

# FORM NO. MR-2

[Pursuant to section 196, 197, 200, 201(1), 203(1) and Schedule V of the Companies Act 2013 & Rule 7 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]



Form of application to the Central Government for approval of appointment or reappointment and remuneration or increase in remuneration or waiver for excess or over payment to managing director or whole time director or manager and commission or remuneration to directors

Form Language ☐ English ☐ Hindi

Refer instruction kit for filling of form

1.(a) \* Corporate identification number (CIN) of the company

(b) Global location number (GLN) of the company

2.(a) Name of the company

(b) Address of registered office of the company

(c) \*e-mail ID of the company

3. \* Date of incorporation  (DD/MM/YYYY)

4. (a) \* This form is being filed for seeking Central Government's approval for

- ☐ Appointment or reappointment without complying with the Part I of Schedule V
- ☐ Payment of remuneration exceeding 11 percent of Net Profit
- ☐ Waiver of excess remuneration paid during a particular financial year
- ☐ Payment of remuneration exceeding the limits provided in Schedule V

(b) Whether the application has been filed in time ☐ Yes ☐ No

5. (1) Particulars of the proposed appointee or the person in whose respect the application is filed

Director Identification Number (DIN) or Income

tax permanent account number (Income tax PAN)

Name

Address

Father's name

Nationality

Date of birth

(DD/MM/YYYY)

Place of birth

Educational, professional qualifications and brief profits of the appointee or the person in whose respect the Application is filled

Experience

Years

Months

6. (a) Whether

☐ Appointment ☐ Reappointment

(b) Effective date of appointment or reappointment  (DD/MM/YYYY)

(c) Designation offered

7. (a) Which of the clause(s) of Part 1 of Schedule V to the Companies Act, 2013 is or are not satisfied

(b) Section and the Act under which the appointee was convicted or detained

(c) Details of the offence committed due to which the proposed appointee is disqualified

8. (a) Whether the proposed appointee or the person in whose respect the application is filed suffers from any of the disqualification mentioned in section 164(2) of the Act. ☐ Yes ☐ No

9. Justification of such appointment

10. Details of resolution passed for such appointment

(a) Date of passing Board resolution  (DD/MM/YYYY)

(b) Date of Nomination Committee and Remuneration Committee's resolution  (DD/MM/YYYY)

(c) Date of Members' Resolution  (DD/MM/YYYY)

11. Financial position of the company -

(1) Financial parameters for the immediately preceding three financial years as per balance sheet and profit and loss account filed by the company

(Amount in rupees)

Particulars	Date of balance sheet (DD/MM/YYYY)	Date of balance sheet (DD/MM/YYYY)	Date of balance sheet (DD/MM/YYYY)
	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of filing (DD/MM/YYYY)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Paid-up capital	<input type="text"/>	<input type="text"/>	<input type="text"/>
Reserves and surplus	<input type="text"/>	<input type="text"/>	<input type="text"/>
Profit and loss account (debit balance)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Domestic turnover	<input type="text"/>	<input type="text"/>	<input type="text"/>
Export turnover	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total income	<input type="text"/>	<input type="text"/>	<input type="text"/>
Managerial remuneration	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total expenditure	<input type="text"/>	<input type="text"/>	<input type="text"/>
Net profit or net loss (before tax and appropriation)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Income tax including deferred tax	<input type="text"/>	<input type="text"/>	<input type="text"/>
Dividend declared (including interim dividend)	<input type="text"/>	<input type="text"/>	<input type="text"/>

Net profit & loss as computed under section 198 of the act and details of remuneration paid in the immediately preceding three financial years -

(Amount in rupees)

Particulars	Figures for the year ended	Figures for the year ended	Figures for the year ended
	<input type="text"/>	<input type="text"/>	<input type="text"/>
Profit or loss as computed under section 198 of the act	<input type="text"/>	<input type="text"/>	<input type="text"/>
11% of the above profit	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total remuneration paid to all managerial personnel	<input type="text"/>	<input type="text"/>	<input type="text"/>

12. Managerial remuneration paid during the last three years to be stated separately for each director or managing director or whole-time director or manager

\* Number of persons as above to whom remuneration has been paid

(Details of maximum 5 persons can be provided here. In case of more than 5, provide details as an optional attachment)

(First furnish details pertaining to all executive directors and thereafter for all non-executive directors)

(i) DIN / PAN

(ii) Name

(iii) Designation

(iv) In case of director, specify whether executive or non-executive

☐ Executive

☐ Non-executive

(v) Remuneration paid to the managerial person by the company during the immediately preceding three financial years, is as follows:

Period of payment		Salary	Perquisites and allowances	Commission, bonus and performance linked incentive	Retirals Benefits	Others	Total cost to the company	% to net profits under section 198	Whether approval of Government obtained
From (DD/MM/YYYY)	To (DD/MM/YYYY)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	

13. (i) Details of remuneration per annum (including perquisites and commission) as on the date of application drawn in any other company, by the appointee or the person in whose respect application is filed:

CIN of the company	Name of the company	Designation	Amount (in Rs.)

(ii) Details of remuneration (including perquisites and commission) drawn by him from the company in any other capacity:

Designation	Period of Payment	Amount (in Rs.)

