
(1956) 10 MAD CK 0001
In the Madras High Court
Case No : Writ Appeal No. 126 of 1956
In Re: M. Vaidyanathan

Date of Decision : 04-10-1956

Acts Referred:

Companies Act, 1913 — Section 282A
Companies Act, 1956 — Section 630
Penal Code, 1860 (IPC) — Section 406, 409, 477A

Citation : AIR 1957 Mad 432 : (1957) 27 CompCas 142 : (1957) 70 LW 81

Hon'ble Judges : Rajamannar, C.J;Panchapakesa Ayyar, J

Bench : Division Bench

Advocate : P.V. Chalapathi Rao and S. Vaidyanathan, for the Appellant;

Final Decision : Dismissed

Judgement

Rajamannar, C.J.—Though Mr. Chalapathi Rao, learned counsel for the appellant, took a great deal of our time, he was unable to convince

us that the judgment of Rajagopalan J. against which this appeal has been filed is wrong.

2. The point which was. strenuously pressed upon us was that the investigation by the Inspector of Police, Crime Branch, C.T.D., Madras Was

barred by the provisions of Section 282-A of the Indian Companies Act of 1913, corresponding to Section 630 of Act I of 1956. The

investigation Is being made in respect of alleged offences punishable under Sections 406, 409 and 477-A of the Indian Penal Code. We have no

hesitation in holding that offences under these sections are Different from the offence contemplated u/s 282-A of the Indian Companies Act. 1913.

There can be no bar therefore to the investigation. Section 282-A, in our opinion, ""relates to an offence much less serious than an offence u/s 406

or 408 or 477A of the Indian Penal Code. This is made evident by the fact that a

person found guilty u/s 282-A can be punished only with fine not exceeding Rs. 1,000, whereas a person found guilty u/s 406, 4. P. C., can be punished with imprisonment of either description for a term which may extend, to three years, or with fine or with both; and a person found guilty u/s 409, I. P. O, can be awarded a more severe punishment. For the offence u/s 477-A the punishment can extend to Imprisonment for seven years. We agree with the learned . Judge, Rajagopalan J. that the scope of Section 282-A of the Indian Companies Act of 1913, is quite distinct and different from the scope of Sections 406, 409 and 477A of the Indian Penal Code. - There is no ground therefore low preventing the police officer from continuing the investigation with which he had been entrusted.

3. The appeal is dismissed.