

Form 25A

INSTRUCTIONS FOR FILLING OF EFORM –25A

(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 or whole-time director(s) or manager and commission or remuneration or expression of opinion to directors)

S No.	Detailed Instruction
	<p>Note:</p> <ol style="list-style-type: none"> 1. Instructions are not provided for the fields which are self explanatory 2. If the space within any of the fields is not sufficient to provide all the information, then additional details can be provided as an optional attachment to the eForm. <p>Important – Please refer the Checklists provided below before filing the application.</p>
	Please note that one application can be filed for one person only except for payment of commission to non-executive directors. In case of commission etc. paid to more than one non-executive director, give details of one such person in the eForm and details of others as an optional attachment.
	Refer the relevant provisions of the Companies Act, 1956 and rules made there under and notification GSR 36(E) dated 16th January, 2002 and Schedule XIII before filing this application. with respect to matter dealt in this eForm
Applicant should refer notification GSR 36(E) dated 16th January, 2002 and Schedule XIII before filing this application.	
Part A- Profile of the company	
1	<p>Enter the Corporate Identity Number (CIN) of the company</p> <ul style="list-style-type: none"> You may find CIN by entering existing registration number or name of the company in the 'Find CIN/GLN' service at the MCA21 portal
2	<p>(a) to (f)</p> <p>Click the "Pre-fill" button</p> <p>System will automatically display the name, registered office address, email ID and date of incorporation of the company. In case there is any change in the email ID, enter the new valid email ID.</p> <p>Enter the phone and fax numbers (along with their STD code) of the company.</p>
3	<p>Enter the amount in rupees for the effective capital of the company as per the latest audited balance sheet</p> <p>The effective capital is defined as per Schedule XIII of the Companies Act, 1956.</p> <p>[Effective capital means the aggregate of the paid up share capital (excluding share application money or advances against shares); amount if any, for the time being standing to the credit of share premium account; reserve and surplus(excluding revaluation reserves); long term loans and deposits repayable after one year(excluding working capital loan, over drafts, interest due on loans unless funded, bank guarantee etc. and other short term arrangements) as reduced by the aggregate of any investments (except in the case of investment reduced by the aggregate of any investment (except in the case of investment by an investment company whose principal business is acquisition of shares, stock debenture or other securities), accumulated losses and preliminary expenses not written off.]</p> <p>Also, attach the copy of the calculation sheet of effective capital as an attachment (mandatory attachment present in 'Attachments in part B')</p>
4	<p>Enter details of net profit or loss as computed under section 198 of the Act, remuneration paid to all managerial personnel and dividend declared (including interim dividend) by the company during immediately preceding three financial years.</p> <p>In case of profit under section 198, system shall automatically display 5% and 10% of such profits in</p>

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		the respective fields.
6		Click the “Pre-fill” button. System shall automatically display the financial parameters for the immediately preceding three financial years as per balance sheet and profit and loss account filed by the company.
PART B- Details of proposal		
8	(a)(i)	Select any one option for which application is made If the user wants to apply for any other proposal also, file another eForm 25A.
8	(b)	This is mandatory in case of appointment or reappointment. Application is made on time if in case of appointment or reappointment eForm 25A is filed within 90 days of appointment or reappointment. If the application is not filed in time, furnish application under section 637B of the act with requisite fee along with this eForm. This is a separate application required to be submitted in case of non-conformity with the provisions of Section 269.
8	(c)	This is mandatory in case the eForm is filed for appointment or reappointment, increase in remuneration or waiver of excess remuneration.
8	(f)	Enter the details of resolution by the Board of directors in respect of the proposal. Enter the board resolution date, remuneration committee's resolution date (if applicable), share holders' resolution date and type of resolution. Share holder's resolution date shall be mandatory to enter in case the eForm is filed for waiver of excess remuneration or for commission or remuneration to non executive directors.
9	(a)(i) to (a)(xii)	Enter the particulars of the proposed appointee or the person in whose respect the application is filed. Enter Director Identification number (DIN) in case of director or Income-tax permanent account number (income-tax PAN) in case of manager. In case DIN is entered it should be an approved DIN. Please note that in case the eForm is filed for any purpose other than waiver of excess remuneration and expression of opinion, then approval of the eForm shall not be allowed in case the DIN entered is not associated with the company. For such cases, Company would need to ensure that Form DIN-3 or Form 32, as the case may be, has been filed in respect of that person. On clicking the “Pre-fill” button, system shall automatically display the name, father's name, nationality and date of birth in case of DIN. In case of Income-tax PAN, these details are required to be entered. Enter the other relevant details.
9	(b)	In case the proposed appointee or the person in whose respect the application is filed is a foreigner enter the relevant details
9	(c), (d)	Enter the details of the proposed remuneration per annum of the appointee or of the person in whose respect application is filed. In case commission, bonus or performance linked incentive is in percentage, specify such percentage.
9	(e), (f)	In case of waiver of excess remuneration, enter the details of excess remuneration paid along with the circumstances under which such amount were paid in excess of the limits
9	(g)	Enter the details in respect of proposed increment of remuneration in case the eForm is filed for appointment or reappointment, increase in remuneration or approval under section 316 or 386. Provide details regarding pay scale, rate of increment and justification thereof.
9	(h)	Mandatory in case eForm is filed for appointment or reappointment, increase in remuneration or waiver of excess remuneration.
9	(i)	Enter the details of remuneration per annum (including perks and commission) as on date of application drawn by appointee or the person in whose respect application is filed, in any other company(s). Enter the CIN of the company click the “Pre-fill” button. You may find CIN by entering existing