14. Details of resolution(s) passed:

- (a) Date of board resolution  (DD/MM/YYYY)
- (b) Date of Nomination and Resolution committee's resolution  (DD/MM/YYYY)
- (c) Date of shareholders' resolution  (DD/MM/YYYY)
- Type of resolution ☐ Ordinary resolution ☐ Special resolution

15. Whether the company has made any default in repayment of its debts (including public deposit) or debentures or interest payable thereon for a continuous period of third party as prescribed in Part II of Schedule V ☐ Yes ☐ No

If Yes, furnish the details thereof

16. In case of payment of remuneration in excess of 11% of the Net Profit

(a) Current year's estimated profit or loss (computed under section 198)

(b) 11% of such profit

(c) Remuneration proposed

(d) Details in respect of proposed remuneration

Period		Salary	Perquisites and allowances	Commission, bonus and performance linked incentive	Retirals Benefits	Others	Total cost to the company	% to net profits under section 198	Whether approval of Government obtained
From (DD/MM/YYYY)	To (DD/MM/YYYY)								
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

(e) Justification of proposal

17. In case company has no profits or its profits are inadequate,

(a) Whether the company proposes to pay minimum remuneration in the absence of or inadequacy of profits or remuneration in excess of the limits prescribed under section 197.

☐ Yes ☐ No

Note: Separate application fees to be paid in respect of application under the above point

(b) Effective capital as computed under Schedule V to the Companies Act, as on the last day of preceding financial year (whichever is applicable)

(c) Reason(s) for losses or inadequacy of profits

(d) Remuneration Proposed, details thereof

Period of Payment		Salary	Perquisites & Allowances	Commission, Bonus and Performance Linked Incentive	Retirals	Others	Total
From (DD/MM/YYYY)	To (DD/MM/YYYY)						
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

(e) If the proposed remuneration is more than one year such remuneration for such year or part thereof for the period of proposal be furnished.

Period of Payment		Salary	Perquisites & Allowances	Commission, Bonus and Performance Linked Incentive	Retirals	Others	Total
From (DD/MM/YYYY)	To (DD/MM/YYYY)						

- (f) Details of the clause(s) of Schedule V of the Companies Act, 2013 which is or are not satisfied due to which the present application is being made

- (g) Details in respect of proposed increase of remuneration

- (h) Justification of the proposal

#### Waiver

18. In case of waiver,

1. Details of excess remuneration paid:

Period		Total Remuneration paid	Entitlement under the provisions of Companies Act, 2013	Excess Remuneration to waived off
From (DD/MM/YYYY)	To (DD/MM/YYYY)			

2. Circumstances under which such amount were paid in excess of the limits

3. Reasons for claiming waiver

#### Attachments

- Copy of the calculation sheet of effective capital as computed under Schedule V to the Companies Act, 2013 as per previous year's audited balance sheet;
- \* Copy(s) of the resolution of Board of directors;
- Copy of the resolution of Nomination and Remuneration committee along with its

composition and certificate by the said committee to the effect that the remuneration is as per remuneration policy of the company and designation;

4. Copy of resolution of shareholder(s) along with notice and explanatory statement;
5. \*Certificate from the auditor or company secretary or company secretarry in practice with regard to the compliance of section 196 of the Act;
6. Certificate of no-default in repayment of debts(including public deposit or debentures or interest payable thereon) for a continuous period of thirty days in the preceding financial year before the date on appointment of such managerial person, from director or company secretary of the company
7. No objection certificate from the financial institution(s) or bank(s) to whom the company has defaulted;
8. Copy of the order of BIFR or NCLT together with the copy of a scheme of revival or rehabilitation
9. Copy of draft agreement between the company and the proposed appointee;
10. \*Newspaper clipping in which notices pursuant to section clause (b) of sub-section (2) of section 201 have been published
11. Copy of employment visa/passport, in case the proposed appointee is a foreign citizen;
12. Copies of educational or professional qualification certificate;
13. Statement as per item (iv) of third proviso of section II of Part II of Schedule V to the Companies Act, 2013
14. Projections of the Turnover and net profits for next three years;
15. Calculation of estimated profit under section 198 of the Act;
16. Auditors Certificate pursuant to Section 164(2) of the Companies Act, 2013;
17. An application under Section 460 of the Act for condonation of delay;
18. \*Full and proper justification in favour of the proposal along with bio-data of the appointee;
19. Documentary proof regarding compliance of the provisions of Section 196 of the Companies Act, 2013 at the time of appointment/ re-appointment of the proposed appointee
20. Certificate by the secretary of the company or CA/CS in whole time practice to be notified erstwhile;
21. Details, if applicant company is a subsidiary of listed company;
22. Certificate from CA/CS in whole time practice along with calculation of excess remuneration paid to the appointee;
23. Optional attachment, if any

**Declaration**

I am authorized by the Board of Directors of the Company vide resolution \*   
dated \*  to sign this form and declare that all the requirements of Companies Act, 2013 and the  
rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been  
complied with. I further declare that::

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information  
material to the subject matter of this form has been suppressed or concealed and is as per the original records  
maintained by the company.

2. All the required attachments have been completely and legibly attached to this form

**To be digitally signed by**

\* Designation (to be given)

\* Director identification number of the director; or DIN  
or PAN of the manager or CEO or CFO; or  
Membership number of the Company Secretary



### Certificate by practising professional

I declare that I have been duly engaged for the purpose of certification of this form. It is hereby certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/applicant which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed. I further certify that:

i. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order;

ii. All the required attachments have been completely and legibly attached to this form.

To be digitally signed by

☐ Chartered accountant (in whole-time practice) or

☐ Cost accountant (in whole-time practice) or

☐ Company secretary (in whole-time practice)

Whether associate or fellow

☐ Associate ☐ Fellow

Membership number

Certificate of practice number

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**Note: Attention is also drawn to provisions of Section 448 and 449 of the Companies Act, 2013 which provide for punishment for false statement and punishment for false evidence respectively.**

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**For office use only:**

**Digital signature of the authorising officer**

This e-Form is hereby approved

This e-Form is hereby rejected