**APPOINTMENT OF MANAGING DIRECTOR OF A PUBLIC COMPANY**

This Agreement made at……………this……………day of...............20……………between A B Co. Ltd., a company registered under the Companies Act, 1956 and having its registered office at.....................(hereinafter called the Company) of the ONE PART and Shri A, son of……………resident of……………(hereinafter called the Managing Director) of the OTHER PART.

**WHEREAS**

(1) The Company is engaged in the manufacture of ..................... at ……………and Shri……………who was working as Managing Director with it has resigned from his job as he has to go out of India for personal reasons

(2) The Board of directors of the Company has appointed the Managing Director to the office of Managing Director of the Company in terms of Article……………of the Articles of Association of the Company on the terms hereinafter contained.

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

(1) The Managing Director shall hold that office for a period of years from the date hereof, but he will vacate his office on happening of any of the events mentioned in the Article……………of the Company's Articles of Association or the Company in general meeting resolve that his tenure of the office be determined.

(2) During the continuance of this agreement, the Managing Director shall devote his whole time during the business hours of the Company to the business of the Company and he shall use his best endeavours to promote the interests and welfare of the Company. After the termination of this agreernent, he shall not disclose to any person whatsoever relating to the business of the Company or its trade secrets which he shall come to know while acting as Managing Director.

(3) The Managing Director shall exercise and carry out all the powers and duties as the Board of Directors may confer or impose upon him from time to time and he shall work under the direction and control of the Board of Directors of the Company

(4) The Managing Director will be authorised to enter into contracts on behalf of the Company in the ordinary course of the business of the Company, the value or amount does not exceed Rs . ......................employ and remove the officers, clerks and other employees of the Company, whose salary does not exceed Rs…………… per month and such powers as are entrusted to him by the Board of Directors from time to time, subject to all such directions and restrictions as the Board of Directors may impose.

(5) The Company may also appoint any other Managing Director, joint managing director or manager for the business of the Company

(6) During the continuance of this agreement, the Managing Director shall not hold the office of director in any other Company or shall not carry any business on his own account or for any other person, either directly or indirectly. He shall also not directly or indirectly acquire, hold or deal in any shares of the Company or of any other Company carrying on a similar business.

(7) The Managing Director shall be entitled by way of remuneration for his services to a sum of Rs …………………per month along with a also be entitled to furnish accommodation, car with driver, medi-claim insurance for self and family, membership of two clubs of his choice.

(8) The Managing Director shall be entitled to avail one month leave with full salary, but he shall not be entitled to take two weeks consecutive holidays in the year at a time, without the approval of the Board of Directors of the Company.

(9) If the Managing Director shall at any time be incapacitated by illness or otherwise from performing his duties for three consecutive months or in the opinion of the Board of directors, if he becomes unfit to act as such Managing Director, the Company may terminate this agreement by three months' notice in writing or by paying an amount equivalent to three months salary. The Managing Director may also resign from his office by giving to the Company six months' notice in writing.

 (10) After the determination of this agreement, the Managing Director shall not carry on or be engaged or interested in carrying on the trade or business of………………or any other trade or business similar to any trade or business of the Company for a period of two years within India.

**IN WITNESS WHEREOF** the party of the First Part has set his hands and signatures and the Company has caused its seal to be affixed, the day and year first hereinabove written.

**WITNESSES**

1 Signed and delivered by the within named ManagingDirector A

2. The common seal of the within named Company A B Co. Ltd. has been affixed pursuant to the Resolution of its Board of Directors passed on the ................. day of ………………20………………in the presence of S/Shri………………and Directors who have in token thereof set their hands and signatures