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		<p>registration number or name of the company in the 'Find CIN/GLN' service at the MCA21 portal. System shall automatically display the name of the company(s).</p> <p>Details of maximum three companies can be provided here. In case the number of companies exceeds three, details of remaining companies can be provided as an optional attachment.</p>
10	(a) to (f)	<p>Enter the details of remuneration paid by the company during the immediately preceding three financial years to its director or managing director or whole time director or manager.</p> <p>Enter the number of person(s) to whom remuneration has been paid. Based on the number entered here, blocks for entering the details shall be displayed. Details of maximum five person(s) can be filed through this eForm. If the total number is more than five, then details of remaining person(s) can be provided as an optional attachment.</p> <p>Details of all executive directors (if any) shall be provided first and thereafter details of non-executives directors shall be provided.</p> <p>Enter DIN in case of director or income-tax PAN in case of manager. In case DIN is entered it should be an approved DIN. On clicking the Pre-fill button, system will automatically display the name in case of DIN. In case of Income-tax PAN, name is required to be entered. Enter the other relevant details.</p> <p>It shall be validated that the person (whose DIN or income-tax PAN is entered) is associated with the company as on the 'To' date(s) entered in the respective block. (This validation shall be applicable only where the respective "To" date entered in the block is greater than or equal to 01.07.2007). In case the details do not exist in the system, DIN/ PAN of that person shall not be allowed to be entered. For such cases, Company would need to ensure that Form DIN-3 or Form 32, as the case may be, has been filed in respect of that person.</p> <p>Enter details of remuneration paid by the company during the immediately preceding three financial years by the company.</p> <p>In case of loss under section 198, zero should be entered in field for percentage of net profits u/s 198.</p> <p>In case Government approval is not obtained, enter the reasons for the same.</p>
Part C- For payment of minimum remuneration or remuneration in excess of the limits prescribed under section 198(1) and 309(3) of the Act.		
Attachments for	<p><u>Part-B</u></p> <ol style="list-style-type: none"> 1. Copy of the calculation sheet of effective capital as computed under Schedule XIII to the Companies Act, 1956 as per previous year's audited balance sheet (Mandatory) 2. Copy(s) of the resolution of Board of directors' (Mandatory) 3. Copy(s) of resolution of remuneration committee along with its composition (Mandatory in case remuneration committee's resolution date is entered) 4. Copy(s) of resolution of shareholder(s) (Mandatory in case shareholders' resolution date is entered) 5. Certificate from the auditors with regard to the compliance of section 274 of the companies Act. (Mandatory) 6. In case company has not made any default, no default certificate towards repayment of debts (including public deposit or debentures or interest payable thereon) from director or secretary of the company declaring that company has not made any default (Mandatory if 'No' is selected in field 8(d)(i)) 7. In case company has defaulted in repayment to financial institution, no objection certificate from financial institution is to be enclosed (Mandatory if 'Yes' is selected in field 8(d)(i)) 8. Copy of scheme approved by BIFR or lead bank/ financial institution for the revival of the company- if applicable 9. Copy of draft agreement between company and the proposed appointee. If there is no agreement between the company and appointee, any formal appointment letter may be 	

