

Board Resolution - Appointment of Managing Director in more than one Company

TYPE OF MEETING	BOARD MEETING
TYPE OF RESOLUTION	UNANIMOUS RESOLUTION

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF (NAME OF THE COMPANY) HELD AT THE REGISTERED OFFICE OF THE COMPANY AT (ADDRESS) ON (DATE) AT (TIME)

"RESOLVED THAT pursuant to provisions of Article _____ of Article of Association of the Company and Sections 316 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of shareholders in general meeting and subject to the approval of Central Government and such other consents, approvals and permissions if any needed. Mr. _____ who is already a director of more than two companies, namely (Name of the Companies) be and is hereby appointed as the Managing Director of the company with the consent of the all the director present at the meeting and in respect of which a special notice has been given to all the directors of the company, for a period of five years with effect from _____ on the terms and conditions hereinafter mentioned."

"RESOLVED FURTHER that pursuant to the Articles of Association of the Company, Mr. _____ shall not retire by rotation."

"RESOLVED FURTHER THAT (Name of the person(s) authorized) be and are hereby authorized jointly and/or severally to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

Salary (Rs./Month)

Commission

Such remuneration by way of commission not exceeding 3 % of net profits of the Company in addition to the salary, perquisites and allowances, subject to the overall ceiling stipulated in Sections 198 and 309 of the Companies Act, 1956. The specific amount payable will be decided by the Board of Directors based on certain criteria and will be payable only after the Annual Accounts of the Company have been adopted by the members of the Company.

Perquisites

Perquisites should be allowed in addition to the salary as but within the overall limit, if any, prescribed under Schedule XIII of the Companies Act, 1956, as amended from time to time. The perquisites shall be evaluated etc. as per Income Tax Rules, wherever applicable and in the absence of any such rules, at actual cost.

a) Housing

House Rent Allowance shall be allowed as per the rules of the Company within the overall limit specified

above.

b) Medial Reimbursement

Expenses incurred for the appointee and his family subject upto to a ceiling of three month's salary in a year or fifteen month's salary over a period of five years.

c) Leave Travel Assistance

First Class Air Fare for self and family once in a year to any destination. Family defined as spouse and two dependent children.

d) Club Fees

Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.

e) Personal accident insurance

As per rules of the Company

f) Employer's contribution to Provident fund/superannuation fund

As per Rules of the Company

g) Gratuity

Gratuity payable shall be at the rate of 15 days salary for each completed year of service in accordance with the rules.

h) Car/Telephone

Car with driver for use on company's business and telephone/telefax facilities at residence will be provided to the appointee. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee. The aforesaid remuneration will be subject to the limit of 5% of the net profits as laid down under sub-section (3) of section 309 of the Companies Act, 1956.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. _____, the Company has no profits or the profits of the Company are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above.