Penalty Chart – Companies Act, 2013

Section	Punishment
447 – Common Punishment for Fraud	**Punishment for fraud Under Section 447 (Sec. 447)** $\left\{\frac{6\text{ Months}}{3\text{ Years}}\right\} \le$ Imprisonment $\le$ (10 years) AND Fraud Amount (100%) $\le$ Penalty $\le 3 \times$ Fraud Amount (300%) Where the fraud in question **<u>Involves public interest</u>**, the term of imprisonment shall not be less than 3 years **Punishment for Fraud Under Section 447 (Mini 447)** Where the fraud amount $\le$ Lower of: (1) 10 Lakhs or (2) 1% of the Turnover. **AND** Does not involve Public Interest, Punishment shall be:- Imprisonment $\le$ 5 years or Fine $\le$ **₹ 50 Lakhs** OR (Amendment) or BOTH
4 – Memorandum	Where after reservation of name, it is found that name was applied by furnishing wrong or incorrect information, then – **<u>Case I</u>** If the company has not been incorporated, the reserved name shall be cancelled and the person making application in INV – 1 shall be liable to a **penalty** which may extend to ₹ 1,00,000; **<u>Case II</u>** If the company has been incorporated, the Registrar may, after giving the company an opportunity of being heard – (i) Either direct the company to **change its name within a period of 3 months**, after passing an ordinary resolution; (ii) Take action for **striking off** the name of the company from the register of companies; or (iii) Make a petition for **winding up** of the company.

<table>
<tr><td>7 – Incorporation</td><td>If any person furnishes any false or incorrect particulars of any information or suppresses any material information, of which he is aware in any of the documents filed with the Registrar in relation to the registration of a company, he shall be liable for action Under Section 447.</td></tr>
<tr><td>Rule 7A – OPC</td><td>If an OPC or any officer of such company contravenes any of the provisions of these rules, the OPC or any officer of the such company shall be punishable with fine which may extend to ₹ 5,000 and with a further fine which may extend to ₹ 500 for every day after the first offence during which such contravention continues.</td></tr>
<tr><td>8 – Not for Profit Company</td><td>Where any default is made in complying with the provisions of this Section, the punishment shall be as follows:
<table>
<tr><td>On Company</td><td>₹ 10,00,000 ≤ Fine ≤ 1,00,00,000</td></tr>
<tr><td>On Officer in Default:</td><td>Imprisonment ≤ 3 years or
₹ 25,000 ≤ Fine ≤ ₹ 25,00,000 or
Or Both</td></tr>
</table>
Provided that when it is proved that the affairs of the company were conducted fraudulently, every officer in default shall be liable for action Under Section 447.</td></tr>
<tr><td>10A – Commencement (Form INC=20A)</td><td>If any default is made in complying with the requirements of this Section, then punishment shall be as follows:
<table>
<tr><td>On Company</td><td>Fine ≤ 50,000</td></tr>
<tr><td>On Officer in Default:</td><td>Fine of ₹ 1,000 for each day during which such default continues but ≤ ₹ 1,00,000</td></tr>
</table></td></tr>
<tr><td>12 – Registered Office</td><td>If any default is made in complying with the requirements of this Section, then punishment shall be as follows:
<table>
<tr><td>On Officer in Default:</td><td>Fine of ₹ 1,000 for each day during which such default continues but ≤ ₹ 1,00,000</td></tr>
</table></td></tr>
<tr><td>15 – Alteration of MOA, AOA noted in every copy</td><td>If a company makes any default in complying with the above provisions, the company and every officer who is in default shall be liable to a penalty of ₹ 1,000/- for every copy of the memorandum or articles issued without such alteration.</td></tr>
</table>

