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WP.Nos.36647, 36650, 37040
37098, 37101 & 37102 of 2024

In the High Court of Judicature at Madras

Reserved on 07.7.2025	Delivered on : 15.7.2025
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Coram :

The Honourable Mr.Justice N.ANAND VENKATESH

Writ Petition Nos.36647, 36650, 37040 37098, 37101 & 37102 of
2024
& WMP.Nos.39524, 39528, 40014, 40078, 40083 & 40084 of 2024

Winwind Power Energy Private
Limited rep.by its Authorized
Signatory

...Petitioner in
all the WPs

Vs

- 1.The Assistant Registrar of
Companies, Office of the
Registrar of Companies,
Tamil Nadu, Shastri Bhavan,
II Floor, 26, Haddows Road,
Chennai-6.
- 2.The Registrar of Companies of
Tamil Nadu, Shastri Bhavan,
II Floor, B Wing, 26,
Haddows Road, Chennai-6.
- 3.The Deputy Director, Office of
the Regional Director, Southern
Region, Chennai, Shastri Bhavan,
A Wing, V Floor, 26, Haddows
Road, Chennai-6.



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4.Mr.Prakash Kumar Sarogi,
Director of Winwind Power
Energy Private Limited

5.Mr.Gautam Sarogi, Director
of Winwind Power Energy
Private Limited

6.Mr.Radhakrishnan Dharmarajan

...Respondents
in the WPs

PETITIONS under Article 226 of The Constitution of India praying
for the issuance of

(i) a Writ of Certiorari to call for the records of the first
respondent in the communication called as show cause notice bearing
reference F.No.ROC/CHN/WINWIND/P.23/Insp.fol.up/2024 dated
11.11.2024 and quash the same (WP.No.36647 of 2024);

(ii) a Writ of Certiorari to call for the records of the first
respondent in the communication called as show cause notice bearing
reference F.No.ROC/CHN/WINWIND/S.129/P.22/Insp.fol.up/2024
dated 11.11.2024 and quash the same (WP.No.36650 of 2024);

(iii) a Writ of Certiorari to call for the records of the first
respondent in the communication called as show cause notice bearing
reference F.No.ROC/CHN/WINWIND/S.129/P.20/Insp.fol.up/2024
dated 11.11.2024 and quash the same (WP.No.37040 of 2024);

(iv) a Writ of Certiorari to call for the records of the first
respondent in the communication called as show cause notice bearing
reference F.No.ROC/CHN/WINWIND/S.139/P.18/Insp.fol.up/2024
dated 11.11.2024 and quash the same (WP.No.37098 of 2024);



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(v) a Writ of Certiorari to call for the records of the first respondent in the communication called as show cause notice bearing reference F.No.ROC/CHN/WINWIND/S.129/P.19/Insp.fol.up/2024 dated 11.11.2024 and quash the same (WP.No.37101 of 2024); and

(vi) a Writ of Certiorari to call for the records of the first respondent in the communication called as show cause notice bearing reference F.No.ROC/CHN/WINWIND/S.166/P.14/Insp.fol.up/2024 dated 11.11.2024 and quash the same (WP.No.37102 of 2024).

For Petitioner in
all the WPs : Mr.Srinath Sridevan, SC for
Mr.Surya Teja SS Nalla

For R1 to R3 in
W.P.Nos.36647 &
36650 of 2024 : Mr.AR.L.Sundaresan, ASGOI
assisted by
Mr.K.Subbu Ranga Bharathi,
CGSC

For R1 to R3 in
W.P.Nos.37040,
37098, 37101 &
37102 of 2024 : Mr.AR.L.Sundaresan, ASGOI
assisted by
Mr.K.Srinivasamurthy, SPCCG

For R4 to R6 in
all the WPs : Served and No appearance



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COMMON ORDER

These writ petitions have been filed challenging the show cause notices issued by the first respondent alleging violation of certain provisions of the Companies Act, 2013 (hereinafter called the Act) and the intended prosecution that was sought to be launched against the petitioner.

