THE COMPANIES (AMENDMENT) BILL, 2020

COMPARISON CHART

NOTE:

1. The old provisions which are repealed/ substituted/ omitted/ altered/ changed are highlighted in bold with red colour.

2. The new provisions which are introduced are highlighted in bold with green colour.

3. The following comparison chart can be used by CS/CA/ CMA/ LAW students as well as the members of the ICSI/ICAI/ICMAI for reference purpose.

SR NO	SECTION	COMPANIES ACT, 2013	COMPANIES (AMENDMENT) BILL, 2020	COMMENTS / REMARKS
1	2(52)	Listed company means a company which has any of its securities listed on any recognised stock exchange (RSE).	Proviso added : **Provided that such class of companies, which have listed or intend to list such class of securities, as may be prescribed in consultation with the Securities and Exchange Board, shall not be considered as listed companies.**	Now certain class of securities which are listed shall not be considered for the purpose of definition given in section 2(52) of the Act after due consultation with the SEBI.
2	8(11)	If a company makes any default in complying with any of the requirements laid down in this section, the company shall, without prejudice to any other action under the provisions of this section, be punishable with fine which shall not be less than ten lakh rupees but which may extend to one crore	(a) the words "**with imprisonment for a term which may extend to three years or**" **shall be omitted**; (b) for the words "twenty-five lakh rupees, or with both", the words "**twenty five lakh rupees**" shall be substituted.	The punishment of imprisonment has been discarded.

		rupees and the directors and every officer of the company who is in default shall be punishable with **imprisonment for a term which may extend to three years or** with fine which shall not be less than twenty-five thousand rupees but which may extend to **twenty-five lakh rupees, or with both**: **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.		
3	16(1)(b)	on an application by a registered proprietor of a trade mark that the name is identical with or too nearly resembles to a registered trade mark of such proprietor under the Trade Marks Act, 1999, made to the Central Government within three years of incorporation or registration or change of name of the company, whether under this Act or any previous company law, in the opinion of the Central Government, is identical with or too nearly resembles to an existing trade mark, it may direct the company to change its name and the company shall	in sub-section (1), in clause (b), for the words "period of six months", the words "**period of three months**" shall be substituted.	Now the Company has to comply with the directions of CG on a much shorter period of 3 months.

		change its name or new name, as the case may be, within a **period of six months** from the issue of such direction, after adopting an ordinary resolution for the purpose.		
4	16(3)	**If a company makes default in complying with any direction given under sub-section (1), the company shall be punishable with fine of one thousand rupees for every day during which the default continues and every officer who is in default shall be punishable with fine which shall not be less than five thousand rupees but which may extend to one lakh rupees.**	**If a company is in default in complying with any direction given under sub-section (1), the Central Government shall allot a new name to the company in such manner as may be prescribed and the Registrar shall enter the new name in the register of companies in place of the old name and issue a fresh certificate of incorporation with the new name, which the company shall use thereafter: Provided that nothing in this sub-section shall prevent a company from subsequently changing its name in accordance with the provisions of section 13.**	The punishment which was earlier specified for not complying with the directions given by CG is now omitted and is replaced by a new provision which says, the CG can allot a new name to the Company on its own if it is not able to comply with the directions of the CG.
5	23	1) A public company may issue securities— (a) to public through prospectus (herein referred to as "public offer") by complying with the provisions of this Part; or (b) through private placement by complying with the provisions of Part II of	In section 23 of the principal Act, after sub-section (2) and before the Explanation, the following sub-sections shall be inserted, namely:— **(3) Such class of public companies may issue such class of securities for the**	Two new sub-sections i.e. (3) & (4) have been inserted. A class of companies are given the power to issue a class of securities in the permitted foreign stock exchanges.

		this Chapter; or (c) through a rights issue or a bonus issue in accordance with the provisions of this Act and in case of a listed company or a company which intends to get its securities listed also with the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made thereunder. (2) A private company may issue securities— (a) by way of rights issue or bonus issue in accordance with the provisions of this Act; or (b) through private placement by complying with the provisions of Part II of this Chapter. Explanation.—For the purposes of this Chapter, "public offer" includes initial public offer or further public offer of securities to the public by a company, or an offer for sale of securities to the public by an existing shareholder, through issue of a prospectus.	**purposes of listing on permitted stock exchanges in permissible foreign jurisdictions or such other jurisdictions, as may be prescribed.** **(4) The Central Government may, by notification, exempt any class or classes of public companies referred to in sub-section (3) from any of the provisions of this Chapter, Chapter IV, section 89, section 90 or section 127 and a copy of every such notification shall, as soon as may be after it is issued, be laid before both Houses of Parliament.**	
6	26(9)	If a prospectus is issued in contravention of the provisions of this section, the company shall be punishable with fine which shall not be less than fifty thousand rupees but which may extend to	In section 26 of the principal Act, in sub-section (9), — (a) the words "**with imprisonment for a term which may extend to three years or" shall be omitted**; (b) for the words	The punishment of imprisonment has been discarded.

		three lakh rupees and every person who is knowingly a party to the issue of such prospectus shall be punishable **with imprisonment for a term which may extend to three years or** with fine which shall not be less than fifty thousand rupees but which may extend to **three lakh rupees, or with both**.	"three lakh rupees, or with both", the words "**three lakh rupees**" shall be substituted.	
7	40(5)	If a default is made in complying with the provisions of this section, the company shall be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of the company who is in default shall be punishable **with imprisonment for a term which may extend to one year or** with fine which shall not be less than fifty thousand rupees but which may extend to **three lakh rupees, or with both.**	(a) the words "**with imprisonment for a term which may extend to one year or" shall be omitted**; (b) for the words "three lakh rupees, or with both", the words "**three lakh rupees**" shall be substituted.	The punishment of imprisonment has been discarded.
8	48(5)	**Where any default is made in complying with the provisions of this section, the company shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees and every officer of the company who is in**	In section 48 of the principal Act, sub-section (5) shall be **omitted**.	The punishment which was specified earlier has been omitted.

