

**OFFENCES PUNISHABLE WITH  
FINE OR IMPRISONMENT OR BOTH  
(COMPOUNDABLE OFFENCES)**

**R-1**

Relevant Section		Nature of Offence	Liable Person	Fine/Imprisonment/Both	
8(11)	Formation of companies with charitable objects, etc.	Company makes any default in complying with any of the requirements laid down in section 8 of the Companies Act, 2013.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Director</li> <li>• Officer in default</li> </ul>	Company	Fine from `10 lakhs to `1 Crore
				Directors and Officer in default	Fine from `25,000 to `25 lakhs If it is proved that affairs of the company were fraudulently conduct, also liable for action u/s 447 of the Companies Act, 2013.
26(9)	Matters to be stated in prospectus	Company issue any prospectus in contravention of the provisions of section 26 related to issue of prospectus	<ul style="list-style-type: none"> <li>• Company</li> <li>• Every person who is knowingly a party to the issue of such prospectus</li> </ul>	Company	Fine from `50,000 to `3 lakhs
				Person knowingly a party to issue of such prospectus	Fine from `50,000 to `3 lakhs
40(5)	Securities to be dealt with in stock exchanges	Company makes any default in complying with the following provisions: <ul style="list-style-type: none"> <li>• making an application to stock exchange before making public offer of securities.</li> <li>• obtaining permission from stock exchange for dealing of securities.</li> <li>• disclosing of name of stock exchange in prospectus where prospectus state that an application has been made with stock</li> </ul>	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `5 lakhs to `50 lakhs
				Officer in default	Fine from `50,000 to `3 lakhs.

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		exchange for dealing of securities. <ul style="list-style-type: none"> <li>• keeping the application money in separate bank account.</li> <li>• utilisation of application money other than the specified purposes.</li> </ul>			
46(5)	Certificate of shares	Company issues duplicate share certificates with an intent to defraud.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine not less than 5 times the face value of shares involved in the issue of the duplicate certificate but which may extend to 10 times of the face value of such shares or `10 crores whichever is higher.
				Officer in default	Liable for action under section 447 (Non-compoundable)
67(5)	Restrictions on purchase by company or giving of loans by it for purchase of its shares	Company contravenes the provisions related to restriction on purchase by company or giving of loans by company for purchase of its shares	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `1 lakh to `25 lakhs
				Officer in default	Imprisonment upto three years and fine from `1 lakh to `25 lakhs (Non compoundable offence)
68(11)	Power of company to purchase its own shares	Company makes any default in complying with the provisions or regulation of Securities and Exchange Board of India relating to buy back of securities by company.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `1 lakh to `3 lakhs
				Officer in default	Fine from `1 lakh to `3 lakhs
74(3)	Repayment of deposits, etc. accepted before commencement of this	Company fails to repay deposits, accepted before ¼/2014, or part thereof or any interest thereon	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `1 crore up to `10 crores
				Officer in default	Imprisonment up to 7 years or fine from `25 lakhs to `2 crores, or with

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	Act	within the specified time			both
76A	Punishment for contravention of section 73 or 76	Company accepts or invites or allows or 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 section 76 or rules made thereunder or the company fails to repay the deposit or part thereof or any interest due thereon within the time specified under section 73 or section 76 or rules made thereunder or such further time as may be allowed by the Tribunal under section 73	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	<p>Company</p> <p>Officer in default</p> <p>Officer in default contravened such provisions knowingly or wilfully with the intention to deceive the company or its shareholders or depositors or creditors or tax authorities</p>	<p>Fine which shall not be less than `1 crore or twice the amount of deposit accepted by the company, whichever is lower but which may extend to `10 crores</p> <p>Imprisonment upto 7 years and fine which shall not be less than `25 lakh but which may extend to `2 crore (Non-compoundable offence)</p> <p>Liable for action under section 447</p>
99	Punishment for default in complying with provisions of section 96 to 98	Company makes default in holding general meeting of the company in accordance with sections 96 or 97 or 98 or in complying with any directions of the Tribunal u/s 97 or 98 of the Companies Act, 2013.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	<p>Company</p> <p>Officer in default</p>	<p>Fine up to `1 lakh and further fine up to `5,000/- for every day during which such default continues</p> <p>Fine up to `1 lakh and further fine up to `5,000/- for every day during which such default continues</p>
127	Punishment for failure to distribute dividends	Company fails to pay dividend or fails to post dividend warrant, if any, within 30 days from the date of	<ul style="list-style-type: none"> <li>• Company</li> <li>• Every director</li> </ul>	<p>Company</p> <p>Every Director</p>	<p>Simple interest at the rate of 18% per annum during continuation of default</p> <p>Imprisonment up to two years and fine not less than `1,000 for every day</p>