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	<p>enclosed. (Mandatory, if proposal for appointment or reappointment is selected in field 8(a)(i))</p> <p>10. News paper clipping in which notice has been published. (Mandatory, if proposal for appointment or reappointment or increase in remuneration is selected in field 8(a)(i))</p> <p>11. Copy of visa- In case appointee is a foreign national</p> <p>12. Copies of educational or professional certificate, if appointment is based on the professional qualification as per section 309(1)(b) of the Companies Act, 1956. (Mandatory, if expression of opinion is selected in field 8(a)(i))</p> <p>13. If application is not made in time, an application under section 637-B of the Act, 1956 is to be enclosed</p> <p>14. Copy of calculation sheet relating to excess or overpayment duly verified from a chartered accountant or company secretary in whole-time practice. (Mandatory, in case of waiver of excess remuneration paid)</p> <p>15. Projections of the turnover and net profits for next three years. (Mandatory, if application is filed by a new company)</p> <p>16. In case of consultant, details of other project(s) or assignment(s) being dealt and fee or remuneration for the same (Optional)</p> <p>17. Statement as per proviso (iv) of Part (B) of Part II of Schedule XIII to the Companies Act (refer Schedule XIII for details) (Mandatory where proposed remuneration or actual remuneration paid is greater than Rs. 48 Lakhs)</p> <p><u>Part-C</u></p> <ul style="list-style-type: none"> Relevant resolution if company proposes to pay minimum remuneration in the absence of or inadequacy of profits or remuneration in excess of the limits prescribed under section 198(1) and 309(3) of the Act <p>Any other information can be provided as an optional attachment.</p>
Verification	Enter the serial number and date of board resolution authorising the signatory to sign and submit the eForm
Digital Signature	The eForm should be digitally signed by managing director or director or manager or secretary of the company duly authorised by the board of directors.
Designation	<p>Select the designation of the person digitally signing the eForm.</p> <p>Enter the DIN in case the person digitally signing the eForm is a director or managing director.</p> <p>Enter income-tax PAN in case the person signing the eForm is a manager</p> <p>Enter membership number or income-tax PAN in case the person digitally signing the eForm is a secretary</p>

Note: Separate application fee will be charged in respect of application under Part-C.

CHECKLISTS

Please ensure that the following information/ documents (as applicable) have been furnished while filing the application to the Central Government under Section 269, 310, 198/309 of the Companies Act, 1956 (Managerial/ Director's Remuneration) –

- Reason for seeking approval of the Central Government for payment of proposed remuneration.
- An application under Section 637(B) of the Act for condonation of delay together with requisite fee as the application has not been made within 90 days of Date of Appointment.
- Certified copy of the Central Government earlier approval if any, regarding appointment and payment of remuneration to MD/ Whole time Director/ Manager in cases of re- appointment/ increase in remuneration.
- Documentary proof regarding compliance of the provisions of Section 269(2) of the Companies Act, 1956 at the time of appointment/ re-appointment of the proposed appointee.

