

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION No.1398
ANSWERED ON MONDAY, FEBRUARY 09, 2026**

Penalties under the Companies Act

**1398. Shri M K Raghavan
Adv. Adoor Prakash
Dr. Kalyan Vaijinathrao Kale
Shri K Sudhakaran**

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has observed an increase in cases of non-compliance with provisions of the Companies Act, 2013 in the country during the last ten years;**
- (b) if so, the total number of companies penalised for non-compliance under various provisions of the Companies Act, 2013, during the last ten years, year and State/UT-wise;**
- (c) the total number of penalties imposed and amount recovered during this period;**
- (d) the number of companies struck off from the register of companies for non-filing of statutory returns since 2020, year-wise;**
- (e) the action taken by the Government to strengthen corporate governance and protect minority shareholders; and**
- (f) whether the Government has conducted any review of the impact of these enforcement measures on improving corporate governance and compliance levels, if so, details thereof and if not, the reasons therefor?**

ANSWER

Minister of State in the Ministry of Corporate Affairs; Minister of State in the Ministry of Road Transport and Highways.

(SHRI HARSH MALHOTRA)

(a) There is no trend indicating an increase in non-compliance with the provisions of the Companies Act, 2013.

(b) The details of total number of companies penalised for various provisions of the Companies Act, 2013, during the last ten years, State wise are at Annexure - I.

(c) The details of number of penalties imposed and amount recovered during the last 10 years are at Annexure - II and Annexure - III respectively.

(d) The details of number of companies struck off are at Annexure -IV.

(e) The provisions of the Companies Act, 2013 and the rules made thereunder contain adequate provisions to ensure financial accountability and transparency in the management of companies. The important aspects of the Companies Act, 2013 for safeguarding the interests of all stakeholders including that of minority shareholders is at Annexure-V.

(f) The Act provides a legal framework to address minor and major violations, including inter alia adherence to accounting and auditing standards, statutory filings, duties of the Board and its committees, responsibilities of independent directors and auditors, and mandatory disclosures. Enforcement actions including adjudication, compounding and court convictions have led to the penalisation of such companies for non-compliance. These enforcement actions are monitored regularly.

S. N.	Name of State/ UT	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	31.12.25
19.	Meghalaya	0	0	0	0	0	0	0	1	0	0
20.	Mizoram	0	0	0	0	0	0	0	0	0	0
21.	Nagaland	0	0	0	0	0	0	0	0	0	0
22.	NCT of Delhi	58	13	20	103	52	31	110	141	135	107
23.	Odisha	22	18	2	31	4	10	12	7	3	18
24.	Puducherry	3	9	0	0	6	1	10	10	9	0
25.	Punjab	0	0	0	2	5	15	3	11	23	13
26.	Rajasthan	11	14	8	13	3	3	21	23	3	10
27.	Tamil Nadu	28	8	31	22	20	26	89	56	139	54
28.	Telangana	133	9	10	19	6	22	8	7	18	31
29.	Tripura	0	0	0	0	0	0	0	0	0	0
30.	UT of Jammu and Kashmir	0	0	0	1	0	0	2	2	0	3
31.	UT of Ladakh	0	0	0	0	0	0	0	0	0	0
32.	Uttar Pradesh	0	0	0	31	0	22	3	18	80	29
33.	Uttarakhand	0	0	0	0	0	0	1	3	2	1
34.	West Bengal	23	4	13	4	5	5	34	47	37	26
35.	UT of Andaman & Nicobar	0	0	0	0	0	0	0	0	0	0
36.	UT of Lakshadweep	0	0	0	0	0	0	0	0	0	0
	Total	315	105	368	861	318	404	901	980	1066	703

S. N.	Name of State/ UT	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	31.12.25
19.	Meghalaya	0	0	0	0	0	0	0	1500000	0	0
20.	Mizoram	0	0	0	0	0	0	0	0	0	0
21.	Nagaland	0	0	0	0	0	0	0	0	0	0
22.	NCT of Delhi	20985000	4952000	4947000	2691000	5817300	8547500	22322600	13910002	46137650	45061819
23.	Odisha	1867000	5106000	2097000	18100600	1156000	8532400	9158300	7431600	8860700	21717900
24.	Puducherry	0	0	0	0	0	51000	4011900	4115000	14954000	0
25.	Punjab	0	0	0	555000	1288000	6761300	931950	8719700	17212800	63200000
26.	Rajasthan	82858	491284	406012	265200	20000	3485500	14918050	16671000	47165400	1755000
27.	Tamil Nadu	0	0	0	49763500	2960000	4249700	88318100	60738106	141853569	51223200
28.	Telangana	0	0	0	5767200	463200	3893600	20814382	25693450	23148400	0
29	Tripura	0	0	0	0	0	0	0	0	0	0
30	UT of Jammu & Kashmir	0	0	0	400000	0	0	2004000	8397200	0	1841000
31.	UT of Ladakh	0	0	0	0	0	0	0	0	0	0
32	Uttar Pradesh	0	0	0	10100000	0	8224000	2292600	23871600	197838700	52074500
33.	Uttarakhand	0	0	0	0	0	0	250000	993000	843400	622000
34.	West Bengal	4882500	700000	334500	1047500	1639100	1500000	28808200	27839000	14244800	12585450
35	UT of Andaman & Nicobar	0	0	0	0	0	0	0	0	0	0
36	UT of Lakshadweep	0	0	0	0	0	0	0	0	0	0
	Total	30125208	14824369	20660529	223207700	62151100	192083108	509496093	679220661	1090068845	554997097

