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In Re: M. Vaidyanathan

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Court : Chennai

Decided On : Oct-04-1956

Reported in : AIR1957Mad432

Judge : Rajamannar, C.J. and ;Panchapakesa Ayyar, J.

Acts : Companies Act, 1956 - Sections 630; Indian Penal Code (IPC) - Sections 406, 409 and 477A; Companies Act, 1913 - Sections 282A

Appeal No. : Writ Appeal No. 126 of 1956

Appellant : In Re: M. Vaidyanathan

Advocate for Pet/Ap. : P.V. Chalapathi Rao and ;S. Vaidyanathan, Advs.

Disposition : Appeal dismissed

Judgement :

Rajamannar, C.J.

1. 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 under Section 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 under Section 406 or 408 or 477A of the Indian Penal Code. This is made evident by the fact that a person found guilty under Section 282-A can be punished only with fine not exceeding Rs. 1,000, whereas a person found guilty under Section 406,4. P. C., can be punished with imprisonment of either dee-caption for a term which may extend, to three years, or with fine or with both; and a person found guilty under Section 409, I. P. O, can be awarded a more severe punishment. For the offence under Section 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 ami 477A of the Indian Penal Code. - There is no ground therefore lor preventing the police officer from continuing the investigation with which he had been entrusted.

3. The appeal is dismissed.

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