



Income Tax Department

Government of India

Admission of directors to a fund.

102. Where the employer is a company as defined in clause (i) of sub-section (1) of section 3 of the Companies Act, 1956 (1 of 1956), a director of the company may be admitted to the benefits of the fund only if he is a wholetime **bona fide** employee of the company and does not beneficially own shares in the company carrying more than five per cent of the total voting power.