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		declaration of dividend.			during which such default continues (Non compoundable offence)
128(6)	Books of account, etc., to be kept by company	Failure to prepare, keep and make arrangements for inspection of books of account and relevant books and papers and financial statements according to section 128 of the Companies Act, 2013.	<ul style="list-style-type: none"> <li>• Managing Director</li> <li>• Whole-time Director in charge of finance</li> <li>• The Chief Financial Officer or</li> <li>• Any other person charged by the board with duty to comply provisions of section 128 of the Act</li> </ul>	Company	Not Applicable
				<ul style="list-style-type: none"> <li>• Managing Director</li> <li>• Whole-time Director in charge of finance</li> <li>• The Chief Financial Officer or</li> <li>• Any other person charged by the board with duty to comply the provisions of section 128 of the Act</li> </ul>	Fine from `50,000 to `5 lakhs
129(7)	Financial Statement	Company contravenes the provisions of section 129 relating to preparation, maintain, laying before annual general meeting, adoption or audit of financial Statement	<ul style="list-style-type: none"> <li>• Managing Director</li> <li>• Whole-time Director in charge of finance</li> <li>• The Chief Financial Officer or</li> <li>• Any other person charged by the board with duty to comply provisions of section 129 of the Act In the absence of any of the officers mentioned above, all the</li> </ul>	Company	Not Applicable
				<ul style="list-style-type: none"> <li>• Managing Director</li> <li>• Whole-time Director in charge of finance</li> <li>• The Chief Financial Officer or</li> <li>• Any other person charges by the board with duty to comply provisions of section 128 of the Act</li> <li>• In the absence of any of the officers mentioned</li> </ul>	Imprisonment up to 1 year or fine from `50,000 to `5 lakhs or with both

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			directors	above, all the directors	
147(1)	Punishment for contravention	<p>Company fails to comply with the provisions of sections 139 to 146 (both inclusive) related to:</p> <ul style="list-style-type: none"> <li>• appointment of auditors,</li> <li>• removal, resignation of auditor and giving of special notice,</li> <li>• eligibility, qualifications and disqualifications of auditors,</li> <li>• remuneration of auditors,</li> <li>• powers and duties of auditors and auditing standards,</li> <li>• auditor not to render certain services,</li> <li>• auditor to sign audit reports etc.,</li> <li>• auditors to attend general meetings.</li> </ul>	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `25,000 up to `5 lakhs
				Officer in default	Fine from `10,000 to `1 lakh
147(2)	Punishment for contravention	If the auditor of a company contravenes any of the provisions of section 139, 144 or 145	<ul style="list-style-type: none"> <li>• Company</li> <li>• Auditor</li> </ul>	Company	Not applicable
				Auditor	Fine from `25,000 to `5 lakh or four times the remuneration of the auditor, whichever is less
				If the auditor has contravened such provisions knowingly or	Punishable with imprisonment upto 1 year and with fine `50000 to `25 lakh or eight times the remuneration of the auditor, whichever is less