2. Heard the respective learned counsel appearing on either side.

3. The case of the petitioner is as follows :

(i) The petitioner company is incorporated in the year 2007 under the Companies Act, 1956. It underwent corporate insolvency resolution process (CIRP) and liquidation process under the Insolvency and Bankruptcy Code, 2016 (for short, the IBC) and came to be taken over as a going concern by one M/s.Agniti Industrial Parks Private Limited (for brevity, the new management) during the liquidation process under Regulation 32A of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (hereinafter called the Regulations).

(ii) The petitioner company was originally engaged in the



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business of manufacturing wind turbine generators and had availed several financial facilities from banks and financial institutions. It underwent rough weather and pursuant to that, it defaulted in repayment obligations. Further, one of its operational creditors filed a petition before the National Company Law Tribunal (NCLT), Chennai for initiating CIRP against the petitioner company. In spite of best efforts, the petitioner company was not able to be revived under the CIRP and hence, it was ordered to be liquidated by the NCLT, Chennai vide order dated 08.8.2019 in M.A.No.695 of 2019 and a liquidator came to be appointed to complete the said process.

(iii) The petitioner company was brought to sale as a going concern post liquidation under Regulation 32A of the Regulations vide sale process memorandum dated 12.10.2019. A public auction was conducted on 22.1.2020 and the new management was declared as the successful bidder at the auction. On payment of the entire sale consideration, a sale deed dated 14.10.2020 was executed in favour of the successful bidder. Thereafter, the new management came to be appointed and became the new shareholder of the petitioner company and respondents 4 and 5 were appointed as the directors of the petitioner company.



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(iv) The entire sale process was placed before the NCLT, Chennai for approval and by order dated 08.2.2021 in I.A.No.852 of 2020, the approval was granted. The new management also took office and the entire affairs of the petitioner company were handed over to them.

(v) The specific case of the petitioner is that the liquidator had no books with him, that no books were handed over to the new management also, that the liquidator informed the new management by letter dated 15.2.2021 that he had not received the books of accounts or any other documents of the petitioner company and that the Interim Resolution Professional (IRP), during the CIRP, did not have the records of the petitioner company.

(vi) On 18.8.2022, the Joint Director, Office of the Regional Director, Southern Region, Ministry of Corporate Affairs, Government of India, Chennai-6 issued an inspection notice under Section 206(5) of the Act and on receipt of this letter, the petitioner company sent a reply to the said notice clarifying that the entity was taken over by the new management. Subsequently, on 17.3.2023, the very same Joint Director issued another notice to the petitioner company alleging that there were certain violations of the provisions of the Act, which were identified during the inspection and directed the petitioner company to



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respond to the said notice. On receipt of the said notice dated 17.3.2023, the petitioner company again sent a reply through letter dated 13.4.2023 requesting the third respondent to drop the proceedings in view of the clarifications provided by the petitioner company.

(vii) Once again, the third respondent, through letter dated 20.10.2023, issued a notice to conduct inspection of the books of accounts and other records of the petitioner company and directed the petitioner company to keep a list of documents ready for inspection. On receipt of the same, the petitioner company, through letter dated 21.11.2023, submitted a detailed explanation along with supportive documents. The petitioner company apprised the third respondent regarding the liquidation proceedings against it under the IBC and as to how the new management had taken over the petitioner company post liquidation under Regulation 32A of the Regulations.

(viii) Ultimately, the impugned show cause notices dated 11.11.2024 came to be issued by the first respondent. Aggrieved by that, all the above writ petitions have been filed before this Court.



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4. Respondents 1 to 3 filed a counter affidavit in each writ petition wherein they took the following stand :

(i) The petitioner company has violated certain provisions of the Act and therefore, the notices have been issued calling upon them to show cause as to why prosecution should not be launched by means of filing a complaint before concerned Judicial Magistrate.

