DIRECTOR AT A GLANCE.

Sec.		*Brief Contents*	*Applicability*
252	Minimum number of directors	*PVT. COM- 2, PUB.COM-3., SSD is required, if PSC is Rs.5 cr or more. Small shareholder is 1000 or more.*	***All.***
253	Only individuals to be directors	*DIN is also required.*	***All.***
254	***First Director.***	Subscriber of memorandum deemed to be director	***All.***
255	Rotational Director.	*2/3rd Rotational director is mandatory as per AOA until the AOA requires all directors are Rotational.*	***Public company.***
256	Directors retiring by rotation and filling of vacancies	***1/3rd*** *Rotational director must Retire at every AGM.*	***Public company.***
257	Right of persons other than retiring directors to stand for directorship	*Notice of Candidature +Deposit of Rs. 500/-+ OR to be passed in GM= Candidate is appointed as director.*	***Public company***
258	Increase or reduce number of directors	***Ordinary Resolution (OR) is required.***	***All***
259	Increase in number of director to require CG sanction	increase is within the permissible maximum under its AOA as first registered or 12 Dir. Whichever is higher.	***Public company***
260	Additional directors	*BR/RBC; if AOA auth.; Tenure upto next AGM*	***All***
262	Filling of casual vacancies .	*Vacancy not in Normal course, BR only,*	***Public company.***
263	Appointment of directors to be voted on individually	A resolution agreed to by the meeting *without any vote being given against it* + Single Resolution for the appointment *of two or more persons as director*	***Public company***
265	Proportional representation for the appointment of directors	overrides the entire Act.; single transferable vote or system of cumulative voting . once in 3 year.;	***Public company***
267	Certain persons not to be appointed managing directors	*Insolvent; composition with creditors; convicted;-- Life time disqualification.*	***All***
268	Amendment of provisional relating to MD, WTD	CG approval	***Public company***
269	Appointment of MD, WTD or manager	Appointment of MD, WTD or manager is mandatory if PSC is Rs. 5 cr. or more. *Option to make appointment as per Sch-xiii or take approval of CG.* *Penalty-* ***Co-50000/-; Off.-1 lakhs.***	*Public company*
270 272 273	Share qualification .	*If AOA requires; within 2 months ; max. value -- 5000/ of nominal value or 1 share whichever is higher, Fine- Rs. 500/ +Rs.5000(sec.283)*	*Public company*
274	Disqualifications of directors	unsound mind; undischarged insolvent; applied to be adjudicated as an insolvent; convicted; not paid call for 6 months; disqualified by court U/S 203; default in filling AA+AR for 3 years; default in Dividend, deposit , debenture for 1 year.	***All***
275	Number of Directorship.	No person to be a director of more than 15 companies.	
277	Choice by person becoming director of more than 15	***Vacate excess Directorship within 15 days.***	
278	Exclusion of certain directorships for the purposes of sections 275, 276 and 277	***PUNA----****Pvt. Company(P);Unlimited Liability company(U); NPO(N); Alternate Directorship(A)*	
279	Penalty	*Rs. 50000/- per company after fifteen.*	

