

Penalty Chart Under Companies Act 2013

Sec No and Reference	Description	Persons to be held responsible for offences	
		Company	Others (Company X)
Section 124 - Unpaid Dividend Account	Fails to transfer the amount to Unpaid Dividend Account Default in Payment of Amt, Int @ 12% shall be payable	5 Lakhs to 25 Lakhs	Every Officer :- Fine - 1 Lakh to 5 lakhs
Section 127- Punishment for failure to distribute dividends	Where a dividend has been declared by a company but has not been paid	Simple Interest @ 18%	Every Director :- Imp upto 2Yrs Fine - not less than 1,000/day
Section 128- Books of account, etc., to be kept by company	If an officer of the company makes default in the provisions of maintaining accounts of the Company	No	Every Officer :- Imp upto 1Yr Fine - 50K to 5Lakhs Both
Section 129- Contravention of provisions of financial statements	If a company contravenes the provisions of this section • MD, WTD (Finance), CFO, or any other person charged by the Board • In the <u>absence</u> of <u>any</u> of the officers mentioned above , <u>all the directors</u> shall be punishable.	No	Every Officer :- Imp upto 1Yr Fine - 50K to 5Lakhs Both
Section 132 - Constitution of National Financial Reporting Authority			Individual - 1 Lakh to 5 times of Fee Firm - 10 Lakhs to 10 times of fess + Debarring 6 Months to 10 years
Section 134- Financial Statement, Board's report, etc	If Company violates the provisions of Board's Report.	Fine - 50K to 25Lakhs	Every Officer :- Imp upto 3Yrs Fine - 50K to 5Lakhs Both
Section 136- Right of member to copies of audited financial statement	If Company fails to send copy of FS, including CFS, if any, auditor's report and every other document required to be attached to its members.	25,000	Every Officer :- Fine - 5000
Section 137- Copy of financial statement to be filed with Registrar	If a company fails to file the copy of the financial statements with the Registrar • MD, WTD (Finance) , CFO, or any other person charged by the Board • In the <u>absence</u> of <u>any</u> of the officers mentioned above, <u>all the directors</u> shall be punishable.	Fine - 1,000/Day upto 10 Lakhs	Every Officer :- Imp upto 6 Months Fine - 1Lakh to 5Lakhs Both
Section 140 - Removal, resignation of auditor and giving of special notice	Fails to submit ADT-3 with in 30 days of Resignation		Auditor :- Fine - 50K to 5 lakhs

Section 147 - Removal, resignation of auditor and giving of special notice	Contravenes Sec - 146, 148	Fine - 25,000 to 5,00,000 (Sec 139 to 148)	Every Officer :- Imp upto 1 Year Fine - 10,000 to 1 Lakh Both
	Contravenes Sec - 139, 143, 144, 145 Auditor defaults Intentionally has to <u>repay the fees and pay for the damages</u>		Auditor (Without Intention) :- Fine - 50K to 5 lakhs Auditor (Intention) :- Imp upto 1 year Fine - 1 Lakh to 25 lakhs Both
Section 157- Company to inform Director Identification Number to Registrar	If a company fails to furnish Director Identification Number	Fine - 25,000 to 5,00,000	Every Officer :- Fine - 50K to 1 lakh
Section 159 - Punishment for contravention	Contravenes any of the provisions of section 152, 155 and 156 (DIN violation)		Every Individual / Director :- Imp upto 6 Months Fine - 50,000 Continues Fine - 500 per day
Section 165 - Number of directorships	Number of directorships exceeds Statutory Limit (>20)		Such Director :- Fine - 5,000 to 25,000 per day
Section 166 - Duties of directors	Director of a company shall act in accordance with the articles of the company, good faith and not to assign, not achieve any undue gain.		Such Director :- Fine - 1 Lakh to 5 lakhs
Section 167 - Vacation of office of director	Acts / Continue to act as Director after being vacated		Every Officer :- Imp upto 2 Yrs Fine - 1 lakh to 5 Lakhs Both
Section 172- Punishment for contravention of provision of Chapter- XIII (Meeting of Board and its Powers)	If Company contravenes any of the provisions of appointment and qualification of Director for which <u>no penalty is prescribed.</u>	Fine - 50,000 to 5,00,000	Every Officer :- Fine - 1 lakh to 5 lakhs
Section 173- Meetings of Board	If Company defaults in constitution of Audit Committee.		Every Officer :- Fine - 25,000
Section 178 – Nomination and Remuneration Committee and Stakeholders Remuneration Committee	If Company defaults in constitution of Audit Committee.	Fine - 1 lakh to 5,00,000	Every Officer :- Imp upto 1Yr Fine - 25K to 5Lakhs Both
Section 179 - Powers of Board	All the Resolutions passed by Board under Sec-173, shall be filed with in 30 Days to ROC under sec 117 and as per sec 403, said form shall be filled with in 270 days. If not filled with in period as per Sec 117(2) , Penalty as	Fine - 5 lakh to 25 lakhs	Every Officer and Liquidator :- Fine - 1 Lakh to 5Lakhs
Section 182 – Prohibitions and Restrictions regarding Political Contributions	If Company contributes more than the ceiling limit > 7.5% Of Avg profits of <u>Preceding 3 F.Y's</u> defined for political purpose.	5 times of Amt contributed	Every Officer :- Imp upto 6 Months & Fine - upto 5times of contribution

