

General Circular No.2/2009

No.17/97/2009-CL.V
Government of India
Ministry of Corporate Affairs

5th Floor 'A' wing, Shastri Bhawan
Dr.R.P.Road, New Delhi-110 001.
Dated the 20th June, 2009

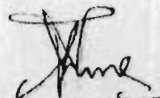
To

1. All Regional Directors
2. All Registrar of Companies

Subject: Filing of prosecution for violating of section 159/220 of the Companies Act, 1956.

It has come to the notice of the Ministry that while deciding the criminal cases filed for violations of Provisions of Section 159 and 220 of the Act, 1956, the accused are normally acquitted, discharged by the Courts after imposing penalty as laid down under the Provisions of the Companies Act, 1956. Section 614 A(1) of the Companies Act, 1956 empowers the Court trying offences under the Act to direct the accused for filing of documents with the Registrar within a specific time on payment of a fee including the additional fee as required to; be paid under section 611(2) of the Companies Act, 1956. If such order is passed, it is open for the Registrar of Companies to initiate action against the accused under section 614A(2) of the Companies Act, 1956.

In view of the above, all Registrar of the Companies are requested to make a prayer before the Hon'ble Court to pass an order under section 614A(1) of the Act, while deciding the cases for violations of Provisions of Section 159/220 of the Companies Act, 1956 so that action as contemplated under penal provisions of section 614A(2) of the Companies Act, 1956 could be taken against the accused directors of the companies.


(Diwan Chand)

Director (Inspection & Investigation)



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