

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

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**CP No.149 of 2005 (O&M)**  
**Date of Decision: 29.05.2013**

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M/s Mangla Cotex Ltd.

. . . . Petitioner

VS.

Sudhir Kumar Jain & Ors.

. . . . Respondents

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**CORAM : HONBLE MR.JUSTICE SURYA KANT**

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Present: Mr. DP Ojha, Official Liquidator  
Mr. Puneet Kansal, Advocate for respondents No.1 to 3  
Mr. BS Walia, Advocate for respondents No.4,5,8&9  
Mr. OP Sharda, Advocate for respondent No.6  
None for respondent No.7

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**SURYA KANT J. (ORAL)**

(1). The Official Liquidator has instituted this complaint under Section 454(5-A) of the Companies Act, 1956 (in short, 'the Act') read with Rules 125, 127 & 132 of the Companies (Court) Rules, 1959, for non-filing of the Statement of Affairs of the company-in-liquidation, namely, M/s Mangla Cotex Ltd. While respondents No.1 to 3, who are the real brothers, are the former Managing Director and Directors of the company-in-liquidation, respondents No.4 to 9 are the nominee Directors of various financial institutions. The Company was ordered to be wound up by this Court vide order dated 16.01.2004 passed in CP-416-2002. The Official Liquidator was appointed as its Liquidator and upon taking physical possession of the registered office on 05.02.2004, notices were served upon respondents No.1 to 3 calling upon them to provide information as contemplated by Section 454 of the Act. Respondent No.1 to 3 having failed to furnish the Statement of Affairs

despite repeated notices that the instant complaint was filed in the year 2005.

(2). It is not in dispute that during the pendency of this petition, respondents No.1 to 3 have finally complied with the statutory mandate and have filed Statement of Affairs though after prolonged delay of five years. The other respondents have come up with the plea that they were only nominee Directors and the affairs of the Company were being run by the respondents No.1 to 3 only.

(3). Heard learned counsel for the parties.

(4). Keeping in view the fact that the statutory requirements have since been complied with within the meaning of sub-Section (5-A) of Section 454 though belatedly, it appears expedient to abate these proceedings at this stage. It may be true that the statutory provisions contemplates imposition of fine on day-to-day basis in the event of delay in submission of the Statement of Affairs, however, taking into consideration all the attending circumstances, I dispose of these proceedings by imposing lumpsum fine of Rs.1 lac to be deposited proportionately by respondents No.1 to 3 in the Common Pool Fund Account, within one month from the date of receipt of a certified copy of this order and on their doing so, these proceedings shall be deemed to have been dropped for all intents and purposes failing which the Official Liquidator shall be at liberty to seek revival of these proceedings.

(5). Since respondents No.4 to 9 were brought on the Board of the Company in their official capacity, I discharge them from these proceedings.

(6). Disposed of. **Dasti.**

**29.05.2013**

*vishal shonkar*

**(S u r y a K a n t)**

**Judge**