		default shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees, or with both.		
9	56(6)	**Where any default is made in complying with the provisions of sub-sections (1) to (5), the company shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees and every officer of the company who is in default shall be punishable with fine which shall not be less than ten thousand rupees but which may extend to one lakh rupees.**	In section 56 of the principal Act, for sub-section (6), the following sub-section shall be substituted, namely:— **"(6) Where any default is made in complying with the provisions of sub-sections (1) to (5), the company and every officer of the company who is in default shall be liable to a penalty of fifty thousand rupees."**	The fine which was specified for the Company has been taken down i.e. omitted and the fine which was specified for the officer in default is been crystallised to a fixed amount of Rs. 50,000.
10	59(5)	**If any default is made in complying with the order of the Tribunal under this section, the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than one**	In section 59 of the principal Act, sub-section (5) shall be **omitted**.	The punishment which was specified earlier has been omitted.

		lakh rupees but which may extend to three lakh rupees, or with both.		
11	62(1)(a)(i)	the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;	In section 62 of the principal Act, in sub-section (1), in clause (a), in sub-clause (i), after the words "less than fifteen days", the words "**or such lesser number of days as may be prescribed**" shall be inserted.	Now the minimum number of days can be lesser than 15 days.
12	64(2)	Where any company fails to comply with the provisions of sub-section (1), such company and every officer who is in default shall be liable to a penalty of **one thousand rupees** for each day during which such default continues, **or five lakh rupees whichever is less.**	In section 64 of the principal Act, in sub-section (2), — (a) for the words "one thousand rupees", the words "**five hundred rupees**" shall be substituted; (b) for the words "or five lakh rupees whichever is less", the words "**subject to a maximum of five lakh rupees in case of a company and one lakh rupees in case of an officer who is in default**" shall be substituted.	Earlier the penalty of Rs. 1000 was specified for each day during which the default continued which is now replaced with Rs. 500. Further in the earlier provisions the maximum penalty was Rs. 5 lakh but now the penalty for the Company and the officers in default is separately given.
13	66(11)	**If a company fails to comply with the provisions of sub-section (4), it shall be punishable with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees.**	In section 66 of the principal Act, sub-section (11) shall be **omitted**.	The punishment which was specified earlier has been omitted.
14	68(11)	If a company makes any default in complying with the provisions of this section or any	In section 68 of the principal Act, in sub-section (11), — (a) the words "**with imprisonment for a**	The punishment of imprisonment has been discarded.

		regulation made by the Securities and Exchange Board, for the purposes of clause (*f*) of sub-section (2), the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to three lakh rupees and every officer of the company who is in default shall be punishable **with imprisonment for a term which may extend to three years or** with fine which shall not be less than one lakh rupees but which may extend to **three lakh rupees, or with both**.	**term which may extend to three years or" shall be omitted**; (b) for the words "three lakh rupees, or with both", the words "**three lakh rupees**" shall be substituted.	
15	71(11)	**(11) If any default is made in complying with the order of the Tribunal under this section, every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.**	In section 71 of the principal Act, sub-section (11) shall be **omitted**	The punishment which was specified earlier has been omitted.
16	86(1)	**If any company contravenes any provision of this Chapter, the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to ten**	**If any company is in default in complying with any of the provisions of this Chapter, the company shall be liable to a penalty of five lakh rupees and every officer of the**	The punishment prescribed for the Company and officer in default in the earlier provisions has been discarded and a fix penalty for both the

		lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees, or with both.	**company who is in default shall be liable to a penalty of fifty thousand rupees."**	Company and officer in default is prescribed.
17	88(5)	**If a company does not maintain a register of members or debenture-holders or other security holders or fails to maintain them in accordance with the provisions of sub-section (1) or sub-section (2), the company and every officer of the company who is in default shall be punishable with fine which shall not be less than fifty thousand rupees but which may extend to three lakh rupees and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day, after the first during which the failure continues.**	**If a company does not maintain a register of members or debenture-holders or other security holders or fails to maintain them in accordance with the provisions of sub-section (1) or sub-section (2), the company shall be liable to a penalty of three lakh rupees and every officer of the company who is in default shall be liable to a penalty of fifty thousand rupees.".**	The punishment prescribed for the Company and officer in default in the earlier provisions has been discarded and a fix penalty for both the Company and officer in default is prescribed.
18	89(5)	If any person fails, to make a declaration as required under sub-section (1) or sub-section (2) or sub-section (3), **without any reasonable cause, he shall be punishable with fine which may extend to fifty**	If any person fails to make a declaration as required under sub-section (1) or sub-section (2) or sub-section (3), **he shall be liable to a penalty of fifty thousand rupees and in case of continuing failure,**	The condition of without any reasonable cause has been taken down, that means even if there is a reasonable cause behind the failure, this provision will be

		thousand rupees and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.	**with a further penalty of two hundred rupees for each day after the first during which such failure continues, subject to a maximum of five lakh rupees**."	applicable. Further the fine/ penalty of Rs. 50,000 has been crystallised. Further the continuing penalty has been drifted down to Rs. 200 each day from Rs. 1000 each day subject to a maximum of Rs. 5 lakh.
19	89(7)	If a company, required to file a return under sub-section (6), fails to do so before the expiry of the time specified therein, the company and every officer of the company who is in default shall be **punishable with fine which shall not be less than five hundred rupees but which may extend to one thousand rupees and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.**	If a company, required to file a return under sub-section (6), fails to do so before the expiry of the time specified therein, the company and every officer of the company who is in default shall be **liable to a penalty of one thousand rupees for each day during which such failure continues, subject to a maximum of five lakh rupees in the case of a company and two lakh rupees in case of an officer who is in default**."	The fine which was prescribed earlier in the provision has been discarded. A new penalty of Rs. 1000 each day subject to a maximum of Rs. 5 lakhs for the Company and Rs. 2 lakhs for the officer in default.
20	89(11) {new section inserted}	-	**The Central Government may by notification, exempt any class or classes of persons from complying with any of the requirements of this section, except sub-section (10), if it is considered necessary to grant such exemption in the public interest**	A new sub-section is inserted after sub- section (10), empowering CG to exempt any class or classes of persons from complying with the requirements of section 89.