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				wilfully with the intention to deceive the company or its shareholders or creditors or tax authorities	
148(8)	Central Government to specify audit of items of cost in respect of certain companies	Company fails to comply with the provisions of section 148 related to cost audit as ordered by the Central Government in respect of certain companies.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `25,000 up to `5 lakhs
				Officer in default	Fine from `10,000 to `1 lakh
				Cost Auditor	Fine from `25,000 to `5 lakh or four times the remuneration of the auditor, whichever is less Provided that if he has contravened such provisions knowingly or wilfully with the intention to deceive the company or its shareholders or creditors or tax authorities - punishable with imprisonment for a term which may extend to one year and with fine from `50,000 to `25 lakh or eight times the remuneration of the auditor, whichever is less
166(7)	Duties of directors	Director contravenes the provisions of section 166 relating to directors duties	<ul style="list-style-type: none"> <li>• Such a director of the company</li> </ul>	Company	Not Applicable
				Such a director of the company	Fine from `1 lakh to `5 lakhs
167(2)	Vacation of office of director	Person functions as a director after vacation of his office as director on account of the disqualifications specified in section 167(1).	<ul style="list-style-type: none"> <li>• Such a director of the company</li> </ul>	Company	Not Applicable
				Such a director of the company	Fine from `1 lakh to `5 lakhs
182(4)	Prohibitions and restrictions regarding	Company made political contribution in contravention of	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Up to 5 times of the amount so contributed
				Officer in	Imprisonment up to six months and fine up to

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	political contributions	section 182.		default	five times of the amount so contributed (Non compoundable offence)
185(4)	Loan to directors, etc.	Loan or guarantee or security is given in contravention of section 185 of the Companies Act, 2013.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Directors or other person to whom loan is advanced or guarantee or security or provided in connection with any loan taken by him</li> <li>• Officer in default</li> </ul>	Company	Fine from `5 lakhs to `25 lakhs
				Directors or Other person to whom loan is advanced or guarantee or security or provided in connection with any loan taken by him	Imprisonment up to 6 months or fine from `5 lakhs to `25 lakhs or with both
				Officer in default	Imprisonment up to 6 months or fine from `5 lakhs to `25 lakhs
186(13)	Loan and investment by company	Company contravenes the provisions of section 186 relating to loans and investment by company.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `25,000 to `5 lakhs
				Officer in default	Imprisonment upto two years and with fine from `25,000 to `1 lakh (Non compoundable offence)
206(7)	Power to call for information, inspect books and conduct inquiries	Company fails to furnish any information or explanation or produce any document to the Registrar or Inspector during inspection or inquiries.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine upto `1 lakh and further fine up to `500/- for each day of default
				Officer in default	Fine upto `1 lakh and further fine up to `500/- for each day of default
221(2)	Freezing of assets of a company on an inquiry and investigation	Removal, transfer or disposal of funds, assets, or properties of the company in contravention of the order of the Tribunal	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `1 lakh to `25 lakhs
				Officer in default	Imprisonment up to 3 years or fine from `50,000 to `5 lakhs or with both
222(2)	Imposition of restrictions upon securities	Securities in any company are issued or transferred or acted upon in contravention of an order of the Tribunal	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `1 lakh to `25 lakhs
				Officer in default	Imprisonment up to 6 months or fine from `25,000 to `5 lakhs or with both
232(8)	Merger and amalgamation	Transferor Company or	<ul style="list-style-type: none"> <li>• Company</li> </ul>	• Company	Penalty of `25,000 and `1,000 for each of default

