Companies Act, 1956

Section 63 - Criminal liability for mis-statements in prospectus

1) Where a prospectus issued after the commencement of this Act includes any untrue statement, every person who authorised the issue of the prospectus shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to [fifty] thousand rupees, or with both, unless he proves either that the statement was immaterial or that he had reasonable ground to believe, and did up to the time of the issue of the prospectus believe, that the statement was true. (2) A person shall not be deemed for the purposes of this section to have authorised the issue of a prospectus by reason only of his having given- (a) the consent required by (section 58) to the inclusion therein of a statement purporting to be made by him as an expert, or (b) the consent required by [***] sub-section (3) of (section 60).