16 – Rectification of Name	**On Company**	**₹ 1,000/- for each day during which such default**
	On Officer in Default:	**₹ 5,000 ≤ Fine ≤ ₹ 1,00,000**
17 – Copies of MOA, AOA of members	If a company makes any default in complying with the provisions of this Section, the company and every officer of the company who is in default shall be liable for each default, to a penalty of ₹ 1,000/- for each day during which such default continues or ₹ 1,00,000 – **whichever is less**	
26 – Prospectus	**On Company**	**₹ 50,000 ≤ Fine ≤ ₹ 3 Lakhs**
	On Officer in Default:	**Imprisonment ≤ 3 years or** **₹ 50,000 ≤ Fine ≤ ₹ 3,00,000 or** **Or Both**
33 – Abridged prospectus	If a company makes any default in complying with the provisions of this Section, it shall be liable to a penalty of ₹ 50,000 for each default.	
34 – Criminal Liability for MS in Prospectus	Where a prospectus is issued, circulated or distributed that includes **any statement which is untrue or misleading**, in form or context in which it is included then every person who authorizes the issue of such prospectus shall be liable **under Section 447**.	
36 – Punishment for Fraudulently inducing Persons to Invest Money	Any person who: 1) Knowingly or recklessly makes any statement, promise or forecast which is false, deceptive or misleading, or 2) Deliberately conceals any material facts, To induce another person to invest in the securities for the following purposes shall be liable for action **Under Section 447**.	
38 – Punishment for Personation for Acquisition, etc. of Securities	Any person who: 1) Makes or abets making of an **application in a fictitious name** to a company for acquiring or subscribing for its securities; or 2) Makes or abets making of **multiple applications in different combinations of his name or surname** for acquiring or subscribing to a company for its securities; or	

<table>
<tr><td></td><td>3) Otherwise induces a company to allot, or register any transfer of securities to him, or to any other person in a fictitious name, shall be liable for action Under Section 447.</td></tr>
<tr><td>39 – Allotment</td><td>In case of any default, the company and its officer who is in default shall be liable to a penalty of lower of:
1) ₹ 1,000 for each day during which such default continues or
2) ₹ 1,00,000.</td></tr>
<tr><td>40 – Securities listing on Stock Exchange</td><td><table><tr><td>On Company</td><td>₹ 5,00,000 ≤ Fine ≤ 50,000 Lakhs</td></tr><tr><td>On Officer in Default:</td><td>Imprisonment ≤ 1 year or
₹ 50,000 ≤ Fine ≤ ₹ 3,00,000 or
Or Both</td></tr></table></td></tr>
<tr><td>42 – Private Placement</td><td>If a company makes an offer or accepts monies in contravention of this Section, the company, its promoters and Directors shall be liable for a penalty which is LOWER of:
1) Amount involved in the offer or
2) ₹ 2 Crores
Also, the company shall also refund all monies to subscribes within a period of 30 days of the order imposing the penalty.</td></tr>
<tr><td>46 – Share Certificates</td><td>If a company with intent to defraud issues a duplicate certificate of shares, then the punishment shall be as follows:<table><tr><td>On Company</td><td>₹ 5X ≤ Fine ≤ 10X
Or ₹ 10 Crores whichever is HIGHER</td></tr><tr><td>On Officer in Default:</td><td>Punishment Under Section 447</td></tr></table></td></tr>
<tr><td>48 – Variation of Shareholders' Rights</td><td>Where any default is made in complying with the provisions of this Section, the punishment shall be as follows:<table><tr><td>On Company</td><td>₹ 25,000 ≤ Fine ≤ 5,00,000</td></tr><tr><td>On Officer in Default:</td><td>Imprisonment ≤ 6 Months or
₹ 25,000 ≤ Fine ≤ ₹ 5,00,000 or
Or Both</td></tr></table></td></tr>
<tr><td>53 – Prohibition on Issue of</td><td>Where any default is made in complying with the provisions of this Section, he punishment shall be as follows:</td></tr>
</table>

