



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

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CRM-M-7772-2015 (O&M)

Date of decision: 27.08.2025

J.C. Khandelwal and another

.....Petitioner(s)

VERSUS

Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh

.....Respondent

CORAM : HON'BLE MR. JUSTICE VINOD S. BHARDWAJ

Present: - Mr. Diya Bhagwan, Advocate for the petitioner.

Ms. B.S. Kanwar, Sr. Panel Counsel
for the respondent(s)-UOI.

VINOD S. BHARDWAJ, J. (Oral)

1. Prayer in the present petition is for quashing of the complaint case No.38 dated 27.11.2000 titled as “Registrar of Companies, Punjab V. J.C. Khandelwal and others” for commission of offence under Section 58A(10) of the Companies Act, 1956 and all other consequential proceedings arising therefrom including the summoning order dated 22.11.2000.

2. It is evident from a perusal of the order sheet that the present petition has been filed in the year 2015 and there has been no interim stay



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with respect to the proceedings against the petitioners (herein). They were granted concession to appear before the trial Court within a period of one week and were to be admitted on bail.

3. Ever since, the matter has been taken up on various dates during the last 10 years. A specific query has been put to the counsel for the petitioners as to what is the status of the pending complaint(s) since the matter is old, however, she claims that she has no instructions and despite various efforts made by her to contact the client, no instructions are coming forth. She further contends that even her senior counsel has not been apprising the status to her.

4. I have heard the learned counsel appearing on behalf of the petitioners and have also gone through the documents available on record.

5. As per the averments contained in the petition, the company namely M/s. Euro Cotspin Limited was incorporated in the State of Punjab having its registered office at Village Dehar, Lalru, Ambala-Chandigarh Highway, District Patiala. Petitioner No.1 was appointed as a Director on 22.08.1994 and he claims to have resigned from the Directorship on 28.05.2001. Petitioner No.2 was appointed as an Executive Director on 15.07.1999 and he also claims to have resigned from the post on 29.11.2001. He was thereafter re-appointed as Managing Director on 29.11.2001 vide resolution of the Board of the same date.

6. It is contended that petitioner No.2 also resigned from the Directorship on 30.07.2007. A perusal of the complaint filed by the



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respondent-complainant shows that the company had failed to make repayment of the deposits accepted by it and several depositors had approached the Company Law Board under Section 58-A(9) of the Companies Act, 1956 to seek orders for getting repayment of their deposits. The company and its Directors were directed by the Company Law Board to repay the said deposits vide order dated 09.08.2000 alongwith outstanding interests and contracted rate till the date of repayment not later than 31.10.2000. The needful having not been done, the complaint in question was instituted. It is thus evident from a perusal of the same that at the time when incident in question took place, both the petitioners were the Directors/Executive Director/Managing Director.

7. Counsel for the petitioners has not been able to refer to any law so as to substantiate that the proceedings initiated by the Company Law Board was untenable, illegal or liable to be set aside.

8. **Finding no merits, the instant petition is dismissed.**

9. All pending civil misc. application(s), if any, stand disposed of.

27.08.2025*Mangal Singh***(VINOD S. BHARDWAJ)
JUDGE**

Whether speaking/reasoned	:	Yes/No
Whether Reportable	:	Yes/No