(ii) In so far as W.P.No.36647 of 2024 is concerned, it is alleged that the petitioner company had failed to furnish documentary evidence with regard to the efforts taken to obtain the documents from the previous management and the liquidator and this would be a default and violation of Section 166 of the Act, for which, prosecution was sought to be launched under Section 128(6) of the Act.

(iii) In so far as W.P.No.36650 of 2024 is concerned, it is alleged that the petitioner company had failed to take inventory of the assets before acquisition of the company, that the assets amounting to Rs.1,27,42,54,180/- were shown as deletion in terms of the order passed by the NCLT, Chennai and that there was a violation of Schedule III, for which, there was an intended prosecution under Section 129(7) of the Act.



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(iv) In so far as W.P.No.37040 of 2024 is concerned, it is alleged that the petitioner company had not properly explained as to how the trade payables were classified, which is a mandate under Paragraph 6FA of Schedule III of the Act and that therefore, there was an intended prosecution under Section 129(7) of the Act.

(v) In so far as W.P.No.37098 of 2024 is concerned, it is alleged that the statutory auditor had been appointed only for one year in the annual general meetings held on 30.11.2021 and 30.9.2022 instead of five years and that the same was in violation of Section 139 of the Act, which was liable to be prosecuted under Section 147(1) of the Act.

(vi) In so far as W.P.No.37101 of 2024 is concerned, it is alleged that in the financial statement, a sum of Rs.1,60,22,263/- had been classified as 'current liability other payables' under the classification "others" and while doing so, the nature of such classification had not been specified and hence, there was a violation of Paragraph 6G(j) of Schedule III of the Act, which was liable to be prosecuted under Section 129(7) of the Act.

(vii) In so far as W.P.No.37102 of 2024 is concerned, it is alleged that there was infusion of funds without any proper explanation and that the same was in violation of Section 166(7) of the Act, which



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was liable for prosecution under the same provision.

(viii) The show cause notices are not liable to be interfered by this Court and the first respondent has the power and jurisdiction to issue such notices and after receiving the reply, a decision would be taken regarding launching of prosecution. Hence, interference with this process at a preliminary stage is not warranted. Accordingly, respondents 1 to 3 sought for dismissal of these writ petitions.

5. This Court has carefully considered the submissions of the learned counsel on either side and perused the materials available on record and more particularly the impugned show cause notices.

6. In order to understand the scope of the alleged violations stated to have been committed by the petitioner company, the proposed prosecution sought to be launched against the petitioner company and the stand taken by the petitioner company in their defence are captured and tabulated herein below for ease of understanding :

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S. No	WP. No	Violations	Proposed prosecution to be launched	Defence
1	37101 of 2024	Loan taken by the petitioner from the Holding Company: The company violated Para 6G(j) of Schedule III of the Act by classifying Rs. 1,60,22,263 as "other payables" under current liabilities without specifying the nature of these payables. This lack of disclosure is also a breach of Section 129 of the Act, which mandates proper presentation of financial statements.	Section 129 r/w Para 6G(j) of Schedule III of the Act: The Petitioner and Respondent 4 and 5 defaulted for not disclosing the nature of payables under "other payables" in the financial statement. Prosecution: Section 129(7) of the Act	The "other payables" under the classification "others" was as per the financial statement as on 31-03-2021 over which the present management had no say or control since they came into the picture only pursuant to the approval granted by NCLT, Chennai by order dated 08.2.2021 and thereafter the petitioner company was taken as a going concern.
2	37040 of 2024	Maintenance of books of accounts: Violated Para 6FA of Schedule III by not presenting the trade payables as per the requirements and not classified the furnished trade payables as per the requirements	Para 6FA of Schedule III of the Act: The Petitioner and Respondent 4 and 5 defaulted by not properly disclosing the details of trade payables owed to MSME units. Prosecution: Section 128(6) of the Act.	The trade payables requires various details relating to dues to MSME's and the company has not presented the trade payables as per the requirements. This again pertains to FY 31-03-2021 and the present management coming into the picture only pursuant to the approval of the order dated 08.2.2021 in I.A.854 of 2020