			and any such exemption may be granted either unconditionally or subject to such conditions as may be specified in the notification.	
21	90(10)	If any person fails to make a declaration as required under sub-section (*1*), he shall be **punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than one lakh rupees but which may extend to ten lakh rupees or with both and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.**	If any person fails to make a declaration as required under sub-section (1), he shall be **liable to a penalty of fifty thousand rupees and in case of continuing failure, with a further penalty of one thousand rupees for each day after the first during which such failure continues, subject to a maximum of two lakh rupees.**"	The punishment of imprisonment has been discarded. The fine which was earlier provided in this sub section has been substituted by a fixed penalty of Rs. 50,000 and in case of subsequent default the day wise penalty of Rs. 1000 has been capped at the maximum of Rs. 2 lakh.
22	90(11)	If a company, required to maintain register under sub-section (*2*) and file the information under sub-section (*4*)or required to take necessary steps under sub-section (4A), fails to do so or denies inspection as provided therein, **the company and every officer of the company who is in default shall be punishable with fine which shall not be less than ten lakh rupees but which may extend to fifty lakh rupees and where the failure**	If a company, required to maintain register under sub-section (2) and file the information under sub-section (4) or required to take necessary steps under sub-section (4A), fails to do so or denies inspection as provided therein, **the company shall be liable to a penalty of one lakh rupees and in case of continuing failure, with a further penalty of five hundred rupees for each day, after the**	The punishments as provided for the Company and officer in default has been divided into two separate provisions. The penalty of first default has been crystallised and a maximum cap has been imposed in the case of second or subsequent default.

		is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.	**first during which such failure continues, subject to a maximum of five lakh rupees and every officer of the company who is in default shall be liable to a penalty of twenty-five thousand rupees and in case of continuing failure, with a further penalty of two hundred rupees for each day, after the first during which such failure continues, subject to a maximum of one lakh rupees."**	
23	92(5)	If any company fails to file its annual return under sub-section **(4),** before the expiry of the period specified therein, such company and its every officer who is in default shall be liable to a penalty of **fifty thousand rupees** and in case of continuing failure, with further penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of **five lakh rupees**.	(i) for the words "fifty thousand rupees", the words "**ten thousand rupees**" shall be substituted; (ii) for the words "five lakh rupees", the words "**two lakh rupees in case of a company and fifty thousand rupees in case of an officer who is in default**" shall be substituted;	Lesser penalty is prescribed in the bill. Further in the case of continuing default the maximum cap on penalty has been prescribed separately for the Company and officer in default.
24	92(6)	If a company secretary in practice certifies the annual return otherwise than in conformity with the requirements of this section or the rules made thereunder, he shall be **punishable with fine which shall not be less than fifty**	In sub-section (6), for the words "punishable with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees", the words "**liable to a penalty of two lakh rupees**" shall be	A fixed penalty is prescribed in the bill unlike the minimum and maximum as prescribed in the act.

		thousand rupees but which may extend to five lakh rupees.	substituted.	
25	105(5)	If for the purpose of any meeting of a company, invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the company's expense to any member entitled to have a notice of the meeting sent to him and to vote thereat by proxy, every officer of the company **who knowingly issues the invitations as aforesaid or wilfully authorises or permits their issue shall be punishable with fine which may extend to one lakh rupees**: Provided that an officer shall not be **punishable** under this sub-section by reason only of the issue to a member at his request in writing of a form of appointment naming the proxy, or of a list of persons willing to act as proxies, if the form or list is available on request in writing to every member entitled to vote at the meeting by proxy.	(a) for the words "who knowingly issues the invitations as aforesaid or wilfully authorises or permits their issue shall be punishable with fine which may extend to one lakh rupees", the words "**who issues the invitation as aforesaid or authorises or permits their issue, shall be liable to a penalty of fifty thousand rupees**" shall be substituted; (b) in the proviso, for the word "punishable", the word "**liable**" shall be substituted.	A lesser penalty of Rs. 50,000 is prescribed in the bill.
26	117(2)	If any company fails to file the resolution or the agreement under sub-section (1) before the expiry of the period specified therein, such company shall be liable to a penalty of **one lakh**	If any company fails to file the resolution or the agreement under sub-section (1) before the expiry of the period specified therein, such company shall be liable to a	The amount of penalty has been decreased.

		rupees and in case of continuing failure, with further penalty of **five hundred rupees** for each day after the first during which such failure continues, subject to a maximum of **twenty-five lakh rupees** and every officer of the company who is in default including liquidator of the company, if any, shall be liable to a penalty of **fifty thousand rupees** and in case of continuing failure, with further penalty of **five hundred rupees** for each day after the first during which such failure continues, subject to a maximum of **five lakh rupees**.	penalty of **ten thousand rupees** and in case of continuing failure, with a further penalty of **one hundred rupees** for each day after the first during which such failure continues, subject to a maximum of **two lakh rupees** and every officer of the company who is in default including liquidator of the company, if any, shall be liable to a penalty of **ten thousand rupees** and in case of continuing failure, with a further penalty of **one hundred rupees** for each day after the first during which such failure continues, subject to a maximum of fifty thousand rupees."	
27	117(3)(g) second proviso	**Provided** further that nothing contained in this clause shall apply **to a banking company** in respect of a resolution passed to grant loans, or give guarantee or provide security in respect of loans under clause (*f*) of sub-section (*3*) of section 179 in the ordinary course of its business; and.	"Provided further that nothing contained in this clause shall apply in respect of a resolution passed to grant loans, or give guarantee or provide security in respect of loans under clause (f) of sub-section (3) of section 179 in the ordinary course of its business **by,— (a) a banking company; (b) any class of non-banking financial company registered under Chapter IIIB of the Reserve Bank of India Act, 1934, as may be prescribed in consultation with the**	Two new categories have been added.