Shares at Discount	**On Company and every officer in default**	**Penalty ≤ Lower of:-** **(a) Amount Raised** **(b) ₹ 5,00,000**
	On Company	**Refund all money with interest at the rate of 12% p.a.**
56 – Transfer of Securities	Where any default is made in complying with the provisions of this Section, the punishment shall be as follows:	
	On Company	**₹ 25,000 ≤ Fine ≤ 5,00,000**
	On Officer in Default:	**₹ 10,000 ≤ Fine ≤ ₹ 1,00,000**
57 – Punishment for Personation of Shareholders	If any person, deceitfully personates as an owner of any security in a company and thereby obtains or attempts to obtain any such security or interest or any such share warrant or coupon or receives or attempts to receive any money due to any such owner, he shall be punishable as follows:	
	Punishment	**1 Year Imprisonment ≤ 3 years** **AND** **₹ 1,00,000 ≤ Fine ≤ ₹ 5,00,000**
58 – Refusal of Registration & Appeal against Refusal	If a person contravenes the order of the Tribunal Under this Section, he shall be punishable as follows:	
	Punishment	**1 Year ≤ Imprisonment ≤ 3 years** **AND** **₹ 1,00,000 ≤ Fine ≤ ₹ 5,00,000**
59 – Rectification of Register of Members	If a person contravenes the order of the Tribunal Under Section, the punishment shall be as follows:	
	On Company	**₹ 1,00,000 ≤ Fine ≤ 5,00,000**
	On Officer in Default:	**Imprisonment ≤ 1 year or** **₹ 1,00,000 ≤ Fine ≤ ₹ 3,00,000 or** **Or Both**
60 – Publication of Authorised, Subscribed & Paid-up Capital	If any defaults is made in complying with the above, the company shall be liable to pay a penalty of ₹ 10,000 and every officer of the company who is in default shall be liable to pay a penalty of ₹ 5,000 for each default.	

<table>
<tr><td>64 – Notice to ROC for Change in Share capital (SH-7)</td><td>Where any company fails to comply with the above provisions, such company and every officer who is in default shall be liable to a penalty of ₹ 1,000 for each day during which such default continues, or ₹ 5,00,000 whichever is less:</td></tr>
<tr><td>66 – Reduction of Share capital</td><td>Punishment for Contravention on Company ₹ 5,00,000 ≤ Fine ≤ ₹ 25,00,000.</td></tr>
<tr><td>67 – Restrictions on Purchase by Company or giving of Loans by it for Purchase of its Shares</td><td>If a person contravenes these provisions, the punishment shall be as follows:
<table>
<tr><td>On Company</td><td>₹ 1,00,000 ≤ Fine ≤ 25,00,000</td></tr>
<tr><td>On Officer in Default:</td><td>Imprisonment ≤ 3 years or
₹ 1,00,000 ≤ Fine ≤ ₹ 25,00,000 or
Or Both</td></tr>
</table></td></tr>
<tr><td>68 – Buy-back</td><td>
<table>
<tr><td>On Company</td><td>₹ 1,00,000 ≤ Fine ≤ 3,00,000</td></tr>
<tr><td>On Officer in Default:</td><td>Imprisonment ≤ 3 years or
₹ 1,00,000 ≤ Fine ≤ ₹ 3,00,000 or
Or Both</td></tr>
</table></td></tr>
<tr><td>71 – Debentures</td><td>If any default is made in complying with the order of Tribunal under this Section, punishment shall be as follows:
<table>
<tr><td>On Officer in Default:</td><td>Imprisonment ≤ 3 years or
₹ 2,00,000 ≤ Fine ≤ ₹ 5,00,000 or
Or Both</td></tr>
</table></td></tr>
<tr><td>74 – Replacement of Deposits, etc. accepted before Commencement of this Act</td><td>If a company fails to replay the deposit or part thereof any interest thereon within the time specified above or such further time as allowed by the Tribunal, then the company shall, in addition to the payment of the amount of deposit or part thereof and the interest due, be punishable with fine:
<table>
<tr><td>On Company</td><td>₹ 1,00,00,000 ≤ Fine ≤ 10,00,00,000</td></tr>
<tr><td>On Officer in Default:</td><td>Imprisonment ≤ 7 years or
₹ 25,00,000 ≤ Fine ≤ ₹ 200,,00,000 or
Or Both</td></tr>
</table></td></tr>
</table>

<table>
<tr>
<td>75 – Damages for Fraud</td>
<td>1) Where a company fails to repay the deposit or part thereof or any interest thereon Under Section 74 within the specified time, AND
2) It is proved that the deposits had been accepted with intent to defraud the depositors or for any fraudulent purpose,

