

Potential consequences of prosecution



Non-Payment of Penalty : Consequences under Section 454(8)

MMJC

ROC penalty order



Appeal to RD
(within 60 days)



RD dismisses appeal /
confirms penalty

Penalty remains unpaid within 90 days from receipt of the RD order

- **Company:** fine of ₹25,000 to ₹5,00,000
- **Officer in default:** imprisonment up to 6 months, or fine of ₹25,000 to ₹1,00,000, or both
- **Nature of default:** separate statutory default for non-compliance with ROC/RD order

Non-compliance with the ROC/RD order beyond the prescribed period
may trigger prosecution under Section 454(8)



Indicative Consequences of prosecution

MMJC

Fit and Proper Criteria

Details of pending prosecutions under the Fit and proper criteria declaration

Disclosure in Form MGT-7

Details of penalty / punishment imposed on company / directors / officers

The Passports Act, 1967

Refusal of passports / travel documents under section 6 of the Passports Act, 1967

Disclosures to Foreign Regulators

Disclosures to be made to foreign regulators, where required

Where the RD appeal is dismissed, one possible remedy is to approach the High Court in writ jurisdiction and seek stay of the impugned orders, as seen in the case of LinkedIn Technology Information Private Limited.

LinkedIn Technology Information Pvt. Ltd. and Others vs Union of India and Others – 2026 SCC Online Del 4137