			Reserve Bank of India; (c) any class of housing finance company registered under the National Housing Bank Act, 1987, as may be prescribed in consultation with the National Housing Bank; and."	
28	124(7)	If a company fails to comply with any of the requirements of this section, the company shall be **punishable with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees and every officer of the company who is in default shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.**	If a company fails to comply with any of the requirements of this section, such company shall be **liable to a penalty of one lakh rupees and in case of continuing failure, with a further penalty of five hundred rupees for each day after the first during which such failure continues, subject to a maximum of ten lakh rupees and every officer of the company who is in default shall be liable to a penalty of twenty-five thousand rupees and in case of continuing failure, with a further penalty of one hundred rupees for each day after the first during which such failure continues, subject to a maximum of two lakh rupees.**"	Lesser penalty is prescribed in the bill. Further the case of continuing default with the maximum cap on penalty has been added. Penalty is separately prescribed for the Company and officer in default.
29	128(6)	If the managing director, the whole-time director in charge of finance, the Chief Financial Officer or any other person of a	In section 128 of the principal Act, in sub-section (6),— (a) the words "**with imprisonment for a term which may**	The punishment of imprisonment has been discarded.

		company charged by the Board with the duty of complying with the provisions of this section, contravenes such provisions, such managing director, whole-time director in charge of finance, Chief Financial officer or such other person of the company shall be punishable **with imprisonment for a term which may extend to one year or** with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees **or with both**.	**extend to one year or" shall be omitted**; (b) the words "**or with both" shall be omitted**.	
30	129A {insertion of new section}	-	After section 129 of the principal Act, the following section shall be inserted, namely: — "129A. The Central Government may, require such class or classes of unlisted companies, as may be prescribed,— **(a) to prepare the financial results of the company on such periodical basis and in such form as may be prescribed; (b) to obtain approval of the Board of Directors and complete audit or limited review of such periodical financial results in such manner as may be prescribed; and (c) file a copy with the Registrar within a period of thirty**	

			days of completion of the relevant period with such fees as may be prescribed."	
31	134(8)	**If a company contravenes the provisions of this section, the company shall be punishable with fine which shall not be less than fifty thousand rupees but which may extend to twenty-five lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees, or with both.**	**If a company is in default in complying with the provisions of this section, the company shall be liable to a penalty of three lakh rupees and every officer of the company who is in default shall be liable to a penalty of fifty thousand rupees."**	A fixed penalty for the Company and officer in default is prescribed in the bill.
32	135(5)	The Board of every company referred to in sub-section (1), shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy: Provided that the	in sub-section (5), after the second proviso, the following proviso shall be inserted, namely: — **"Provided also that if the company spends an amount in excess of the requirements provided under this sub-section, such company may set off such excess amount against the requirement to spend under this sub-section for such number of succeeding financial years and in such manner, as may be prescribed."**;	Now the companies are eligible to set off the excess sum spent in CSR activities in the following financial years.

		company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities: Provided further that if the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.		
33	135(7)	**If a company contravenes the provisions of sub-section (5) or sub-section (6), the company shall be punishable with fine which shall not be less than fifty thousand rupees but which may extend to twenty-five lakh rupees and every officer of such company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which**	**If a company is in default in complying with the provisions of sub-section (5) or sub-section (6), the company shall be liable to a penalty of twice the amount required to be transferred by the company to the Fund specified in Schedule VII or the Unspent Corporate Social Responsibility Account, as the case may be, or one crore rupees, whichever is less, and every officer of the**	

		shall not be less than fifty thousand rupees but which may extend to five lakh rupees, or with both.	**company who is in default shall be liable to a penalty of one-tenth of the amount required to be transferred by the company to such Fund specified in Schedule VII, or the Unspent Corporate Social Responsibility Account, as the case may be, or two lakh rupees, whichever is less."**	
34	135(9) { new sub section inserted}	-	after sub-section (8), the following sub-section shall be inserted, namely: — **"(9) Where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company."**	If the 2% of the average net profit of the Company doesn't exceed Rs. 50 lakhs then the requirement of constituting CSR committee shall not be applicable and the functions of the CSR committee shall be performed by the Board.
35	137(3)	If a company fails to file the copy of the financial statements under sub-section (1) or sub-section (2), as the case may be, before the expiry of the period specified therein, the company shall be liable to a penalty of **one thousand rupees for**	(a) for the words "one thousand rupees for every day during which the failure continues but which shall not be more than ten lakh rupees", the words "**ten thousand rupees and in case of continuing failure, with a further**	Lesser penalty is prescribed in the Bill.

		every day during which the failure continues but which shall not be more than ten lakh rupees, and the managing director and the Chief Financial Officer of the company, if any, and, in the absence of the managing director and the Chief Financial Officer, 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, shall be shall be liable to a penalty of **one lakh rupees** and in case of continuing failure, with further penalty of one hundred rupees for each day after the first during which such failure continues, subject to a maximum of **five lakh rupees**.	**penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of two lakh rupees**," shall be substituted; (b) for the words "one lakh rupees", the words "**ten thousand rupees**" shall be substituted; (c) for the words "five lakh rupees", the words "**fifty thousand rupees**" shall be substituted.	
36	140(3)	If the auditor does not comply with the provisions of sub-section (2), he or it shall be liable to a penalty of fifty thousand rupees or an amount equal to the remuneration of the auditor, whichever is less, and in case of continuing failure, with further penalty of five hundred rupees for each day after the first during which such	for the words "five lakh rupees", the words "**two lakh rupees**" shall be substituted.	The maximum cap of penalty is lowered down to Rs. 2 lakh.

		failure continues, subject to a maximum of **five lakh rupees**.		
37	143(15)	If any auditor, cost accountant or company secretary in practice do not comply with the provisions of sub-section (12), he shall **be punishable with fine which shall not be less than one lakh rupees but which may extend to twenty-five lakh rupees.**	If any auditor, cost accountant, or company secretary in practice does not comply with the provisions of sub-section (12), he shall,— **(a) in case of a listed company, be liable to a penalty of five lakh rupees; and (b) in case of any other company, be liable to a penalty of one lakh rupees."**	Fixed and lower penalty prescribed.
38	147(1)	If any of the provisions of sections 139 to 146 (both inclusive) is contravened, the company shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees and every officer of the company who is in default shall be punishable **with imprisonment for a term which may extend to one year or** with fine which shall not be less than ten thousand rupees but which may extend to **one lakh rupees, or with both.**	(i) the words **"with imprisonment for a term which may extend to one year or" shall be omitted**; (ii) for the words "one lakh rupees, or with both", the words "**one lakh rupees**" shall be substituted;	The punishment of imprisonment has been discarded.
39	147(2)	If an auditor of a company contravenes any of the provisions of section 139**, section 143**, section 144 or section 145, the auditor shall be	in sub-section (2), the words **", section 143" shall be omitted.**	Now the contravention of the provisions of section 143 is not punishable under section 147 of the Act.

		punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees or four times the remuneration of the auditor, whichever is less.		
40	149(9)	Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198 , an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.	In section 149 of the principal Act, in sub-section (9), the following proviso shall be inserted, namely:— **"Provided that if a company has no profits or its profits are inadequate, an independent director may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197, in accordance with the provisions of Schedule V."**	Applicability of Schedule V on Independent Directors if there is no or inadequate profit.
41	165(6)	If a person accepts an appointment as a director in **contravention of sub-section (1), he shall be liable to a penalty of five thousand rupees for each day after the first during which such contravention continues.**	If a person accepts an appointment as a director **in violation of this section, he shall be liable to a penalty of two thousand rupees for each day after the first during which such violation continues, subject to a maximum of two lakh rupees**.	Lesser penalty prescribed in the Bill with a maximum cap on it.
42	167(2)	If a person, functions as a director even when he knows that the office of director held by him has become vacant on account of any of the disqualifications	(a) the words **"with imprisonment for a term which may extend to one year or" shall be omitted**; (b) for the words "five lakh rupees, or with	The punishment of imprisonment has been discarded.

		specified in subsection (1), he shall be punishable **with imprisonment for a term which may extend to one year** or with fine which shall not be less than one lakh rupees but which may extend to **five lakh rupees, or with both**.	both", the words "**five lakh rupees**" shall be substituted.	
43	172	**If a company contravenes any of the provisions of this Chapter and for which no specific punishment is provided therein, the company and every officer of the company who is in default shall be punishable with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees.**	**If a company is in default in complying with any of the provisions of this Chapter and for which no specific penalty or punishment is provided therein, the company and every officer of the company who is in default shall be liable to a penalty of fifty thousand rupees, and in case of continuing failure, with a further penalty of five hundred rupees for each day during which such failure continues, subject to a maximum of three lakh rupees in case of a company and one lakh rupees in case of an officer who is in default.**	A fixed penalty of Rs. 50,000 is prescribed in the Bill. Further a penalty for subsequent default is also prescribed in the Bill with a maximum cap on penalty which was not specified in the Act.
44	178(8)	In case of any contravention of the provisions of section 177 and this section, the company shall be **punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees**	for the words "punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees and every officer of the company who is in default shall be punishable with	Fixed penalty of Rs. 5 lakh for the Company. It is a stricter provision as if we see what the Act specifies at present then it is clear that the fine which was to be charged was

		and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees, or with both:	imprisonment for a term which may extend to one year or with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees, or with both", the words "**liable to a penalty of five lakh rupees and every officer of the company who is in default shall be liable to a penalty of one lakh rupees**" shall be substituted.	between Rs. 2 lakh to 5 lakh but as per the bill the penalty is fixed at Rs. 5 lakh. Further the imprisonment for the officer in default is discarded and a fixed penalty of Rs. 1 lakh is specified which was earlier between Rs. 25 thousand to Rs. 1 lakh.
45	184(4)	If a director of the company contravenes the provisions of sub-section (1) or subsection (2), such director shall be **punishable with imprisonment for a term which may extend to one year or with fine which may extend to one lakh rupees, or with both.**	for the words "punishable with imprisonment for a term which may extend to one year or with fine which may extend to one lakh rupees, or with both", the words "**liable to a penalty of one lakh rupees**" shall be substituted.	The punishment of imprisonment has been discarded and a fixed penalty of Rs. 1 lakh is prescribed.
46	187(4)	**If a company contravenes the provisions of this section, the company shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to twenty-five lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than**	**If a company is in default in complying with the provisions of this section, the company shall be liable to a penalty of five lakh rupees and every officer of the company who is in default shall be liable to a penalty of fifty thousand rupees.**	The punishment of imprisonment has been discarded and a fixed penalty for the Company and officer in default is prescribed.

		twenty-five thousand rupees but which may extend to one lakh rupees, or with both.		
47	188(5)	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 this section shall,— (i) in case of listed company, be **punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees, or with both**; and (ii) In case of any other company, be **punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees**.	(a) in clause (i), for the words "punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees, or with both", the words "**liable to a penalty of twenty-five lakh rupees**" shall be substituted; (b) in clause (ii), for the words "punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees", the words "**liable to a penalty of five lakh rupees**" shall be substituted.	a. Listed Company: The punishment of imprisonment has been discarded and a fixed penalty of Rs. 25 lakh is prescribed. It is a stricter provision as if we see what the Act specifies at present then it is clear that the fine which was to be charged was between Rs. 25 thousand to Rs. 5 lakh but as per the bill the penalty is fixed at Rs. 25 lakh. b. Any other Company: Fixed penalty of Rs. 5 lakh.
48	197(3)	Notwithstanding anything contained in sub-sections (1) and (2), but subject to the provisions of Schedule V, if, in any financial year, a company has no profits or its profits are inadequate, the company shall not pay to its directors, including any managing or whole time director or manager, by way of remuneration any sum	In section 197 of the principal Act, in sub-section (3), after the words "whole-time director or manager," the words "**or any other non-executive director, including an independent director**" shall be inserted.	Now the provisions of section 197(3) shall also apply to the other non-executive directors including non-independent directors.

		exclusive of any fees payable to directors under sub-section (5) hereunder except in accordance with the provisions of Schedule V.		
49	204(4)	If a company or any officer of the company or the company secretary in practice contravenes the provisions of this section, the company, every officer of the company or the company secretary in practice, who is in default, shall be **punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.**	In section 204 of the principal Act, in sub-section (4), for the words "punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees", the words "**liable to a penalty of two lakh rupees**" shall be substituted.	A fixed penalty of Rs. 2 lakhs is now prescribed in the Bill.
50	232(8)	**If a transferor company or a transferee company contravenes the provisions of this section, the transferor company or the transferee company, as the case may be, shall be punishable with fine which shall not be less than one lakh rupees but which may extend to twenty-five lakh rupees and every officer of such transferor or transferee company who is in default, shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than one lakh rupees but which**	**If a company fails to comply with sub-section (5), the company and every officer of the company who is in default shall be liable to a penalty of twenty thousand rupees, and where the failure is a continuing one, with a further penalty of one thousand rupees for each day after the first during which such failure continues, subject to a maximum of three lakh rupees.**	Earlier the punishment for both the Company and officer in default was separately provided but in the bill it is same for both. Further punishment of imprisonment was also prescribed for the officer in default which has been parted away by the Bill. Further the punishment which was provided in the act was a very stringent one but with the introduction of