5. A certified copy of the resolution passed by the Board of Directors in favour of proposal.
6. A certified copy of Remuneration Committee resolution in favour of proposal.
7. Shareholders approval of the company in favour of proposal along with notice and explanatory statement issued to the member U/s 173(2) of the Act.
8. A certified copy of each of the notices preferably paper cutting published in the daily Newspapers in English and vernacular newspaper in local language pursuant of Section 640 B of the Act may be furnished.
9. Turnover, Net Profit/ loss as computed under Section 198 of the Companies Act, 1956 and effective capital for last three financial years certified by Chartered Accountant.
10. A certified copy of the order of BIFR together with copy of rehabilitation of scheme, if any.
11. Whether the appointee is working as MD/ Whole time Director is more one than one company as provided for Section 316. If yes the remuneration drawn by him from those companies during last 3 years and the working results as well as the effective capital of those companies during last 3 financial years.
12. The monetary value of each of the perquisites and allowances and the total remuneration package to be paid to the appointee (along with figures in rupees).
13. The monetary value of total remuneration drawn by the proposed appointee during 3 years prior to the proposed date of appointment from his previous employee (corresponding rupee figures may please be given).
14. Full and proper justification for the payment of proposed remuneration beyond the ceiling lay-down in schedule- XIII.
15. Draft agreement entered between the company and proposed appointee may be furnished, if any.
16. No Default Certificate from CS/ Directors of the company.
17. NOC and "No Objection Letter" from the Banks/ lenders or.
18. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of the origin)
19. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.
20. An amount of _____ is required to be remitted for the proposal made in Part-C of Form- 25A.


Please ensure that the following information/ documents (as applicable) have been furnished while filing the application to the Central Government for Waiver of excess remuneration paid to Managerial personnel's/ Directors U/s 309 (5B) of the Companies Act, 1956 –

1. Board resolution in favour of proposal
2. Members' resolution in favour of proposal along with notice and explanatory statement in pursuance of Section 173(2) of the Act.
3. CA's/CS in whole time practice certificate along with calculation for each year separately.
4. No Default Certificate from CS/ Directors of the company.
5. Reasons for making over payment and detailed justification for the proposal.
6. Last three years working results of the Company as well as net profit U/s 198 for last three years, if any.
7. Steps taken by the company to improve its financial performance.

Please ensure that the following information/ documents (as applicable) have been furnished while filing the application to the Central Government for Expression of opinion under Section 309 (1) of the Companies Act, 1956 –

1. Board Resolution in favour of proposal.
2. Testimonials/ Bio- data.
3. No Default Certificate from CS/ Directors of the company.
4. Reason/ detailed justification in favour of proposal.

Common Instruction Kit

Buttons	Particulars
Pre-fill	<p>When the user clicks the pre fill button after entering the corporate identity number in eForm (excepting eForm 1A), the name and address is displayed by the system.</p> <p>This button may appear more than once in an eForm, and shall be required to be clicked for displaying the data pertaining to that field.</p> <p>You are required to be connected to the internet for pre-filling.</p>
Attach	<p>You have to click the attach button corresponding to the document you are making an attachment. In case you wish to attach any other document, please click the optional attach button.</p>
Remove attachment	<p>You can view the attachments added to eForm in the rectangle box provided next to the list of attachment. If the user wants to remove or delete any attachment, select the attachment to be removed and press the "Remove attachment" button.</p>
Check Form	<p>Once the eForm is filled up. The user is required to press the Check Form button. When this button is pressed form level validation is done such as, Whether all the mandatory fields are filled up or not. If an error is displayed after pressing the button the user is required to correct the mistake and again press the "Check Form" button. When all the form level validation is done. A message is displayed that "Form level pre scrutiny is successful". The Check Form is done without being connected to the internet.</p>
Modify	<p>"Modify" button gets enabled after the check form is done. By pressing this button the user can make the changes in the filled eForm. If the user makes any change in the eForm again the user is required to press the "Check Form" button.</p>
Pre scrutiny	<p>Once the check form is done the user is required to Pre scrutinize the eForm. This requires being connected to the MCA21 site for uploading the eForm. On pre-scrutiny the system level check is performed and if there are any errors it is displayed to the user and once the error is corrected and again on Pre scrutiny if the message displayed is "No errors found. Click on the button below to "Get Form". Press the Get Form button and make the required corrections.</p> <p>Note: before pressing Submit button attach the digital signature by clicking on the box appearing on the signature field </p>
Submit	<p>After pre scrutiny is done the user is required to submit the eForm. This requires being connected to the MCA21 site for uploading the eForm.</p> <p>In case of online filing the user can submit the eForm by pressing the "Submit" button</p> <p>Once the eForm is submitted the fee is displayed to the user. When the user press the "Pay" button the mode of payment option is displayed. On challan payment option, a challan is generated displaying the amount of fee to be paid. The user is required to take the print out of three copies of challan and submit the payment at authorized bank branch. The user has to submit three copies at bank and user shall receive one copy with bank acknowledgment for user's record.</p>
Country code	The list of country code required to be mentioned in the eForm are as follows:

Note: User is advised to refer to eForm specific instruction kit.