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3	36647 of 2024	Maintenance of books of accounts: Violated the provisions of Section 128, 88 of the Companies Act, 2013 by not obtaining the records from the liquidator and previous management records of the Company and Section 166	The Petitioner and Respondent 4 and 5 defaulted in maintaining the books of accounts of the Petitioner Company for a period of 8 years prior to the acquisition. Prosecution: Section 128(6) of the Act	The books that are supposed to be maintained by the company was not available since the erst while management did not hand over any books to the present management neither did, they handover any books to the IRP nor to the liquidator and the same is evident through letter dated 15.02.2021.
4	36650 of 2024	Misstatement in the financial statement: Assets worth ? 127,42,54,180 were shown as deleted in Schedule 9 of the financial statement, citing an NCLT order. However, the NCLT order does not explicitly authorize this deletion, and it was only based on the management's estimate. Hence, this was considered an incorrect disclosure and a violation of Schedule III and Section 129 of the Companies Act, which require accurate and properly authorized financial reporting.	The Petitioner and Respondent 4 and 5 defaulted by not providing proper disclosure with respect to the asset of the Petitioner which was deleted from the books since it did not form part of the Sale Deed dated 14.10.2020 and the same was not available with the Petitioner Company. Prosecution: Section 129(7) of the Act.	The deletion of assets amounting to nearly Rs.127 crores in terms of NCLT order. This is in view of the fact that the assets were never transferred to the management and the same is evident through sale deed dated 14.10.2020 vide order dated 08.02.2021 passed by the NCLT approving the same. Hence, there is no question of petitioner deleting the assets which was never transferred.



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5	37102 of 2024	Loan taken by the Petitioner from the Holding Company: Violated the Section 166 of the Act by taking a loan to a sum of Rs.1,59,17,642/- from its Holding Company M/s. Agniti Industrial Parks Pvt Ltd a 100% shareholder of the company at an interest of 26.65% prejudicial to the interest of the stakeholders.	The Petitioner and Respondent 4 and 5 defaulted by not obtaining intercorporate loan of Rs. 1,59,17,642/- from its Holding Company, M/s. Agniti Industrial Parks Pvt Ltd at an interest rate of 26.65%. Prosecution: Section 166(7) of the Act	The issue relating to intercorporate loan obtained at high rate of interest by the petitioner company from Holding Company which is prejudicial to the interest of the stakeholders was explained by the petitioner to the effect that the petitioner company resolved and ratified all the loans for the FY 2020-21 up to 2023-24 and also payment towards the interest of the said loans. Therefore, the stakeholders ratified the interest of the petitioner company and there is nothing further to break up the issue.
6	37098 of 2024	Loan taken by the Petitioner from the Holding Company: The Statutory Auditor was appointed only for 1 year at Annual General Meeting dated 30.11.2021 and 30.09.2022 instead of mandatory 5-year term, thereby liable for penalty under Section 139(1) read with Section 450 of the Act.	Section 139 of the Act: The Petitioner and Respondent 4 and 5 defaulted by not appointing the statutory auditors for a period of 5 years. Prosecution: Section 147(1) of the Act.	The statutory auditor was appointed for 1 year since the said statutory auditor were continuing in the company from FY 2013 and they continued when the company was acquired and since the company was taken on a going concern basis the company was forced to continue the service of the auditors after reappointing them as statutory auditors of the company and since the reappointment cannot be for more than 3 years.

7. It will be relevant for this Court to take note of Regulations 32



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and 32A of the Regulations. Under Regulation 32, the liquidator can sell the corporate debtor as a going concern or the business of a corporate debtor as a going concern.

8. In the case in hand, there is no dispute with regard to the fact that the petitioner company was sold by the liquidator as a going concern. Thus, the life of the existing company comes to an end by virtue of liquidation and what was resurrected is only the corporate identity, which enables the new management to buy it as a going concern.

