



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY,
NAGPUR BENCH, AT NAGPUR.**

Civil Application (CAO) Nos. 1177/2009, 991/2011 and 521/2012
and
Company Application (CAL) No. 8 of 2001
in
Official Liquidator Report No. 42 of 2000
in
Company Petition No. 1 of 1998

[In the matter of M/s Shehal Housing Development Finance (India) Ltd.(in Liqn.)]
(Official Liquidator, High Court Nagpur **Vs.** Shri Arun Bapurao Wadikar and ors.)

Office Notes, Office Memoranda of Coram,
appearances, Court's orders of directions
and Registrar's orders

Court's or Judge's orders

Dr. Anjan De, Advocate for Official Liquidator along with Mr. D. M. Prasad,
Company Prosecutor
Mr. S. O. Ahmed, Advocate for respondent no. 1

CORAM : ANIL L. PANSARE J.

DATED : 09-08-2024

The Official Liquidator has filed present proceedings under Section 454(5) of the Companies Act, 1956 (for short 'the Act of 1956') stating therein that the ex-directors have furnished defective statement of affairs.

Section 454 of the Act of 1956 provides that the ex-directors shall furnish statement as to the affairs of the company in the prescribed form within stipulated time.

Learned counsel appearing for respondent no. 1, ex-director, submits that the statement was furnished way back in the year 2000. The learned counsel appearing for the Official Liquidator does not dispute the said fact but submits that the statement was defective. If that be so, the appropriate course was to make further correspondence with ex-directors or to seek

appropriate directions from this Court against ex-directors to furnish correct statement of the affairs of the company.

The criminal liability under sub-section (5) of Section 454 could only arise if the ex-directors failed to submit statement of affairs of the company.

Learned counsel for respondent no. 1 submits that even corrected statements of affairs has been submitted with Official Liquidator in the year 2001, 2003 and 2005.

Thus, there appears requisite compliance. Further out of 9 ex-directors, 7 ex-directors have been discharged by this Court. In the circumstances and considering the fact that the ex-directors had furnished the statement of affairs, the proceedings under sub-section (5) of Section 454 were not maintainable and accordingly, the proceedings stand dropped.

The civil applications are disposed of.

(Anil L. Pansare, J.)