		may extend to three lakh rupees, or with both.		the Bill it is very lenient and convenient. Now the punishment is a penalty of flat Rs.20,000 for the first offence. In the case of continuing offence the penalty is Rs. 1000 every day subject to a maximum of Rs. 3 lakh.
51	242(8)	If a company contravenes the provisions of sub-section (5), the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to twenty-five lakh rupees and every officer of the company who is in default shall be punishable **with imprisonment for a term which may extend to six months or** with fine which shall not be less than twenty-five thousand rupees but which may extend to **one lakh rupees, or with both**.	(a) the words **"with imprisonment for a term which may extend to six months or" shall be omitted**; (b) for the words "one lakh rupees, or with both", the words "**one lakh rupees**" shall be substituted.	The punishment of imprisonment has been discarded.
52	243(2)	Any person who knowingly acts as a managing director or other director or manager of a company in contravention of clause (b) of sub-section (1) or sub-section (1A), and every other director of the company who is	(a) the words **"with imprisonment for a term which may extend to six months or" shall be omitted**; (b) for the words "five lakh rupees, or with both", the words "**five lakh rupees**" shall be substituted.	The punishment of imprisonment has been discarded.

		knowingly a party to such contravention, shall be punishable **with imprisonment for a term which may extend to six months or** with fine which may extend to **five lakh rupees, or with both**.		
53	247(3)	If a valuer contravenes the provisions of this section or the rules made thereunder, the valuer shall be **punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees**:	for the words "punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees", the words "**liable to a penalty of fifty thousand rupees**" shall be substituted.	A penalty of Rs. 50,000 is fixed by the Bill.
54	284(2)	**Where any person, without reasonable cause, fails to discharge his obligations under sub-section (1), he shall be punishable with imprisonment which may extend to six months or with fine which may extend to fifty thousand rupees, or with both.**	In section 284 of the principal Act, for sub-section (2), the following sub-sections shall be substituted, namely:— "**(2) If any person required to assist or cooperate with the Company Liquidator under sub-section (1) does not assist or cooperate, the Company Liquidator may make an application to the Tribunal for necessary directions. (3) On receiving an application under sub-section (2), the Tribunal shall, by an order, direct the person required to assist or cooperate with the Company Liquidator to comply with the instructions of the Company Liquidator and to**	Now the punishment which was earlier prescribed under the Act is discarded and sub section (2) of section 284 is substituted followed by the introduction of sub section (3) which talks about making an application the Tribunal and the direction given by it.

			cooperate with him in discharging his functions and duties."	
55	302(3)	**A copy of the order shall, within thirty days from the date thereof, be forwarded by the Company Liquidator to the Registrar who shall record in the register relating to the company a minute of the dissolution of the company.**	**The Tribunal shall, within a period of thirty days from the date of the order, — (a) forward a copy of the order to the Registrar who shall record in the register relating to the company a minute of the dissolution of the company; and (b) direct the Company Liquidator to forward a copy of the order to the Registrar who shall record in the register relating to the company a minute of the dissolution of the company.**	As per the Bill, within a period of thirty days from the date of order, now a copy of the order shall be forwarded by the Tribunal to the Registrar directly as well as by the Company Liquidator on receiving directions from the Tribunal.
56	302(4)	**If the Company Liquidator makes a default in forwarding a copy of the order within the period specified in sub-section (3), the Company Liquidator shall be punishable with fine which may extend to five thousand rupees for every day during which the default continues.**	**sub-section (4) shall be omitted.**	The punishment which was specified earlier has been omitted.
57	342(6)	**If a person fails or neglects to give assistance required by sub-section (5), he shall be liable to pay fine which shall not be less than twenty-five thousand rupees but which may extend to**	**In section 342 of the principal Act, sub-section (6) shall be omitted.**	The punishment which was specified earlier has been omitted.

		one lakh rupees.		
58	347(4)	If any person acts in contravention of any rule framed or an order made under sub-section (3), he shall be punishable **with imprisonment for a term which may extend to six months or** with fine which may extend to **fifty thousand rupees, or** with both.	(a) the words **"with imprisonment for a term which may extend to six months or" shall be omitted**; (b) for the words "fifty thousand rupees, or with both", the words "**fifty thousand rupees**" shall be substituted.	The punishment of imprisonment has been discarded.
59	348(6)	**If a Company Liquidator contravenes the provisions of this section, the Company Liquidator shall be punishable with fine which may extend to five thousand rupees for every day during which the failure continues.**	**Where a Company Liquidator, who is an insolvency professional registered under the Insolvency and Bankruptcy Code, 2016 is in default in complying with the provisions of this section, then such default shall be deemed to be a contravention of the provisions of the said Code, and the rules and regulations made thereunder for the purposes of proceedings under Chapter VI of Part IV of that Code.**	Now a Company Liquidator is not punishable under the Companies Act and shall be liable under the IBC, 2016 for not complying with the provisions of section 348.
60	348(7)	**If a Company Liquidator makes wilful default in causing the statement referred to in sub-section (1) audited by a person who is not qualified to act as an auditor of the company, the Company Liquidator shall be punishable with imprisonment for a term which may**	**sub-section (7) shall be omitted.**	Now a Company Liquidator is not liable for wilful default under section 348 of the Companies Act.

		extend to six months or with fine which may extend to one lakh rupees, or with both.		
61	356(2)	**It shall be the duty of the Company Liquidator or the person on whose application the order was made, within thirty days after the making of the order or such further time as the Tribunal may allow, to file a certified copy of the order with the Registrar who shall register the same, and if the Company Liquidator or the person fails so to do, the Company Liquidator or the person shall be punishable with fine which may extend to ten thousand rupees for every day during which the default continues.**	**The Tribunal shall— (a) forward a copy of the order, within thirty days from the date thereof, to the Registrar who shall record the same; and (b) direct the Company Liquidator or the person on whose application the order was made, to file a certified copy of the order, within thirty days from the date thereof or such further period as allowed by the Tribunal, with the Registrar who shall record the same.**	As per the Bill, within a period of thirty days from the date of order, now a copy of the order shall be forwarded by the Tribunal to the Registrar directly. The Tribunal shall direct the Company Liquidator or the person on whose application the order was made, to file a certified copy of the order, within thirty days from the date thereof or such further period as allowed by the Tribunal, with the Registrar.
62	Insertion of new Chapter XXIA. { Producer Companies}	-	**Section: 378A to 378ZU can be referred here: http://www.mca.gov.in/Ministry/pdf/Amendment_18032020.pdf**	A whole new chapter for Producer Companies has been inserted.
63	379(1) proviso	**Provided that the Central Government may, by Order published in the Official Gazette, exempt any class of foreign companies, specified in the Order, from any of the provisions of sections 380 to 386 and sections 392 and**	**In section 379 of the principal Act, in sub-section (1), the proviso shall be omitted.**	