Section 184 - Disclosure of interest by director	Fails to Disclose the Interest and it leads to <u>vacation</u> of Office under Sec 167		Every Director :- Imp upto 1 year Fine - 50,000 to 1 lakh Both
Section 185 – Loan to Directors,etc	If Company while giving Loan to directors, contravenes provisions of section 185(1). (The director or the other person to whom any loan is advanced or guarantee or security is given or provided in connection with any loan taken by him or the other person)	Fine - 5 lakh to 25 lakhs	Every Director / other person :- Imp upto 6 months Fine - 5L to 25 lakhs Both
Section 186- Loan and Investment by Company	If Company contravenes the provisions of Inter Corporate loans and Investment.	Fine - 25,000 to 5,00,000	Every Officer :- Imp upto 2Yrs Fine - 25K to 1Lakh Both
Section 188 – Related Party Transactions	If Any director or any other employee of a company, who had entered into or authorised the contract or arrangement in violation of the provisions of Related party transaction.		Every Director/EE Listed Company :- Imp upto 1Yr Fine - 25K to 5Lakh Both Other Company :- Fine - 25K to 5Lakh
Section 189 - Register of contracts or arrangements in which directors are interested	If Company fails to maintain Registers of contracts or arrangements in which directors are interested as defined under Section 184.		Every Officer :- Fine - 25,000
Section 190 – Contract of employment with managing or whole time directors	If a Company (Except Private Company) has not kept its copy of contract with WTD or Manager at its Registered office and not provided copies of contract for inspection to its members.	25,000	Every Officer :- Fine - 5,000
Section 196 – Appointment of managing director, wholetime director or manager	where an appointment of a MD, WTD, manager is not approved by the CG, they shall vacate immediately		Every Officer :- Fine - 5,000 per day
Section 197 – Overall maximum managerial remuneration and managerial remuneration in case of absence or inadequacy of profits	Contravenes the provisions of this section		Every Person :- Fine - 1 lakh to 5 lakhs
Section 203- Appointment of Key	If Company does not follow the provisions of Key Managerial Personnel.	Fine - 1 lakh to 5,00,000	Every Director / KMP :- Fine - 50,000 If continues 1,000/Day
Section 204- Secretarial audit for bigger companies	If a Company fails to attach secretarial audit Report to Board's Report in a prescribed form.	Fine - 1 lakh to 5,00,000	Every Officer, CS in Practice :- Fine - 1 lakh to 5 lakhs
Section 206 – Power to call for information, inspect books and conduct inquiries	If a company fails to furnish any information or explanation or produce any document to Registrar.	Fine - 1 lakh If continues 500/Day	Every Director / KMP :- Fine - 1 lakh If continues 500/Day