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	of companies	transferee company contravenes the provisions of section 232 related to merger or amalgamation of the companies.	<ul style="list-style-type: none"> <li>• Every Officer in default</li> </ul>		if failure is continuing one subject to maximum of `3 lakhs.
				<ul style="list-style-type: none"> <li>• Every Officer in default</li> </ul>	Penalty of `25,000 and `1,000 for each of default if failure is continuing one subject to maximum of `3 lakhs
242(8)	Powers of Tribunal	Company contravenes the order of the Tribunal in respect of alteration of memorandum of association and articles of association of the company.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `1 lakh to `25 lakhs
				Officer in default	Fine from `25,000 to `1 lakh
243(2)	Consequence of termination or modifications of certain agreements	Any person acts as managing director or director or manager despite of his agreement is terminated or set-aside	<ul style="list-style-type: none"> <li>• Any person who acts knowingly as a managing director or other director or manager of the company even though his agreement had been terminated and any other director who is knowingly a party to such contravention</li> </ul>	Company	Not Applicable
				Any person who acts knowingly as a managing director or other director or manager of the Company even though his agreement had been terminated and any other director who is knowingly a party to such contravention	Fine up to `5 lakhs
245(7)	Class action	Company fails to comply with the order passed by the Tribunal under section 245 related to class action.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `5 lakhs to `25 lakhs
				Officer in default	Imprisonment up to three years and fine from `25,000 to `1 lakh (Non compoundable)
249(2)	Restrictions on making	Company files an application under	<ul style="list-style-type: none"> <li>• Company</li> </ul>	Company	Fine upto `1 lakh



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	application under section 248 in certain situations	section 248(2) for removal of name from register of companies in violation of section 248(1) of the Companies Act, 2013.		Officer in default	Not Applicable

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4(4)	Directions for filing statement of affairs	Company fails to file the statement of affairs during winding-up process.	<ul style="list-style-type: none"> <li>• Director</li> <li>• Other officers of the Company</li> </ul>	Company	Not Applicable
				<ul style="list-style-type: none"> <li>• Director</li> <li>• Other officers of the Company</li> </ul>	Imprisonment up to 6 months or fine from `25,000 to `5 lakhs or with both
344(2)	Statement that a company is in liquidation	Company fails to give statement on every invoice, order for goods or business letter or any documents that the company is being wound up.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Every Officer of the company</li> <li>• Company liquidator and</li> <li>• Any receiver or manager wilfully authorises or permits the non-compliance</li> </ul>	Company	Fine from `50,000 to `3 lakh
				<ul style="list-style-type: none"> <li>• Every Officer of the company</li> <li>• Company liquidator and any receiver or manager</li> </ul>	Fine from `50,000 to `3 lakh
347(4)	Disposal of books and papers of company	Any person acts in contravention of any rule framed or an order made under section 347(3) of the Act.	<ul style="list-style-type: none"> <li>• Any person who acts in contravention of any rule framed or an order made</li> </ul>	Company	Not Applicable
				Any person who acts in contravention of any rule framed or an order made	Fine up to `50,000
348(6)	Information as to pending liquidations	Company liquidator contravenes the provisions of section 348 of the Act related to providing information as to pending liquidation.	<ul style="list-style-type: none"> <li>• Company liquidator</li> </ul>	Company	Not Applicable
				Company liquidator	Default shall be deemed to be a contravention of the Insolvency and Bankruptcy Code, 2016
350(2)	Company liquidator to deposit monies into scheduled bank	Company liquidator retains as sum exceeding `5000/- or such other amount as the Tribunal authorise him for more than 10 days.	<ul style="list-style-type: none"> <li>• Company liquidator</li> </ul>	Company	Not Applicable
				Company liquidator	Interest on the amount so retained in excess, at the rate of 12% per annum and also pay such penalty as may be determined by the tribunal and also liable to pay any expenses occasioned by reason of his default and also

