

## OFFENCES AND PROSECUTION

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### AMENDMENT BY THE FINANCE (No.2) ACT, 2014

Failure to produce accounts and documents referred to in notice under section 142(1) or comply with direction under section 142(2A) to attract both imprisonment and fine [Section 276D]

Effective from: 1<sup>st</sup> October, 2014

- (i) Under section 276D, if a person willfully fails to produce accounts and documents as required in any notice issued under section 142(1) or willfully fails to comply with a direction issued to him under section 142(2A), he shall be **punishable with rigorous imprisonment for a term which may extend to one year or with fine equal to a sum calculated at a rate which shall not be less than four rupees or more than ten rupees for every day during which the default continues, or with both.**
- (ii) Section 276D has been amended to provide that if a person willfully fails to produce accounts and documents as required in any notice issued under section 142(1) or willfully fails to comply with a direction issued to him under section 142(2A), he shall be **punishable with rigorous imprisonment for a term which may extend to one year and with fine.**
- (iii) Therefore, consequent to the amendment, both imprisonment and fine would be attracted under section 276D for failure to produce accounts and documents as required in any notice under section 142(1) or failure to comply with a direction issued under section 142(2A). Further, the limits for imposition of fine per day of continuing default have been removed.