

Important Penalties for CS Executive/IPC

CONTRAVENTION	PENALTY PRESCRIBED
Misstatement in Prospectus	<u>Against Company:</u> Fine of Not Less than Amount Involved but not more than 3 times of Amount Involved <u>Against Officer/Directors:</u> Fine of Not Less than Amount Involved but not more than 3 times of Amount Involved Imprisonment of Not less than 6 months but not more than 10 years. If public interest is involved than not less than 3 years.
Contravention with Private Placement Regulations	Not Less than Amount involved or 2 Crores; Whichever is Higher
Contravention with the Regulations of Alteration of Share capital	Fine which may extend to Rs.1,000/- for each day during which such default continues, or Rs.5 Lacs, whichever is less.
Non Submission of copy of Prospectus with ROC	<u>Against Company:</u> Fine which shall not be less than Rs.50,000/- but which may extend to Rs.3 lacs <u>Against Officer/Director:</u> 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 3 years or with fine not less than Rs.50,000/- but which may extend to Rs.3 lacs, or with both.
Contravention with issue of Abridged Prospectus	Rs. 50,000 for each default
Illegal Association carrying on Business	Upto Rs. 1,00,000
Default in Registration of Charge	<u>Company:</u> Rs. 1 Lakh to Rs. 10 Lakhs <u>Officers:</u> Rs. 25,000 to Rs. 1 Lakh & Imprisonment not exceeding 6 months
Return of Allotment	<u>Company & Officers:</u> Rs. 1,000 each day or Maximum Rs. 1,00,000. No Criminal Liability
Default in holding AGM	<u>Company:</u> Fine upto Rs. 1,00,000 & in case of Continuing default Rs. 5,000 per day.
Contravention with rules of Minutes	<u>Company:</u> Fine upto Rs. 25,000 <u>Officer:</u> Fine upto Rs. 5,000.
Tampering with Minutes	<u>Officers:</u> Fine not less than Rs. 25,000 but maximum Rs. 1,00,000. Imprisonment of upto 2 Years.
Default in filing Report on AGM (only for Listed Company)	<u>Company:</u> Fine not less than Rs. 1 lakh and Maximum Rs. 5 Lakhs <u>Officers:</u> Fine not less than Rs. 25,000 but upto Rs. 1 Lakh No Criminal Liability
Default in Provisions of Deposits	<u>Company:</u> Fine of Not less than 1 Crore but maximum Rs. 10 Crores <u>Officer:</u> Fine of not less than Rs. 25 Lakhs but maximum Rs. 2 Crores Imprisonment of upto 7 years.