List of ISO Country Code

Country Name	Country Code	Country Name	Country Code
AFGHANISTAN	AF	LIBERIA	LR
ÅLAND ISLANDS	AX	LIBYAN ARAB JAMAHIRIYA	LY
ALBANIA	AL	LIECHTENSTEIN	LI
ALGERIA	DZ	LITHUANIA	LT
AMERICAN SAMOA	AS	LUXEMBOURG	LU

Country Name	Country Code	Country Name	Country Code
ANDORRA	AD	MACAO	MO
ANGOLA	AO	MACEDONIA, THE FORMER YUGOSLAV REPUBLIC OF	MK
ANGUILLA	AI	MADAGASCAR	MG
ANTARCTICA	AQ	MALAWI	MW
ANTIGUA AND BARBUDA	AG	MALAYSIA	MY
ARGENTINA	AR	MALDIVES	MV
ARMENIA	AM	MALI	ML
ARUBA	AW	MALTA	MT
AUSTRALIA	AU	MARSHALL ISLANDS	MH
AUSTRIA	AT	MARTINIQUE	MQ
AZERBAIJAN	AZ	MAURITANIA	MR
BAHAMAS	BS	MAURITIUS	MU
BAHRAIN	BH	MAYOTTE	YT
BANGLADESH	BD	MEXICO	MX
BARBADOS	BB	MICRONESIA, FEDERATED STATES OF	FM
BELARUS	BY	MOLDOVA, REPUBLIC OF	MD
BELGIUM	BE	MONACO	MC
BELIZE	BZ	MONGOLIA	MN
BENIN	BJ	MONTENEGRO	ME
BERMUDA	BM	MONTSERRAT	MS
BHUTAN	BT	MOROCCO	MA
BOLIVIA	BO	MOZAMBIQUE	MZ
BOSNIA AND HERZEGOVINA	BA	MYANMAR	MM
BOTSWANA	BW	NAMIBIA	NA
BOUVET ISLAND	BV	NAURU	NR
BRAZIL	BR	NEPAL	NP
BRITISH INDIAN OCEAN TERRITORY	IO	NETHERLANDS	NL
BRUNEI DARUSSALAM	BN	NETHERLANDS ANTILLES	AN
BULGARIA	BG	NEW CALEDONIA	NC
BURKINA FASO	BF	NEW ZEALAND	NZ
BURUNDI	BI	NICARAGUA	NI
CAMBODIA	KH	NIGER	NE
CAMEROON	CM	NIGERIA	NG
CANADA	CA	NIUE	NU
CAPE VERDE	CV	NORFOLK ISLAND	NF
CAYMAN ISLANDS	KY	NORTHERN MARIANA ISLANDS	MP
CENTRAL AFRICAN REPUBLIC	CF	NORWAY	NO
CHAD	TD	OMAN	OM
CHILE	CL	PAKISTAN	PK
CHINA	CN	PALAU	PW
CHRISTMAS ISLAND	CX	PALESTINIAN TERRITORY, OCCUPIED	PS
COCOS (KEELING) ISLANDS	CC	PANAMA	PA
COLOMBIA	CO	PAPUA NEW GUINEA	PG
COMOROS	KM	PARAGUAY	PY
CONGO	CG	PERU	PE

