
- ✓ SSD

Resulting Vacancy

May be filled up by appointing the Retiring Director or some other person.

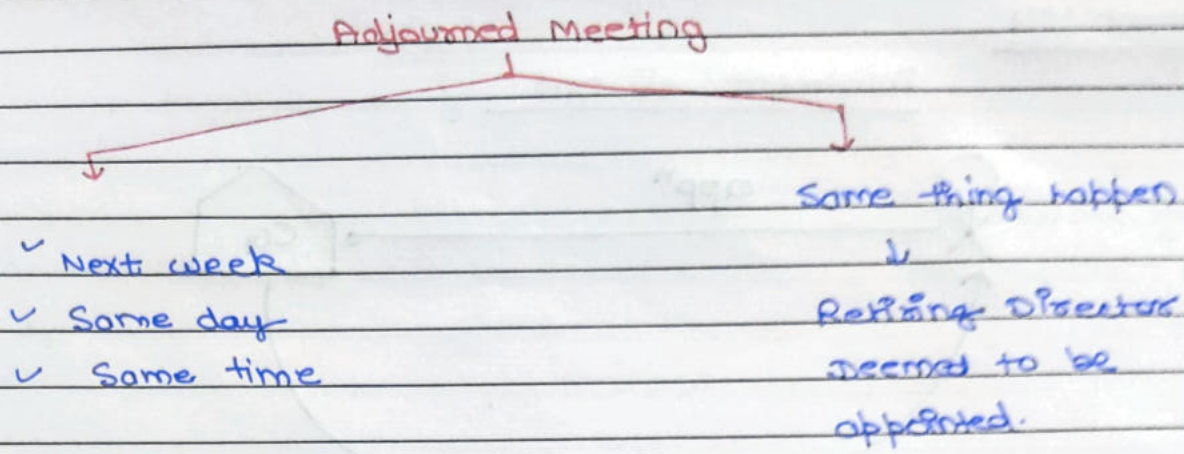
Vacancy Not filled up

And

Meeting not expressly resolved

Not fill the Vacancy

Adjourned Meeting

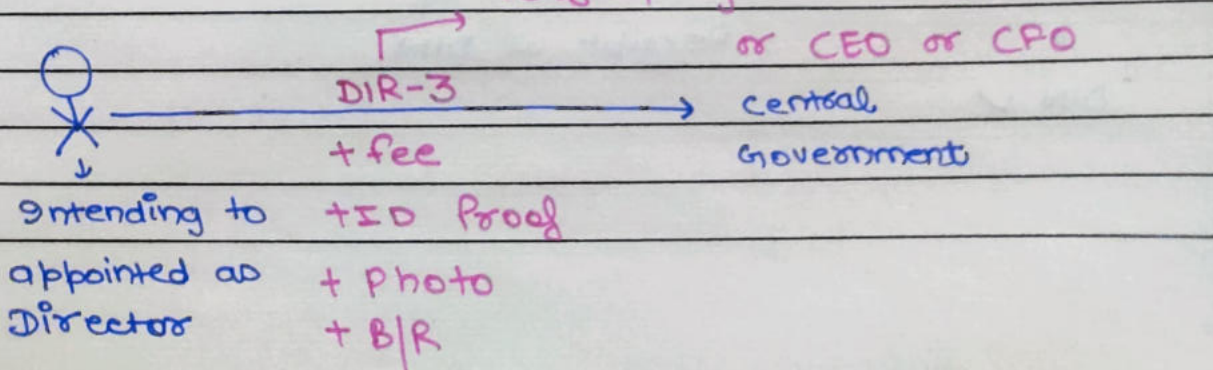


Deemed Reappointment will Not happen in following cases

- a Resolution got ste- appointment had been put up and lost.
- the Retiring Director expressed his unwillingness by Notice in writing.
- Disqualified for appointments.
- Section 162 is applicable to case.
- Resolution whether special or ordinary is Required by provision of this Act.

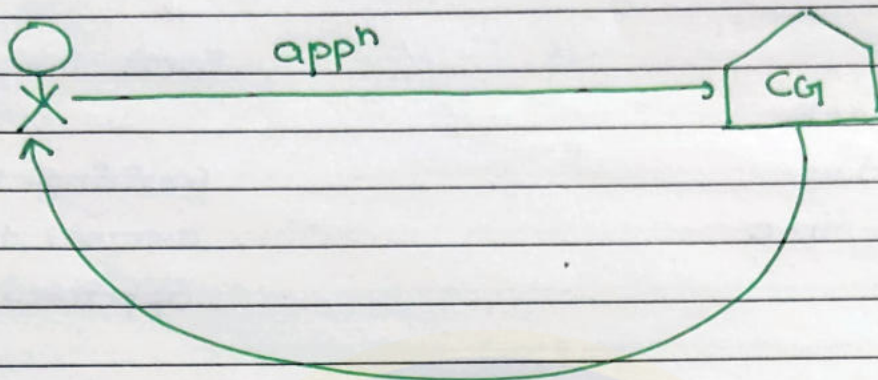
Section 153

Application for Allotment of DIN



Section 154

Allotment of DIN



within one month
↓
allot a DIN

Sec 155

Prohibition to obtain More than a DIN

↓
If a person is once allotted a DIN, he can not apply again.

Section 156

Director to intimate DIN