9. The scope of Regulation 32A of the Regulations was dealt with by a learned Single Judge of this Court in the case of ***M/s.Agniti Industrial Parks Private Limited Vs. Superintendent of CGST & Central Excise, Thiruvallur-I Range [W.P.No.11097 of 2021 dated 11.12.2023]***. In that case, the issue pertained to the Revenue attempting to enforce the claims against a successful auction purchaser for the service tax dues from the company, which was under liquidation. Fortunately, it was the very same new management namely M/s.Agniti Industrial Parks Private Limited, which bought the

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petitioner company, had to defend itself by way of filing a writ petition.

This Court negated the claim made by the Revenue mainly on the ground that the liquidation operated as a civil death of the company and also operated as a clean slate and snapped the link between the antecedent creditors and successful auction purchaser, that therefore, the taxes that were due and payable could not be recovered from the new management and that the amounts that were due and payable to the Revenue, which did not happen subsequent to the purchase of the going concern, could not be burdened on the new management. Accordingly, the impugned demand notice itself was set aside.

10. This Court must also take note of the scope of Section 32 of the IBC. In so far as any criminal prosecution is concerned, the criminal liability of the corporate debtor gets completely wiped off when the new management is allowed to take over the corporate debtor on a clean slate. The only caveat that was issued by the Hon'ble Apex Court is that persons, who were involved in the day-to-day affairs of the corporate debtor and were indulged and responsible for running of the corporate debtor, will be liable to face the prosecution for the offences committed prior to the commencement of the CIRP



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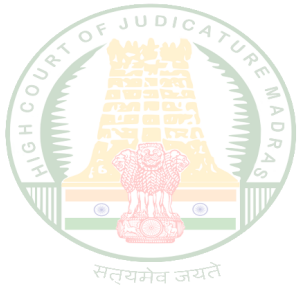
and that there is no escape for those persons from criminal liability even though the corporate debtor is given a clean slate and is handed over to the new management.

11. Useful reference can be made to the common order passed by me in ***M/s.Vasan Healthcare Pvt. Ltd. Vs. Deputy Commissioner of Income Tax (Investigation) [Crl.O.P.No.134 of 2024 etc. cases dated 09.1.2024].***

12. The learned Additional Solicitor appearing on behalf of respondents 1 to 3 in all the writ petitions submitted as follows :

The show cause notices were issued by the Competent Authority and they will take a decision to proceed further and even if a private complaint is filed, the Court applies its mind as to whether cognizance can be taken after considering the reply given by the petitioner company. Hence, as on date, there is no grievance for the petitioner company to submit a reply. There is another option left to the petitioner company where they can compound the offence under Section 441 of the Act and no interference is warranted at this stage.

13. It is true that even after a reply is given to the show cause



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notices, if the first respondent is not satisfied with the reply given by the petitioner company, at the best, the first respondent can only file a private complaint under Section 439 of the Act and it is for the concerned Judicial Magistrate Court to apply its mind on the allegations made and the reply given by the petitioner company and decide with respect to taking cognizance of the complaint filed by the first respondent. The question that arises for consideration is as to whether the petitioner company has to undergo even this rigmarole on the given facts of the case.

14. The petitioner company underwent a liquidation process under the Regulations and the liquidator decided to sell the petitioner company as a going concern to the new management. Thus, in the eye of law, the liquidation process operates as a civil death of the petitioner company and it was resurrected only with respect to its corporate identity when it was sold as a going concern to the new management.



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15. At this juncture, this Court has to take into consideration the approval order dated 08.2.2021 passed by the NCLT, Division Bench-I, Chennai in I.A.No.852 of 2020 wherein the relevant portions read thus:

"17. It is evident in relation to the reliefs as prayed for in 5.1 that the Corporate Debtor stands relieved from all the liabilities arising prior to the deed of sale. It is expressly provided in clause '8' of the Deed of Sale and in the circumstances no separate order is called for.