Then every officer of the company who was responsible for the acceptance of such deposit shall, apart from the punishment mentioned in Section 74 and Liability Under Section 447, <u>be personally responsible for any losses or damages that may have been incurred by the depositors.</u></td>
</tr>
<tr>
<td>76A – Punishment for Deposits</td>
<td>Where a company:-
1) Accepts or invites Deposits or allows causes any other person to accept or invite on its behalf any deposit in contravention of the manner or the conditions prescribed Under Section 73 or 76 or Rules made thereunder or
2) Fails to repay the Deposit or part thereof or any interest due thereon within the time specified Under Section 73 or 76 or Rules made thereunder or such further time as may be allowed by the Tribunal Under Section 73, then the punishment shall be as follows:
<table>
<tr><td>On Company</td><td>Minimum Punishment</td><td>₹ 1 Crore or twice the amount of deposits accepted by the Company, whichever is lower</td></tr>
<tr><td></td><td>Maximum Punishment</td><td>₹ 10 Crores</td></tr>
<tr><td>On Officer in Default:</td><td colspan="2">Imprisonment ≤ 7 years
AND
Fine ₹ 25 Lakhs ≤ Fine ≤ ₹ 2 Crores</td></tr>
<tr><td>Willful offence by officer in default with the intention to deceive the company or its</td><td colspan="2">Punishment Under Section 447</td></tr>
</table>
</td>
</tr>
</table>

<table>
<tr><td></td><td><table><tr><td>shareholders or depositors or creditors or tax authorities</td><td></td></tr></table></td></tr>
<tr><td>86 – Punishment for Charges</td><td>If any company contravenes any provision of this Chapter, the punishment shall be as follows:
<table>
<tr><td>On Company</td><td>₹ 1,00,000 ≤ Fine ≤ 10,00,000</td></tr>
<tr><td>On Officer in Default:</td><td>Imprisonment ≤ 6 years or
₹ 25,000 ≤ Fine ≤ ₹ 1,00,000 or
Or Both</td></tr>
</table>
If any person willfully furnishes any false or incorrect information or knowingly suppresses any material information, required to be registered in accordance with the provisions of Section 77, he shall be liable for action Under Section 447.</td></tr>
<tr><td>88 – Register of Members</td><td>The Company and every officer in default shall be punishable as follows:
<table>
<tr><td>Normal Punishment</td><td>₹ 50,000 ≤ Fine ≤ 3,00,000</td></tr>
<tr><td>Continuing Offence</td><td>₹ 1,000 per day</td></tr>
</table></td></tr>
<tr><td>89 – Declaration in respect of Beneficial Interest in any share</td><td>Section 89 (5) – The concerned person shall be punishable as follows:
<table>
<tr><td>Normal Punishment</td><td>Fine ≤ 50,000</td></tr>
<tr><td>Continuing Offence</td><td>₹ 1,000 per day</td></tr>
</table>
Section 89 (7) – The Company and every officer in default shall be punishable as follows:
<table>
<tr><td>Normal Punishment</td><td>₹ 500 ≤ Fine ≤ 1,000</td></tr>
<tr><td>Continuing Offence</td><td>₹ 1,000 per day</td></tr>
</table></td></tr>
<tr><td>90 – Register of Significant Beneficial Owners in a Company</td><td><u>Section 90(10) – Penalty for Non-Compliance of the Provision</u>:
<table>
<tr><td>Normal Punishment</td><td>Imprisonment ≤ 1 year or ₹ 1,00,000 ≤ Fine ≤ 10,00,000 or Both</td></tr>
<tr><td>Continuing Offence</td><td>₹ 1,000 per day</td></tr>
</table>
<u>Section 90(11) – Penalty for Non-Compliance of the Provision</u>:
<table>
<tr><td>Normal Punishment</td><td>₹ 10,00,000 ≤ Fine ≤ 50,00,000</td></tr>
</table></td></tr>
</table>

<table>
<tr>
<td></td>
<td>
<table>
<tr><td>Continuing Offence</td><td>₹ 1,000 per day</td></tr>
</table>
<u>Section 90(12) – Penalty for Non-Compliance of the Provision</u>:

If any person willfully furnishes any false or incorrect information or suppresses any material information of which he is aware in the Declaration made under this Section, he shall be liable to action Under Section 447.
</td>
</tr>
<tr>
<td>91 – Power to Close Register of Members</td>
<td>
The company and every officer in default shall be punishable as follows:
<table>
<tr><td>Punishment</td><td>₹ 5,000 per day during which the register is kept closed up to a maximum of ₹ 1,00,00.</td></tr>
</table>
</td>
</tr>
<tr>
<td>92 – Annual Return</td>
<td>
The Company and every officer in default shall be punishable as follows:-
<table>
<tr><td>On Company and Officer in Default:</td><td>Penalty of ₹ 50,000 and in case of continuing failure, with further penalty of ₹ 100 for each day during which such failure continues, subjects to a maximum of ₹ 5 Lakhs</td></tr>
</table>
The CS shall be punishable as follows:
<table>
<tr><td>Punishment</td><td>₹ 50,000 ≤ Fine ≤ ₹ 1,00,00.</td></tr>
</table>
</td>
</tr>
<tr>
<td>94 – Place of Keeping & Inspection of Registers, etc.</td>
<td>
If any default is made in holding a meeting of the company in accordance with Section 96 or Section 97 or Section 98 or in complying with any directions of the Tribunal,

1. The company and
2. Every officer of the company who is default shall be punishable as follows:
<table>
<tr><td>Normal Fine</td><td>Fine ₹ ≤ 1,00,000</td></tr>
<tr><td>Continuing Fine per day</td><td>Continuing Fine ≤ ₹ 5,000 per day</td></tr>
</table>
</td>
</tr>
<tr>
<td>102 – Explanatory Statement in Notice</td>
<td>
Without prejudice to the above provisions regarding reimbursement of secret benefits, if any default is made in complying with the provisions of this Section, every Promoter, Director, Manager or other Key Managerial Personnel who is in default shall be Higher of –

1. Fine ≤ ₹ 50,000
</td>
</tr>
</table>

<table>
<tr><td></td><td>2. Fine ≤ 5 times the amount of benefit accruing to the Promoter, Director, Manager or other Key Managerial Personnel or any of his relatives.</td></tr>
<tr><td>105 – Proxy</td><td>If defaults is made in disclosure as above, every officer of the company who is in default shall be liable to a penalty of ₹ 5,000.</td></tr>
<tr><td>111 – Circulation of Members' Resolution</td><td>If any default is made in complying with the provisions of this Section, the company and every officer of the company who is in default shall be liable to a penalty of ₹ 25,000.</td></tr>
<tr><td>117 – Resolution & Agreement to be filed</td><td>If a company fails to file the resolution or the agreement before the expiry of the period specified therein (30 days), the punishment shall be as follows:
<table>
<tr><td>On Company</td><td>Penalty of ₹ 1,00,000 and in case of continuing failure, with further penalty of ₹ 500 for each day after the first during which failure continues, subject to a maximum of ₹ ₹ 5,00,000</td></tr>
<tr><td>On Officer in Default in including liquidator</td><td>Penalty of ₹ 50,000 and in case of continuing failure, with further penalty of ₹ 500 for each day after the first during which such failure continues, subject to a maximum of ₹ 5,00,000</td></tr>
</table></td></tr>
<tr><td>118 – Minutes</td><td>If any default is made in complying with the provisions of this Section in respect of any meeting, punishment shall be as follows:
<table>
<tr><td>On Company</td><td>Fine ≤ 25,000</td></tr>
<tr><td>On Officer in Default:</td><td>Fine ≤ ₹ 5,000</td></tr>
</table>
If a person is found guilty of tampering with the minutes of the proceedings of meeting, he shall be punishable as follows:
<table>
<tr><td>On Officer in Default:</td><td>Imprisonment ≤ 2 years
AND
₹ 25,000 ≤ Fine ≤ ₹ 1,00,000</td></tr>
</table></td></tr>
<tr><td>119 – Inspection of</td><td>(a) If any inspection of minutes is refused, or
(b) If any copy of minutes is not furnished within 7 days of demand.
The punishment shall be as follows:</td></tr>
</table>