		393 and a copy of every such Order shall, as soon as may be after it is made, be laid before both Houses of Parliament.		
64	392	Without prejudice to the provisions of section 391, if a foreign company contravenes the provisions of this Chapter, the foreign company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to three lakh rupees and in the case of a continuing offence, with an additional fine which may extend to fifty thousand rupees for every day after the first during which the contravention continues and every officer of the foreign company who is in default shall be punishable **with imprisonment for a term which may extend to six months or** with fine which shall not be less than twenty five thousand rupees but which may extend to **five lakh rupees, or with both**.	(a) the words **"with imprisonment for a term which may extend to six months or" shall be omitted**; (b) for the words "five lakh rupees, or with both", the words "**five lakh rupees**" shall be substituted.	The punishment of imprisonment has been discarded.
65	393A { insertion of a new section }	-	After section 393 of the principal Act, the following section shall be inserted, namely: — **"393A. The Central Government may, by notification, exempt any class of— (a) foreign companies; (b)**	Now the CG may by notification exempt any class of foreign companies or companies incorporated or to be incorporated outside India

			companies incorporated or to be incorporated outside India, whether the company has or has not established, or when formed may or may not establish, a place of business in India, as may be specified in the notification, from any of the provisions of this Chapter and a copy of every such notification shall, as soon as may be after it is made, be laid before both Houses of Parliament.	from any of the provisions of this Chapter.
66	403(1) third proviso	**Provided also that where there is default on two or more occasions in submitting, filing, registering or recording of the document, fact or information, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded, as the case may be, on payment of a higher additional fee, as may be prescribed and which shall not be lesser than twice the additional fee provided under the first or the second proviso as applicable.**	**Provided also that where there is default on two or more occasions in submitting, filing, registering or recording of such document, fact or information, as may be prescribed, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded, as the case may be, on payment of such higher additional fee, as may be prescribed.**	Now the minimum limit of additional fees is omitted.
67	405(4)	If any company fails to comply with an order made under sub-section (1) or subsection (3), or **knowingly** furnishes	If any company fails to comply with an order made under sub-section (1) or sub-section (3), or	Now the punishment for both the Company and officer in default

		any information or statistics which is incorrect or incomplete in any material respect, the company **shall be punishable with fine which may extend to twenty-five thousand rupees and every officer of the company who is in default, shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than twenty-five thousand rupees but which may extend to three lakh rupees, or with both.**	furnishes any information or statistics which is incorrect or incomplete in any material respect, the company **and every officer of the company who is in default shall be liable to a penalty of twenty thousand rupees and in case of continuing failure, with a further penalty of one thousand rupees for each day after the first during which such failure continues, subject to a maximum of three lakh rupees.**	is merged into one. Further a penalty of Rs. 25,000 is fixed for both the Company and the officer in default which also means that the punishment of imprisonment has been omitted. Further a penalty of Rs. 1000 is prescribed for each day after the first offence subject to a maximum of Rs. 3 lakh.
68	410	The Central Government shall, by notification, constitute, with effect from such date as may be specified therein, an Appellate Tribunal to be known as the National Company Law Appellate Tribunal consisting of a chairperson and such number of Judicial and Technical Members, **not exceeding eleven**, as the Central Government may deem fit, to be appointed by it by notification, for hearing appeals against,— (a) the order of the Tribunal or of the National Financial Reporting Authority under this Act; and	(i) in the opening portion, the words **"not exceeding eleven" shall be omitted**; (ii) in clause (b), for the word, figures and letter "section 53N", the word, figures and letter "**section 53A**" shall be substituted.	The limit on maximum number of members in the NCLAT is taken down.

		(b) any direction, decision or order referred to in **section 53N** of the Competition Act, 2002 in accordance with the provisions of that Act.		
69	418A { new section inserted }	-	**(1) The powers of the Appellate Tribunal may be exercised by the Benches thereof to be constituted by the Chairperson: Provided that a Bench of the Appellate Tribunal shall have at least one Judicial Member and one Technical Member. (2) The Benches of the Appellate Tribunal shall ordinarily sit at New Delhi or such other places as the Central Government may, in consultation with the Chairperson, notify: Provided that the Central Government may, by notification, after consultation with the Chairperson, establish such number of Benches of the Appellate Tribunal, as it may consider necessary, to hear appeals against any direction, decision or order referred to in section 53A of the Competition Act, 2002 and under section 61 of the Insolvency and Bankruptcy Code,**	

			2016.	
70	435(1)	The Central Government may, for the purpose of providing speedy trial of **offences under this Act, by notification**, establish or designate as many Special Courts as may be necessary.	In section 435 of the principal Act, in sub-section (1), for the words "offences under this Act, by notification", the words and figures "**offences under this Act, except under section 452, by notification**" shall be substituted.	Section 452 is now excluded from the purview of section 435(1).
71	441(5)	Any officer or other employee of the company who fails to comply with any order made by the Tribunal or the Regional Director or any officer authorised by the Central Government under sub-section (4) **shall be punishable with imprisonment for a term which may extend to six months, or with fine not exceeding one lakh rupees, or with both.**	If any officer or other employee of the company who fails to comply with any order made by the Tribunal or the Regional Director or any officer authorised by the Central Government under sub-section (4), **the maximum amount of fine for the offence proposed to be compounded under this section shall be twice the amount provided in the corresponding section in which punishment for such offence is provided.**	
72	446B	**Notwithstanding anything contained in this Act, if a One Person Company or a small company fails to comply with the provisions of sub-section (5) of section 92, sub-section (2) of section 117 or sub-section (3) of section 137, such company and officer in default of such company shall be liable to a penalty which shall not be**	**Notwithstanding anything contained in this Act, if penalty is payable for non-compliance of any of the provisions of this Act by a One Person Company, small company, start-up company or Producer Company, or by any of its officer in default, or any other person in respect of such company, then such**	The following changes can be noticed in the updated section 446B: a. Now this section is applicable to One Person Company, small company, start-up company and Producer Company or by any of its officer in default, or any other person in