283	Vacation of office by directors	*12 grounds for vacation.* *Exhaustive List for Public company but inclusive List of Private company.* *Fine – Rs, 5000/- for everyday of default.*	***All***
284	Removal of directors	*Special Notice + Ordinary resolution.* ***directors cannot be removed- CLIPS*** ***(C)***director appointed by **C**G U/S 408; (**L**)director of a private company, holding office for **L**ife on the 1st day of April, 1952. (**I**)director appointed by a financial **i**nstitution. (**P**)Directors appointed by **P**roportional representation. **(S)**Director appointed by BIFR under SICA.	***ALL***
286	Notice of meetings		***All***
285	No. of Board meeting.	At least once in every 3 calendar months and atleast 4 Board meeting in every year. *CG may exempt by notification.*	***All***
287	Quorum for meetings	**A**-1/3rd of its total strength, or 2 directors, whichever is higher; **B**-Where at any time the number of interested directors exceeds or is equal to 2/3rd of the strength, the number of the remaining non interested directors, being not less than 2, shall be the quorum .	***All***
288	Procedure where meeting adjourned for want of quorum	Meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday then to next day.	***All***
289	Passing of resolution by circulation	Resolution has circulated in draft, to all the directors, then in India not being less in number than the quorum and to all other directors at their usual address in India, and Approved by-- such of the directors as are then in India, or by majority of such of them, as are entitled to vote on the resolution.	***All***
292	Certain powers to be exercised by BOD only	*BCD BIL. B-buy back, C-calls on share, D-issue debenture, B-borrowing, I-investment, L- loan.* *BIL can be delegated.*	***All***
293	Restrictions on power of BOD.	BoD **shall not,** *except with the consent of GM,-* ○sell, lease undertaking ; ○remit, or give time for the repayment of, any debt due by a director; ○invest, the amount of compensation received by the company in respect of the compulsory,; ○borrow moneys excess of the paid-up capital and its free reserves, ○contribute, to charitable and other funds	***Public company***
293 A	political contributions	Prohibitions-- Government company; and Other company which has been in existence for less than 3 F/Ys Restrictions-- amount which may be so contributed in any FY *shall not exceed 5% of its average net profits* ; BR; Disclosure in P&L A/C. Default –3 years imp. Fine—3 times of PC	***All***
293 B	Power of Board to make contributions to the National	*Allowed without any restrictio**ns.***	***All***

	Defense Fund, etc.		
295	Loans to directors, And Specified person .	*CG approval is required;* *Default:-* with fine upto 50,000 or with simple imprisonment for a term upto 6months.	***Public company***
297	BR to be required for certain contracts	*BR and previous approval of CG* if company having a PSC of not less than 1 crore.	***All***
299	Disclosure of interest by director	Director who is interested in a contract entered into by company, shall disclose his interest at a meeting of the BOD. Every director who fails to make disclosure shall be punishable with fine upto 50,000	***All***
300	Duty of Interested director	Interested director not to participate or vote in Board's proceedings; fine- Rs.5000	***Public company***
301	Registrar of contracts.	Particulars of all contracts or arrangements to which section 297 or section 299 applies	***All***
303	Registrar of Directors.	Register of its directors, managing director, manager and secretary,	***All***
307	Register of Directors Shareholding..		***All***
309	*Managerial Remuneration**.***	Remuneration payable to the directors of a company, including any MD or WTD, shall be determined in accordance with Sec. 198 and this Section., either by the AOA of the company, or by a Resolution, passed by the company in GM,	***Public company***
312	Assignment of office	Prohibited	***All***
313	Alternate director	Original Director is absent for a period *of not less than 3 months from the State in which meetings of the BOD* are ordinarily held	***All***
314	office or place of profit	314(1)- SR after appointment ; Remuneration Rs. 10000 or more 314(1B)-Prior SR+CG approval; Remuneration Rs. 10000 or more Specified persons Are different in both Secs 314(1) and 314(1B).	***All***
316	Number of companies of which one person may be appointed managing director	No company shall, appoint any person as MD if he is either the MD or the manager of any other company (including a private company which is not a subsidiary of a public company), *except as provided in sub-section(2).* *i.e* BR with the *consent of all the directors present at the meeting + specific notice*	***Public company***
317	*MD not to be appointed for more than 5 years*	extension *shall not be sanctioned earlier than two years* OF date on which it is to come into force.	***Public company***
318	*Compensation for loss of office*	Payment may be made by a company, except in the cases specified in sub-section (3) and subject to the limit specified in sub-section (4),	***All***
322	*Director , etc., with unlimited liability in limited liability company*	if so provided by the memorandum *fine up to 10,000 and shall also be liable* for any damages	***All***
323	SR of limited company making Liability of Director., unlimited	A limited company may, if so authorised by its AOA, by SR, alter its MOA so as to render unlimited the liability of its directors or of any director or manager.	***All***