<table>
<tr><td>Minutes-Book of GM</td><td><table><tr><td>On Company</td><td>Fine ≤ 25,000</td></tr><tr><td>On Officer in Default:</td><td>Fine ≤ ₹ 5,000</td></tr></table></td></tr>
<tr><td>120 – Maintenance & Inspection of Documents in Electronic Forms</td><td>If any default is made in compliance with any of the provisions of this rule, the company and every officer who is in default shall be punishable as follows:<table><tr><td>Normal Fine</td><td>₹ 5,000</td></tr><tr><td>Continuing Offence</td><td>₹ 500 per day</td></tr></table></td></tr>
<tr><td>121 – Report on AGM (Listed Company)</td><td>If the company fails to file the report before the expiry of the period specified above (30 days), the punishment shall be as follows:<table><tr><td>On Company</td><td>Penalty of ₹ 1,00,000 and in case of continuing failure, with further penalty of ₹ 500 for each day after the first during which such failure continues, subject to a maximum of ₹ 5,00,000</td></tr><tr><td>On Officer in Default:</td><td>Penalty of ₹ 1,00,000 and in case of continuing failure, with further penalty of ₹ 500 for each day after the first during which such failure continues, subject to a maximum of ₹ 1,00,000</td></tr></table></td></tr>
<tr><td>124 – Unpaid Dividend Account</td><td>If a company fails to comply with any of the requirements of this Section, the company shall be punishable as follows:<table><tr><td>On Company</td><td>₹ 5,00,000 ≤ Fine ≤ 25,00,000</td></tr><tr><td>On Officer in Default:</td><td>₹ 1,00,000 ≤ Fine ≤ ₹ 5,00,000</td></tr></table></td></tr>
<tr><td>127 – Punishment for Failure to Distribute Dividends</td><td>Where a dividend has been declared by a company but has not been paid, or the dividend warrant has not been posted, within 30 days from the date of Declaration:
1) Every Director of the company shall, if he is knowingly a party to the default, be punishable with
a) Simple imprisonment for a term which may extend to 2 years, and
b) A fine of ≥ ₹ 1,000 for every day during which such default continues, and
2) The company shall be liable to pay simple interest @ 18% per annum during the period for which such default continues.</td></tr>
</table>

<table>
<tr><td>128 – Books of Accounts and 129 – Financial Statements</td><td>Following persons shall be responsible:-
1) Managing Director,
2) Whole-time Director in change of Finance,
3) Chief Financial Officer or
4) Any other person of a company charged by the Board<table><tr><td>Punishment for non-compliance</td><td>Punishment Under Section 128 imprisonment ≤ 1 year or ₹ 50,000 ≤ Fine ≤ ₹ 5 Lakhs or Both</td></tr></table></td></tr>
<tr><td>132 – National Financial Reporting Authority</td><td>Notwithstanding anything contained in any other law for the time being in force, the NFRA shall where professional or other misconduct is proved, have the power to make order for –
A) Imposing penalty of –<table><tr><td>In case of Individuals</td><td>₹ 1 Lakh ≤ Fine ≤ 5 times the Fees</td></tr><tr><td>In case of Firms</td><td>₹ 5 Lakhs ≤ Fine ≤ 10 times the Fees</td></tr></table>B) Debarring the member or the firm form:-
(i) Being appointed as an auditor or internal auditor or undertaking any audit in respect of financial statements or internal audit of the functions and activities of any company or body corporate; or
(ii) Performing any valuation as provided Under Section 247 for a minimum period of –<table><tr><td>Individuals/Firms</td><td>6 months ≤ Ban ≤ 10 years</td></tr></table></td></tr>
<tr><td>134 – FS, Board Report</td><td>Punishment for non-compliance shall be as follows:-<table><tr><td>On Company</td><td>₹ 50,000 ≤ Fine ≤ 25,00,000</td></tr><tr><td>On Officer in Default:</td><td>Imprisonment ≤ 3 years or ₹ 50,000 ≤ Fine ≤ ₹ 5,00,000 or Both</td></tr></table></td></tr>
<tr><td>135 – Corporate Social Responsibility (Not yet Notified)</td><td>If a company contravenes the provisions of 135 (5) or (6), the punishment shall be as follows:-<table><tr><td>On Company</td><td>₹ 50,000 ≤ Fine ≤ 25,00,000</td></tr><tr><td>On Officer in Default:</td><td>Imprisonment ≤ 3 years or ₹ 50,000 ≤ Fine ≤ ₹ 5,00,000 or Both</td></tr></table></td></tr>
</table>