18. Further in relation to the filings which are required to be done on the part of Liquidator, the Liquidator in compliance with the provisions of IBC, 2016 r/w Attendant Regulation Rules as framed by the IBBI or any circular issued therein shall provide all cooperation to the extent warranted on the part of the Liquidator in terms of the Deed of Sale as executed between the parties.

19. In relation to prayer as sought for in No.5.2, it is seen that the schedule exclusively provides that share capital stands diluted and only upon dilution the consideration has been appropriated as evident from the schedule to the Deed of Sale.

20. In relation to clause No.5.3 of the relief portion, it is seen that it is a prerogative of the



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Applicant to classify the manner it wants to classify between equity and loan as the Company under Liquidation has been taken over on a going concern basis.

21. In relation to clause No.5.4, it is seen that the Applicant has confused itself in relation to the affairs of Liquidation which is to be a concern of the Liquidator (i.e.) of the Realisation and Distribution Account on the one hand and the Company under liquidation on the other which has been sold as a going Concern basis in terms of the Deed of Sale. While the Accounts concerning Realisation and Distribution thereof upon Liquidation arising out of the consideration which has been paid by the successful bidder is required to be dealt and the amounts therein are required to be disbursed in accordance with the waterfall mechanism, as provided under Section 53 of IBC, 2016 and the Regulations framed thereunder by the IBBI by the Liquidator, the Company as a whole devoid of all its liabilities is being taken over with the assets in terms of the Deed of Sale by the successful bidder from the date of sale of the Company under liquidation as a going Concern. In the circumstances, taking into consideration the terms of Deed of Sale as already pointed out, it is not necessary that the Company, which has been taken as a going Concern by the Applicant to



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account for the payment made to be settled and that is required to be dealt by the Liquidator in terms of Section 53 of the provisions of IBC, 2016.

22. In relation to paragraph No.5.5, it is again evident that already the Deed of Sale specifically provides that the persons named therein shall become part of the Board of the Company following the sale and transfer of the sale of assets to the Applicant by the Liquidator. In the circumstances, the Liquidator is required to conform to the terms and conditions of the sale in letter as well as in spirit and no separate directions from this Tribunal are required for the same.

23. In relation to Paragraph No.5.6, upon initiation of the CIRP in relation to the Corporate Debtor, the powers of the Board of Directors stood suspended and similarly upon liquidation of the said Corporate Debtor under Section 34(2) of IBC, 2016 where under all the powers of the Board of Directors shall cease to have effect and be vested with the Liquidator. In the circumstances, we do not find any separate direction is required to be given in this regard, as by operation of law, the Directors shall cease to hold any office in relation to the Corporate Debtor sold as a going concern during the Liquidation process.

24. In relation to paragraph No.5.7 as already pointed out, the Liquidator is necessarily to



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act as required and to see to it that the successful auction purchaser of the Company under liquidation is given a smooth transition in terms of the Deed of sale as executed between the parties. In this regard, it is required to be noted here that the Ministry of Corporate Affairs by their General Circular No.04/2020, F.No.01/02/2019-CL-V dated 17.02.2020 has given a clarification in relation to the Filing of the necessary forms before the Registrar of Companies by the Insolvency Professional or the Liquidator, as the case may be. The Applicant and the Liquidator is required to be aware of the same."

16. The NCLT, Chennai also took into consideration the terms of the sale deed dated 14.10.2020 entered into between the Liquidator and the new management and the Clauses in the sale deed were taken into consideration while granting the above reliefs.

17. In so far as the alleged violations involved in W.P.Nos. 36647, 37040 and 37101 of 2024 are concerned, all pertain to those events, which took place prior to February 2021. Therefore, the theory of clean slate will equally apply to the petitioner company, which has



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come into the hands of the new management as a going concern.

18. In so far as W.P.Nos.36650 and 37102 of 2024 are concerned, even though they pertain to the consequences post February 2021, those issues are sufficiently covered under the order passed by the NCLT, Chennai and therefore, the petitioner company and the new management cannot be burdened with the criminal prosecution for the alleged violations.