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					liable to have all or such part of his remuneration as the tribunal may consider just and proper, disallowed or may also be removed from his office.
392	Punishment for contravention	Foreign company fails to comply with provision of sections 379 to 391 under chapter XXII related to companies incorporated outside India.	<ul style="list-style-type: none"> <li>Foreign Company</li> <li>Every officer of the foreign company who is in default</li> </ul>	Foreign Company	Fine from `1 lakh to `3 lakhs and further fine up to `50,000 for each day of default
				Every officer of the foreign company who is in default	Fine from `25,000 to `5 lakhs
441(5)	Compounding of certain offences	Any officer or other employee of the company fails to comply with any order passed by the Tribunal or by the Regional Director or by any officer authorised by the Central Government.	<ul style="list-style-type: none"> <li>Any officer or other employee of the company</li> </ul>	Company	Not Applicable
				Any officer or other employee of the company	Maximum amount of fine shall be twice the amount provided in the section
451	Punishment in case of repeated default	Company or an officer of a company commits an offence punishable either with fine or with imprisonment and where the same offence is committed for the second or subsequent occasion within a period of 3 years.	<ul style="list-style-type: none"> <li>Company</li> <li>Officer in default</li> </ul>	Company	Twice the amount of fine for such offence in addition to any imprisonment provided for that offence
				Officer in default	Twice the amount of fine for such offence in addition to any imprisonment provided for that offence
452(1)	Punishment for wrongful withholding of property	Any officer or employee of a company wrongfully withholds any cash or property of the company.	<ul style="list-style-type: none"> <li>Such an Officer or employee of the company</li> </ul>	Company	Not Applicable
				Such an Officer or employee of the company	Fine from `1 lakh to `5 lakh
453	Punishment for improper use of Limited or Private	Any person improperly uses words 'Limited' or 'Private'	<ul style="list-style-type: none"> <li>Such person or persons</li> </ul>	Company	Not Applicable
				Such person or persons	Fine from `500 to `2,000 for every day for which that name or title has

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	Limited	Limited			been used
454(8)	Adjudication of penalties	Company fails to pay the penalty imposed by the adjudicating officer or the Regional Director within a period of 90 days from the date of the receipt of the order.	<ul style="list-style-type: none"> <li>• Company</li> <li>• Officer in default</li> </ul>	Company	Fine from `25,000 to `5 lakh
				Officer in default	Imprisonment up to 6 months or fine from `25,000 to `1 lakh or with both
64(3)	Prohibition of association or partnership of persons exceeding certain number	Any member of an association or partnership carrying on business in contravention of section 464(1) of the Act.	<ul style="list-style-type: none"> <li>• Every member of an association or partnership</li> </ul>	Company	Not Applicable
				Every member of an association or partnership	Fine up to `1 lakh and also personally liable for all liabilities incurred in such business

238(3)	Registration of offer of schemes involving transfer of shares	Director who issued a circular fails to register the circular with the Registrar before issuing the same	<ul style="list-style-type: none"> <li>The director who issues such circular</li> </ul>	• Company	Not Applicable
				• The director who issues such circular	Penalty of ` 1 lakh
247(3)	Valuation by registered valuer	Valuer contravenes the provisions of section 247	• Valuer	• Company	Not applicable
				• Valuer	Penalty of ` 50,000
352(8)	Company Liquidation Dividend and Undistributed Assets Account	Liquidator retains any money which should have been paid into the Company Liquidation Dividend and Undistributed Assets Account	<ul style="list-style-type: none"> <li>Liquidator who has retained money</li> </ul>	Company	Not applicable
				• Liquidator who has retained money	Penalty as may be decided by the Registrar
405(4)	Power of Central Government to direct companies to furnish information or statistics	Company fails to furnish information with regard to its constitution or working with the Central Government as required by the Central Government.	<ul style="list-style-type: none"> <li>Company</li> <li>Officer in default</li> </ul>	• Company	Penalty of `20,000 and further penalty of `1000 for each day of default in case failure continues subject to maximum of `3 lakh.
				• Officer in default	Penalty of `20,000 and further penalty of `1000 for each day of default in case failure continues subject to maximum of `3 lakh.
450	Punishment where no specific penalty or punishment is provided	Company or any officer of a company or any other person contravenes any provisions of this	<ul style="list-style-type: none"> <li>Company</li> <li>Officer in default or such other person</li> </ul>	• Company	Penalty of `10,000 and further penalty of `1000 for each day of default in case failure continues subject to maximum of `2 lakhs.

		Act or rules made thereunder for which no penalty or punishment is provided elsewhere in this Act.			
				• Officer in default or such other person	Penalty of `10,000 and further penalty of `1000 for each day of default in case failure continues subject to maximum of `50,000.