

**GOVERNMENT OF INDIA  
CORPORATE AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:1105

ANSWERED ON:16.08.2012

PENALTY IMPOSED FOR VIOLATION OF COMPANIES ACT

Ganpatrao Shri Jadhav Prataprao;Singh Shri Ratan

**Will the Minister of CORPORATE AFFAIRS be pleased to state:**

(a) whether it is a fact that only financial penalty is imposed and no criminal case is made out against the defaulter companies violating the provision of the Companies Act, 1956;

(b) if so, the reasons therefor and the reaction of the Government in this regard;

(c) the value of financial penalty imposed on violation of provisions of the Companies Act, 1956 during the last three years; and

(d) the steps taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI R.P.N. SINGH)

(a) & (b) No, Madam. All prosecutions filed by the Registrar of Companies (RoCs) before the competent courts of law for violation of the provisions of the Companies Act, 1956, are considered as criminal cases. The cases are decided by the competent courts on merits of each case with imposition of monetary fine and/or imprisonment as per relevant provisions of the Companies Act.

(c) & (d) Total fine imposed by the Hon'ble Court(s) for violation of the provisions of the Companies Act, 1956 during last three financial years are as follows:

Year    Amount in Rs.

2008-09    110,58,647

2009-10    92,30,317

2010-11    70,84,542