Section 207 – Conduct of inspection and inquiry	If any officer disobeys the direction issued by the Registrar or the inspector. If a director or an officer convicted of an offence, deemed to be vacated		Every Director/Officer :- Imp upto 1Yr Fine - 25K to 1Lakh
Section 213 - Investigation into company's affairs in other cases	Every Officer and the person or persons concerned in the formation of the company or the management of its affairs shall be punishable for fraud in the manner		As provided in section 447.
Section 221 - Freezing of assets of company on inquiry and investigation	Removal, transfer or disposal of funds, assets, properties of the company and shall not take place during such period <u>not exceeding three years</u> as in order	Fine - 1 lakh to 25 lakhs	Every Officer :- Imp upto 3 Yrs Fine - 50K to 5 Lakhs Both
Section 222 - Imposition of restrictions upon securities	Relevant facts about any securities issued or to be issued by a company and the such period <u>not exceeding three years</u> as may be specified in the order.	Fine - 1 lakh to 25 lakhs	Every Officer :- Imp upto 6 Months Fine - 50K to 5 Lakhs Both
Section 242 - Powers of Tribunal	Company fails to comply based on the Order passed by Tribunal	Fine - 1 lakh to 25 lakhs	Every Officer :- Imp upto 6 Months Fine - 50K to 5 Lakhs Both
Section 243 - Consequence of termination or modification of certain agreements	Contravention of terminated or set aside of agreement		Every MD/Officer :- Imp upto 6 Months Fine - upto 5 Lakhs Both
Section 245 - Class Action	Fails to comply with an order passed by the Tribunal <u>Application filed before the Tribunal is found to be frivolous or vexatious applicant shall pay to the opposite party such cost, not exceeding one lakh rupees.</u>	Fine - 5 lakhs to 25 lakhs	Every Officer :- Imp upto 3 Years Fine - 25K to 1 Lakh Both
Section 337 - Penalty for frauds by officers	Ordered to be wound up of Company by the Tribunal based on (a) false pretences or by means of any other fraud, induced any person to give credit to the company; (b) with intent to defraud creditors of the company		Any Person :- Imp 1yr to 3 Years and Fine - 1 Lakh to 3 Lakhs
Section 338 - Liability where proper accounts not kept	Company is being wound up, if it is shown that proper books of account were not kept by the company throughout the period of two years immediately preceding the commencement of the winding up, or the period between the incorporation of the company and the commencement of the winding up, whichever is shorter		Every Officer :- Imp 1yr to 3 Years and Fine - 1 Lakh to 3 Lakhs
Section 339 - Liability for fraudulent conduct of business	In course of the winding up of a company, any business of the company has been carried on with intent to defraud creditors of the company or any other persons or for any fraudulent purpose		Shall be liable for action under Section 447

Section 392 - Punishment for contravention	Contravention of Sections 379 to 393 <u>(Company Incorporated outside India)</u>	Foreign Company Fine - 1 Lakh to 3 Lakhs Continuous - up to 50K/day	<u>Every Officer :-</u> Imp up to 6 Months Fine - 25K to 5 Lakhs Both
Section 405 – Power of Central Government to direct companies to furnish information or statistics	If any Company fails to provide to Central Government, all material information with regard to all its working and statistics etc	Fine - 25,000	<u>Every Officer :-</u> Imp upto 2Yrs Fine - 25K to 3Lakhs Both
Section 441 – Compounding of certain offences	Non compliance of Order of Tribunal		<u>Every Officer / Employee :-</u> Imp upto 6 Months Fine - up to 1 lakh Both
Section 447 – Punishment for fraud	Any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud		<u>Any Person :-</u> Imp upto 6 Mths to 10 Yrs and Fine - Amt in Fraud up to 3 times
Section 449 – Punishment for false evidence	If any person intentionally gives any false evidence under any matter of this Act.		<u>Any Person :-</u> Imp 3 to 7 Years and Fine - upto 10 lakhs
Section 450 – Punishment where no specific penalty or punishment is provided	If a Company or any officer contravenes any of the provisions of this Act , subject to which any approval, direction or exemption in relation to any matter has been accorded and or which no penalty or punishment is provided elsewhere	Fine - up to 10,000	Fine - up to 10,000 If Continuous 1,000/Day
Section 451 – Punishment in case of repeated default	If a Company or any officer commits an offence punishable either with fine or with imprisonment and where the same offence is committed for the second within a period of three years.	<u>In Case of Company and Officer</u> Twice the amount of fine for such offence in addition to any imprisonment provided for that offence.	
Section 452- Punishment for wrongful withholding of property	If any officer or employee of a company wrongfully withhold any property of the Company.		<u>Every Officer / Employee :-</u> Fine - 1 lakh to 5 Lakhs
Section 454 - Adjudication of Penalties	If a company or any officer does not pay the penalty imposed by the adjudicating officer or the Regional Director	Fine - 25,000 to 5,00,000	<u>Every Officer :-</u> Imp upto 6 Months Fine - 25K to 1 Lakh Both
Section 464 – Prohibition of association or partnership of persons exceeding certain number	If any member of an association or partnership or is carried with the persons exceeding its prescribed limit.		Fine: 1 lakh and personally liable for all liabilities incurred in such business.