Country Name	Country Code	Country Name	Country Code
CONGO, THE DEMOCRATIC REPUBLIC OF THE	CD	PHILIPPINES	PH
COOK ISLANDS	CK	PITCAIRN	PN
COSTA RICA	CR	POLAND	PL
COTE D'IVOIRE	CI	PORTUGAL	PT
CROATIA	HR	PUERTO RICO	PR
CUBA	CU	QATAR	QA
CYPRUS	CY	REUNION	RE
CZECH REPUBLIC	CZ	ROMANIA	RO
DENMARK	DK	RUSSIAN FEDERATION	RU
DJIBOUTI	DJ	RWANDA	RW
DOMINICA	DM	SAINT BARTHELEMY	BL
DOMINICAN REPUBLIC	DO	SAINT HELENA	SH
ECUADOR	EC	SAINT KITTS AND NEVIS	KN
EGYPT	EG	SAINT LUCIA	LC
EL SALVADOR	SV	SAINT MARTIN	MF
EQUATORIAL GUINEA	GQ	SAINT PIERRE AND MIQUELON	PM
ERITREA	ER	SAINT VINCENT AND THE GRENADINES	VC
ESTONIA	EE	SAMOA	WS
ETHIOPIA	ET	SAN MARINO	SM
FALKLAND ISLANDS (MALVINAS)	FK	SAO TOME AND PRINCIPE	ST
FAROE ISLANDS	FO	SAUDI ARABIA	SA
FIJI	FJ	SENEGAL	SN
FINLAND	FI	SERBIA	RS
FRANCE	FR	SEYCHELLES	SC
FRENCH GUIANA	GF	SIERRA LEONE	SL
FRENCH POLYNESIA	PF	SINGAPORE	SG
FRENCH SOUTHERN TERRITORIES	TF	SLOVAKIA	SK
GABON	GA	SLOVENIA	SI
GAMBIA	GM	SOLOMON ISLANDS	SB
GEORGIA	GE	SOMALIA	SO
GERMANY	DE	SOUTH AFRICA	ZA
GHANA	GH	SOUTH GEORGIA AND THE SOUTH SANDWICH ISLANDS	GS
GIBRALTAR	GI	SPAIN	ES
GREECE	GR	SRI LANKA	LK
GREENLAND	GL	SUDAN	SD
GRENADA	GD	SURINAME	SR
GUADELOUPE	GP	SVALBARD AND JAN MAYEN	SJ
GUAM	GU	SWAZILAND	SZ
GUATEMALA	GT	SWEDEN	SE
GUERNSEY	GG	SWITZERLAND	CH
GUINEA	GN	SYRIAN ARAB REPUBLIC	SY
GUINEA-BISSAU	GW	TAIWAN, PROVINCE OF CHINA	TW
GUYANA	GY	TAJIKISTAN	TJ
HAITI	HT	TANZANIA, UNITED REPUBLIC OF	TZ
HEARD ISLAND AND MCDONALD	HM	THAILAND	TH

Country Name	Country Code	Country Name	Country Code
ISLANDS			
HOLY SEE (VATICAN CITY STATE)	VA	TIMOR-LESTE	TL
HONDURAS	HN	TOGO	TG
HONG KONG	HK	TOKELAU	TK
HUNGARY	HU	TONGA	TO
ICELAND	IS	TRINIDAD AND TOBAGO	TT
INDIA	IN	TUNISIA	TN
INDONESIA	ID	TURKEY	TR
IRAN, ISLAMIC REPUBLIC OF	IR	TURKMENISTAN	TM
IRAQ	IQ	TURKS AND CAICOS ISLANDS	TC
IRELAND	IE	TUVALU	TV
ISLE OF MAN	IM	UGANDA	UG
ISRAEL	IL	UKRAINE	UA
ITALY	IT	UNITED ARAB EMIRATES	AE
JAMAICA	JM	UNITED KINGDOM	GB
JAPAN	JP	UNITED STATES	US
JERSEY	JE	UNITED STATES MINOR OUTLYING ISLANDS	UM
JORDAN	JO	URUGUAY	UY
KAZAKHSTAN	KZ	UZBEKISTAN	UZ
KENYA	KE	VANUATU	VU
KIRIBATI	KI	VENEZUELA, BOLIVARIAN REPUBLIC OF	VE
KOREA, DEMOCRATIC PEOPLE'S REPUBLIC OF	KP	VIET NAM	VN
KOREA, REPUBLIC OF	KR	VIRGIN ISLANDS, BRITISH	VG
KUWAIT	KW	VIRGIN ISLANDS, U.S.	VI
KYRGYZSTAN	KG	WALLIS AND FUTUNA	WF
LAO PEOPLE'S DEMOCRATIC REPUBLIC	LA	WESTERN SAHARA	EH
LATVIA	LV	YEMEN	YE
LEBANON	LB	ZAMBIA	ZM
LESOTHO	LS	ZIMBABWE	ZW