S. N.	Name of State/ UT	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	31.12.25
19.	Meghalaya	0	0	0	0	0	0	0	230000	0	0
20.	Mizoram	0	0	0	0	0	0	0	0	0	0
21.	Nagaland	0	0	0	0	0	0	0	0	0	0
22.	NCT of Delhi	145000	0	1685000	388000	2378900	282900	5665750	4470000	9430918	15081931
23.	Odisha	363000	134000	0	20000	0	459000	160000	6331600	416500	4266100
24.	Puducherry	0	0	0	0	0	51000	20000	80000	1800000	0
25.	Punjab	0	0	0	0	88000	307000	0	1382500	4103000	1800000
26.	Rajasthan	31758	133728	211000	0	15000	296000	1469500	4366150	7398380	0
27.	Tamil Nadu	0	0	0	4282200	2960000	838700	8049700	1859400	9097800	8962700
28.	Telangana	0	0	0	4874200	463200	3133600	10386484	3471250	14499420	892000
29.	Tripura	0	0	0	0	0	0	0	0	0	0
30.	UT of Jammu and Kashmir	0	0	0	0	0	0	404000	0	0	0
31.	UT of Ladakh	0	0	0	0	0	0	0	0	0	0
32.	Uttar Pradesh	0	0	0	130000	0	0	0	50000	7872900	70000
33.	Uttarakhand	0	0	0	0	0	0	0	713000	843400	622000
34.	West Bengal	0	140000	0	32500	0	185000	7439200	6832800	15723700	386500
35.	UT of Andaman & Nicobar	0	0	0	0	0	0	0	0	0	0
36.	UT of Lakshadweep	0	0	0	0	0	0	0	0	0	0
	Total	540258	466028	6004850	31914595	26499100	42868708	109197813	118021709	245314361	75196338

Annexure-IV

The number of companies struck off from the register of companies as per section 248(1) and 248(2) of the Companies Act, 2013.

Sl. No.	Year	No of companies struck off under the Companies Act	
		248(1)	and 248 (2)
1	2020-2021	217	12,487
2	2021-2022	28,305	33,923
3	2022-2023	68,893	13,169
4	2023- 2024	0	16,464
5	2024-2025	0	15,837
6	2025- till 31.12.2025	0	14,082
	Total	97,415	1,05,962

**Safeguarding the interests of all stakeholders
including that of minority shareholders**

- (i) Accountability for management of companies through appointment of key managerial personnel, requirement for approvals by Board of directors and shareholders in accordance with the applicable provisions;**
- (ii) Requirement for audit of financial statements by an independent chartered accountant;**
- (iii) Requirement to make disclosures (in the form of notices, resolutions, postal ballots etc), from time to time, to the shareholders for information and approval by the shareholders;**
- (iv) Requirement to make adequate disclosures through Board's report including with regard to risk management, state of company's affairs, material changes affecting company's financial position and other crucial parameters;**
- (v) Requirements to file various documents, copies of resolutions, financial statements, returns etc. with the Registrar from time to time;**
- (vi) The Registrar of Companies take action against the defaulting companies who fail to file their Annual Returns and/or Financial Statements by either filing prosecution under section 92, 96, 99, 137 of the Companies Act, 2013 or by striking off the name of the companies under section 248 (1) of the Companies Act, 2013 read with Companies (Removal of names of companies from the Register of Companies) Rules, 2016.**

Provision for the protection of Minority shareholders the following provisions are provided in the Companies Act 2013 and the Rules made thereunder.

- (a) Sections 241 to 246, allow minority shareholders to approach the National Company Law Tribunal (NCLT) if the company's affairs are being conducted in a manner "prejudicial" or "oppressive" to them.**

- (b) Under Section 151, a listed company may have one director elected specifically by small shareholders (those holding shares with a nominal value of not more than ₹20,000).**
- (c) Under Section 235, In a scheme of arrangement, if a majority (90% in value) agrees to a transfer of shares, the transferee company can acquire the shares of dissenting shareholders, but they have the right to appeal to the Tribunal if the offer is unfair.**
- (d) Under Section 236, If a majority acquirer reaches 90% shareholding, they must offer to buy out the remaining minority at a price determined by a registered valuer.**
- (e) Under Section 100, Shareholders having not less than 10% of voting power having the Right to requisition an Extraordinary General Meeting (EGM).**
- (f) Under Section 94, shareholders have the right to inspect statutory registers and minutes of general meetings.**
- (g) Related Party Transactions under Section 188, In all material transactions between the company and its promoters/directors as prescribed in the Rule 15(3) of Companies (Meetings of Board and its Powers) Rules 2014, require shareholders' approval. The interested shareholders cannot vote on such resolutions, giving the minority shareholders the required protection.**