<table>
<tr><td>136 – Annual Report to Members</td><td>Punishment for Non-Compliance shall be as follows:-<table><tr><td>On Company</td><td>Fine ≤ 25,000</td></tr><tr><td>On Officer in Default:</td><td>Fine ≤ ₹ 5,000</td></tr></table></td></tr>
<tr><td>137 – Filing FS with ROC</td><td>Punishment for Non-Compliance shall be as follows:-<table><tr><td>On Company</td><td>Fine of ₹ 1,000 per day but not exceeding ₹ 10 Lakhs</td></tr><tr><td>MD and CRO of the company, if any and in their absence, any other Director who is charged by the Board with the responsibility of complying with the provisions of this Section, and in the absence of any such Director, all the Directors of the company</td><td>₹ 1,00,000 and in case of continuing failure, with further penalty of ₹ 100 for each day after the first during which such failure continues, subject to a maximum of ₹ 5,00,000</td></tr></table></td></tr>
<tr><td>140 – Registration of Auditor</td><td>Penalty for non-filing, of Form ADT – 3: If the auditor does not comply above, he or it shall be punishable with –<table><tr><td>Minimum Penalty</td><td>₹ 50,000 or Auditor's Remuneration whichever is less</td></tr><tr><td>Continuing Penalty</td><td>₹ 500 per day</td></tr><tr><td>Maximum Penalty</td><td>₹ 5,00,000</td></tr></table></td></tr>
<tr><td>140 (5) – Fraud by Auditor</td><td>An auditor, whether individual or firm, against whom final order has been passed by the Tribunal Under this Section shall not be eligible to be appointed as an auditor of ANY company for a period of 5 years from the date of passing of the order and the auditor shall also be liable for action Under Section 447.</td></tr>
<tr><td>143(15) – Reporting of Fraud</td><td>If any auditor, cost accountant or Company Secretary in practice do not comply with the above provisions, he shall be punishable with ₹ 1,00,000 ≤ Find ≤ ₹ 25,00,000.</td></tr>
<tr><td>147 (1) and 147 (2)</td><td>Punishment for contravention of Section 139 to 146 on company and the officer in default:<table><tr><td>On Company</td><td>₹ 25,000 ≤ Fine ≤ 5,00,000</td></tr></table></td></tr>
</table>

On Officer in Default:	**Imprisonment ≤ 1 year or ₹ 10,000 ≤ Fine ≤ ₹ 1,00,000 or Both**

Punishment for contravention of Section 139, 143, 144, 145 on the AUDITOR:

Contravention of Section 139, 143, 144, 145	**Minimum Penalty**	₹ 25,000
	Maximum Penalty	₹ 5 Lakhs or 4 times the remuneration of the Auditor (whichever is less)
If an auditor has contravened such provision knowingly or willfully with the intention to deceive the company or its shareholders or creditors or tax authorities	Imprisonment ≤ 1 year AND	
	Minimum Penalty	₹ 50,000
	Maximum Penalty	₹ 25 Lakhs or 8 times the remuneration of the Auditor (whichever is less)

Section 138 – Bouncing or Dishonur of Cheques

On dishonor of a cheque the drawer is punishable with imprisonment for a term not exceeding 2 years or with a fine not exceeding twice the amount of a cheque or with both of the following conditions are fulfilled:

1. If the cheque is returned by the bank unpaid due to insufficiency of funds in the account of drawer.
2. If the cheque was drawn to discharge a legally enforceable debt or other liability.
3. If the cheque has been presented to the bank within a period of 3 months from the date on which it is drawn on or within the period of its validity, whichever i.e. earlier. (i.e. it is not a stale cheque).

4. If the payee or the holder in due course of the cheque has given a written notice demanding payment within 30 days from the drawer on receipt of information of dishonor of cheque from the Bank.
5. If the drawer has failed to make payment within 15 days of the receipt of the said notice. (Section 138).
6. If the payee or a holder in due course has made a complaint within 30 days of cause of action arising Under Section 138 (Section 142).

Imprisonment ≤ 2 years OR Fine ≤ Twice the amount of a cheque OR Both