

Appointment And Remuneration of Managerial Personnel

As per new Companies act 2013

196(1)- Company can-not appoint	Managing Director and Manager at the same time
Appoint or reappoint for a term	Not exceeding five year
Re-appointment is not possible	Earlier than one year before the expiry of term
Manager/Whole Time Director/Manager age is	21 to 70 years (in case attend the age of 70year, still want to become director- its possible only after passing SR)
MD/WTD/M terms and condition of appointment & remuneration to be approved by BOD	It should be approved in next AGM
After appointment of MD/WTD/CEO/CS/CFO	File a return to ROC within 60 days of appointment (In e-form-MR.1)
Attachment of E-Form-MR.1	• Copy of BR • Copy of SR • Copy of letter of consent to act as MD/WTM/CEO/CS/CFO
Sec-197 Remuneration to Director including MD/WTD/M. (shall applicable to Public company)	shall not be exceed 11% of the NET profit of company (NET profit computed as per sec-198)
In case of one MD or WTD or M	Remuneration shall not exceed 5% of NET profit if more than one, remuneration not exceed 10%
Remuneration to "Director" who are neither MD nor WTD	1% if there is MD/WTD/M in company or 3% if there is no MD/WTD/M
If company want to pay remuneration more than 11% (10%+1%= 11%)	Resolution is required in General meeting and take approval of CG
Sec 197(3) if no profit in any financial year	Then company shall not pay remuneration to its Directors
As per sec 197(4) remuneration is decided as per AOA- if AOA described that Resolution is required in that case after passing Resolution	Sec 197(4)- it described remuneration is payable as per the AOA within the subject to the provision of this section
Remuneration not included	• Any professional fee • Fee for attending meeting (meeting fee shall not exceeds rupee 1lakhs)
Independent Director shall not be entitled	For any stock option and receive remuneration by way of fee
Every listed company shall disclose in Board Report	Remuneration of each Director and other Detail
If any query please mail- without hesitation	Mail id- gauravpurohit1991@gmail.com

"Start working to fulfill your dreams.....otherwise someone someday will put you in work to fulfill his dreams..."