**Summary of Sections 77 to 87 related to Registration & Satisfaction of Charge, in accordance with Companies Act, 2013**

**Section 77 – Duty to register charges**

It shall be the duty of every company creating a charge within or outside India, on its property or assets or any of its undertakings, whether tangible or otherwise, situated in or outside India, to register such charge within 30 days of its creation or within 300 days with additional fee. Conclusive proof of registration is Certificate of registration issued by Registrar.

**Section 78 – Application for Registration of charge**

If the company fails to register the charge within the time limits specified u/s 77, then the person in whose favour the charge is created may apply to Registrar for registration, in this case person shall be entitled to recover from the company the amount of fee paid by him.

**Section 79 – Section 77 to apply in certain cases**

1. a company acquiring any property subject to a charge within the meaning of that section; or
2. any modification in the terms or conditions or the extent or operation of any charge registered under that section.

**Section 80 – Date of notice of charge**

Holder of charge shall deemed to have notice of charge from the date of such registration.

**Section 81 – Register of charges to be kept by Registrar**

Registrar, in respect of every company, keep a register containing particulars of charges registered, it shall be open for inspection by any person on payment of fees prescribed.

**Section 82 – Company to report satisfaction of charge**

Company shall give intimation of the payment or satisfaction within 30 days of such effect, registrar on such intimation shall give notice to the holder of charge within 14 days, if holder of charge have any objection then he may give a notice for that, if no cause is given, then registrar shall issue MEMORANDUM OF SATISFACTION of charge.

**Section 83 – Power of Registrar to make entries of satisfaction and release in absence of intimation from company**

Registrar may, on evidence being given to his satisfaction with respect to any registered charge, can make entry of satisfaction, notwithstanding no intimation has been received by him from the company. The Registrar shall inform the affected parties within thirty days of making the entry in the register of charges.

**Section 84 – Intimation of appointment of receiver or manager**

If any person obtains an order for the appointment of a receiver of, or of a person to manage, the property, subject to charge, intimation for such appointment shall be given within 30 days of such appointment. Notice forCessation to hold appointment shall also to the registrar.

**Section 85 – Company’s register of charges**

Every company shall keep at its registered office, a register of charges contains all the particulars of charge as may be prescribed. That register is open for inspection for any member or creditor without any payment of fees, or for any other person on payment of fees as may be prescribed.

**Section 86 – Punishment for contravention.**

For Company : One lakhs to Ten Lakhs

For Officer in Default : imprisonment up to six months or fine from 25,000 to 1,00,000, or with both.

**Section 87 – Rectification by Central Government in register of charges**

On omission to register or mis-statement of any particular is supported with sufficient cause or it is not of a nature to prejudice the position of creditors or shareholders of the company, Central govt. on the application of company or person interested, may extend the time for registration or satisfaction of charge.

**Summary of Forms required :**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Sec. No.** | **Particulars** | | | | | | **Form No.** |
| **77** | Duty to register Charges,etc. | | | | | |  |
| **78** | Application for registration of charge | | | | | | CHG-1 (Application for Reg. of Charges) |
| **79** | Section 77 applies in certain matters | | | | | | CHG-2 (Certificate of registraton), CHG-3 (Certificate of registration in case of modification) |
| **80** | Date of notice of charge | | | | | |  |
| **81** | Register of Charges to be kept by Registrar | | | | | |  |
| **82** | Company to report satisfaction of charge | | | | | | CHG-4 (Application for Satisfaction of Charge) |
| **83** | Power of Registrar to make entries of Satisfaction and release in absence of intimation from company. | | | | | | CHG-5 (Memorandum of Satisfaction) |
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| **84** | Intimation of appointment of receiver or manager. | | | | | | CHG-6 (Notice for appointment or cessation of receiver or manager) |
| **85** | Company's register of Charges | | | | | | CHG-7 (Register of Charges) |
| **86** | Punishment for contravention | | | | | |  |
| **87** | Rectification by Central Govt. in register of charges | | | | | | CHG-8 (Application to Govt. for extension of time to register) |
|  |  |  |  |  |  |  | CHG-9 (Application for registration or modification of charge for debentures & rectification of the same) |
|  |  |  |  |  |  |  |