		more than one half of the penalty specified in such sections.	**company, its officer in default or any other person, as the case may be, shall be liable to a penalty which shall not be more than one-half of the penalty specified in such provisions subject to a maximum of two lakh rupees in case of a company and one lakh rupees in case of an officer who is in default or any other person, as the case may be. Explanation.—For the purposes of this section, — (a) "Producer Company" means a company as defined in clause (l) of section 378A; (b) "start-up company" means a private company incorporated under this Act or under the Companies Act, 1956 and recognised as start-up in accordance with the notification issued by the Central Government in the Department for Promotion of Industry and Internal Trade.**	respect of such company. b. Earlier this section was applicable only if the provisions of section 92(5), 117(2) and 137(3) were not followed but now this section is applicable if penalty is payable for non-compliance of any of the provisions of this Act. c. Maximum cap on penalty is also specified in the Bill. d. Producer company and start-up company is also defined.
73	450	If a company or any officer of a company or any other person contravenes any of the provisions of this Act or the rules made thereunder, or any condition, limitation or	In section 450 of the principal Act, for the words "punishable with fine which may extend to ten thousand rupees, and where the contravention is continuing one, with a	Now the penalty for the company and every officer of the company who is in default or such other person is liable to a fixed penalty of

		restriction subject to which any approval, sanction, consent, confirmation, recognition, direction or exemption in relation to any matter has been accorded, given or granted, and for which no penalty or punishment is provided elsewhere in this Act, the company and every officer of the company who is in default or such other person shall be **punishable with fine which may extend to ten thousand rupees, and where the contravention is continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the contravention continues**.	further fine which may extend to one thousand rupees for every day after the first during which the contravention continues", the words "**liable to a penalty of ten thousand rupees, and in case of continuing contravention, with a further penalty of one thousand rupees for each day after the first during which the contravention continues, subject to a maximum of two lakh rupees in case of a company and fifty thousand rupees in case of an officer who is in default or any other person**" shall be substituted.	Rs. 10,000 and in case of continuing contravention Rs. 1000 for each day after the first offence subject to a maximum of two lakh rupees in case of a company and fifty thousand rupees in case of an officer who is in default or any other person.
74	452(2)	The Court trying an offence under sub-section (1) may also order such officer or employee to deliver up or refund, within a time to be fixed by it, any such property or cash wrongfully obtained or wrongfully withheld or knowingly misapplied, the benefits that have been derived from such property or cash or in default, to undergo imprisonment for a term which may extend to two years.	In section 452 of the principal Act, in sub-section (2), the following proviso shall be inserted, namely:— **"Provided that the imprisonment of such officer or employee, as the case may be, shall not be ordered for wrongful possession or withholding of a dwelling unit, if the court is satisfied that the company has not paid to that officer or employee, as the case may be, any amount relating to—**	Now the officer or employee **shall not be ordered for wrongful possession or withholding of a dwelling unit, if the court is satisfied that the company has not paid to that officer or employee, any amount relating to-** **(a) PF, Pension fund, Gratuity fund or any other fund for the welfare of its**

			(a) provident fund, pension fund, gratuity fund or any other fund for the welfare of its officers or employees, maintained by the company; (b) compensation or liability for compensation under the Workmen's Compensation Act, 1923 in respect of death or disablement."	**officers or employees, maintained by the company.** **(b) Compensation or liability for compensation under the Workmen's Compensation Act, 1923 in respect of death or disablement.**
75	454(3)	The adjudicating officer may, by an order- (a) impose the penalty on the company, the officer who is in default, or any other person, as the case may be, stating therein any non-compliance or default under the relevant provisions of this Act; and (b) direct such company, or officer who is in default, or any other person, as the case may be, to rectify the default, wherever he considers fit.	In section 454 of the principal Act, in sub-section (3), the following proviso shall be inserted, namely:— **"Provided that in case the default relates to non-compliance of sub-section (4) of section 92 or sub-section (1) or sub-section (2) of section 137 and such default has been rectified either prior to, or within thirty days of, the issue of the notice by the adjudicating officer, no penalty shall be imposed in this regard and all proceedings under this section in respect of such default shall be deemed to be concluded."**	If the default relates to non-compliance of section 92(4) or section 137(1),(2) and such default has been rectified either before or within 30 days of the issue of notice by AO, no penalty shall be imposed and all proceedings under this section shall be deemed to be concluded.
76	465(1)	The Companies Act, 1956 and the Registration of Companies (Sikkim) Act, 1961 (hereafter in this section referred to as the repealed	In section 465 of the principal Act, in sub-section (1), — (a) **the first proviso shall be omitted**; (b) in the second proviso, for the words	

		enactments) shall stand repealed: **Provided that the provisions of Part IX A of the Companies Act,1956 shall be applicable mutatis mutandis to a Producer Company in a manner as if the Companies Act, 1956 has not been repealed until a special Act is enacted for Producer Companies:** **Provided further that** until a date is notified by the Central Government under subsection (1) of Section 434 for transfer of all matters, proceedings or cases to the Tribunal, the provisions of the Companies Act, 1956 in regard to the jurisdiction, powers, authority and functions of the Board of Company Law Administration and court shall continue to apply as if the Companies Act, 1956 has not been repealed: **Provided also that** provisions of the Companies Act, 1956 referred in the notification issued under section 67 of the Limited Liability Partnership Act, 2008 shall, until the relevant notification under such section applying relevant corresponding provisions of this Act to limited liability	"Provided further that", the words "**Provided that**" shall be substituted; (c) in the third proviso, for the words "Provided also that", the words "**Provided further that**" shall be substituted.	

		partnerships is issued, continue to apply as if the Companies Act, 1956 has not been repealed.		

Please provide your valuable feedback at:

Email id: Tanveersaluja27@gmail.com

Whatsapp: 9479379039