19. In so far as W.P.No.37098 of 2024 is concerned, it pertains to the continuation of the statutory auditor, who was functioning in the petitioner company from 2013 onwards. It was a transition period and the petitioner company had continued with the statutory auditor as a stop gap arrangement. Subsequently, it has been informed to this Court that the petitioner company had appointed a statutory auditor for a period of five years as is required under the Act. This Court must keep in mind the fact that whatever applies to the CIRP under Section 32A of the IBC will equally apply, if not more, to a company, which was liquidated and its corporate identity alone was resurrected by virtue of the same being bought as a going concern.

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20. Useful reference can be made to the judgment of a learned Single Judge of the Calcutta High Court in **Anup Kumar Singh Vs. Union of India [reported in MANU/WB/0900/2025]**. On a careful reading of paragraphs 6 to 12 in this judgment, it has been made clear that the principles underlying Section 32A of the IBC will apply a fortiori to liquidation also.

21. Reference can also be made to the judgment of another learned Single Judge of the Calcutta High Court in **Kashvi Power & Steel P. Ltd. Vs. West Bengal State Electricity Distribution Co. Ltd. [reported in 2022 SCC OnLine Calcutta 4617]**. In this judgment, the Calcutta High Court had explained in detail the concept of sale of a company as a going concern in a liquidation process and it was ultimately held that the Regulations framed under the authority conferred by the IBC itself cannot be construed to override the provisions of the IBC itself and that therefore, no interpretation contrary to Section 53 of the IBC can be attributed to the expression 'going concern sale' as contemplated under Regulation 32 of the Regulations.



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22. If criminal prosecutions are going to be permitted for those events, which took place prior to the approval granted by the NCLT, Chennai and after those consequences, which fell out of such purchase of the going concern, it will go against the very object of providing protection to the new management, which takes over charge after the purchase of the corporate debtor.

23. In the case in hand, there is yet another fact, which has to be taken into consideration by this Court. It is seen that the petitioner company started receiving notices right from August 2022 onwards and at least, on three occasions, similar notices were sent and the petitioner company gave separate detailed reply for the same. In spite of giving such a reply, the impugned show cause notices came to be issued by the first respondent. Those show cause notices are more in the nature of completing the formalities with the only intention to proceed further with the prosecution of the petitioner company and its new management.

24. The language that has been used in the impugned show cause notices would show that the first respondent has already



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concluded that the petitioner company had committed violations and had to be prosecuted for the offences. Therefore, no useful purpose will be served even if the petitioner company is directed to give yet another reply to the first respondent. This Court is of the considered view that the petitioner company need not undergo the process of giving reply to the impugned show cause notices since, in any case, it is going to result only in launching of a prosecution against the petitioner company and its new management. To that extent, the first respondent has already made up their mind.

25. Just because there is a possibility of compounding the offences under Section 441 of the Act, that does not mean that the petitioner company has to compound the offences when they strongly feel that they have not committed any offence.

26. The upshot of the above discussions leads to the only conclusion that the impugned show cause notices issued by the first respondent in all the writ petitions are liable to be interfered by this Court.



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27. Accordingly, the writ petitions are allowed and the impugned

show cause notices dated 11.11.2024 are quashed. No costs.

15.7.2025

Index : Yes

Neutral Citation : Yes

To

- 1.The Assistant Registrar of Companies, Office of the Registrar of Companies, Tamil Nadu, Shastri Bhavan, II Floor, 26, Haddows Road, Chennai-6.
- 2.The Registrar of Companies of Tamil Nadu, Shastri Bhavan, II Floor, B Wing, 26, Haddows Road, Chennai-6.
- 3.The Deputy Director, Office of the Regional Director, Ministry of Corporate Affairs, Southern Region, Chennai, Shastri Bhavan, A Wing, V Floor, 26, Haddows Road, Chennai-6.

RS



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WP.Nos.36647, 36650, 37040
37098, 37101 & 37102 of 2024

N.ANAND VENKATESH,J

RS

W.P.No.36647 of 2024
etc. cases

15.7.2025