Karnataka High Court Southern Herbals Ltd. vs Director Of Income-Tax ... on 22 December, 1993 Equivalent citations: 1994 207 ITR 55 KAR, 1994 207 ITR 55 Karn Author: K S Bhat Bench: K S Bhat JUDGMENT K. Shivashankar Bhat, J. 1. The petitioner-company challenges the search and seizure proceedings made under section 132(1) of the Income-tax Act, 1961 ("the Act", for short). The petitioner also challenges the prohibitory order as extended from time to time. It also seeks a mandamus to the respondents to furnish a copy of the order made under section 132(1) including the various search warrants. The company was formed in the year 1984, originally as a private limited company ; subsequently, it was converted into a public limited company with effect from November 21, 1988. It obtained a 100 per cent. export licence. Its object is to manufacture anti-cancer and anti-hypertension drugs to be extracted from herbal plants. In the first instance, the petitioner developed the lab technology and later a German company developed the production technology on the basis of a turnkey agreement with the petitioner. It is unnecessary to refer to the other details here. According to the petitioner, the company commenced its production on February 26, 1993, and exported the first consignment worth about Rs. 3.27 crores by the end of March, 1993. The petitioner has claimed exemption under section 10B(3) of the Act with effect from the assessment year 1993-94. According to the petitioner, in view of this exemption, it is not liable to pay any tax under the Act for a period of five years commencing from the assessment year 1993-94. In view of certain financial difficulties of the Registrar for Public Issues, the petitioner has started refunding the money received the share applications for which purpose a separate account has been opened with the bank. On August 17, 1993, the respondents conducted a search of all the three offices of the petitioner and the residences of the managing director and joint managing director of the company purporting to act under section 132 of the Act. The factory premises was also searched. The petitioner alleges that the officers of the Revenue have destroyed a portion of the precious imported glass plant of the petitioner-company. They have also destroyed some articles as referred to in the writ petition. The substance of the attack against the proceedings is that there was no material on which the authorising officer could have issued an authorisation under section 132(1) to the petitioner's case. Further, the order of authorisation in Form No. 45 was vague and issued jointly in the names of six persons. Several accounts of the petitioner-company were subjected to the prohibitory order under section 132(3). According to the petitioner, the persons in charge of the search were actually employed to collect the trade secrets or manufacturing process of the petitioner-company. 2. The writ petition was filed on November 18, 1993. Standing counsel for the respondents was directed to take notice on November 22, 1993. The matter was thereafter adjourned to December 6, 1993, and December 13, 1993, and, ultimately, the matter was taken up for hearing on December 15, 1993 and December 16, 1993. 3. It is necessary to note that rule was not issued and the matter was taken up for hearing at the preliminary hearing stage. This fact is necessary to be noted in connection with the contention of learned counsel for the petitioner that no statement of objection is filed by the respondents and, therefore, the averments

made in the writ petition as to the facts should be accepted as correct. 4. Sri Veerabhadrappa, learned counsel for the petitioner, contended that : (i) the petitioner is entitled to know the basis for the formation of the belief under section 132(1) of the Act leading to the issuance of the search warrant ; (ii) the petitioner should be furnished with the copy of the search warrant ; (iii) copies of all the materials collected and the statements recorded also should be furnished to the petitioner. 5. Since the questions raised by the petitioner are settled by several decisions, let me proceed to state the relevant principles and thereafter refer to the relevant decisions and express my conclusion ultimately. 6. A warrant of authorisation is to be in the prescribed form. It cannot be issued in general terms without specifying the person in respect of whom it is being issued. In the instant case, six warrants were issued. The names of the company and of its directors are mentioned in the warrant. Mr. Veerabhadrappa contended that this is illegal ; separate warrants in respect of each person should have been issued with reference to the "money, jewellery, valuable articles or things" of each person. Learned counsel relied on a decision in Nenmal Shankarlal Parmer v. Asst. CIT . In the said decision, the names of the partners of the firm were not mentioned in the warrant of authorisation ; only the firm name was mentioned and residential premises of the partners were searched. This was held as illegal. It was a case of warrant of authorisation not referring to the names of the persons whose premises is sought to be searched ; it was held that mere description of the premises was insufficient and that the authorisation has to be against the owner or possessor of documents or other articles referred to in section 132(1). The authorisation mentioned the name of the firm and the firm is a distinct legal entity for purposes of the Act ; the firm did not possess or own the residential premises of the individual partners. This decision is clearly distinguishable. It was a case of a warrant of authorisation issued against a person, not the owner or possessor of the articles or of the premises. In the instant case, the warrant of authorisation mentions the names of all the persons concerned with money or other articles as well as of the premises to be searched. When it is not clear whether one or more persons are in occupation or control of a premises, it is safe and proper to issue the authorisation against all the known persons who may be the owners or possessors of the articles and occupiers of the premises. The warrants of authorisation in the instant case do not suffer from vagueness or from insufficiency of information. 7. Law does not require a copy of the warrant of authorisation to be delivered or furnished to the persons against whom it is issued ; it is sufficient if such a person is shown the warrant of authorisation. The warrant of authorisation is a document authorising the authorised authority to conduct the search ; the authorisation is not a particular mandate issued to the person referred to in the warrant. The mandate to permit the search and co-operate in the search proceedings is found in section 132 read with the relevant rules. 8. Learned counsel for the petitioner asserted that the jurisdictional facts for an action under section 132 are not forthcoming in the instant case. This is not a case falling under sub-clauses (a) and (b) of section 132(1) ; obviously, the search is authorised by recourse to section 132(1)(c), because, to invoke section 132(1)(a) or section

132(1)(b), summons referred to in those provisions had to be issued, and the concerned person should have failed to respond properly to such a summons. 9. This contention is closely linked with the conditions to be satisfied prior to the issuance of a warrant of authorisation. In other words, the requirements of clauses (a) to (c) of section 132(1) are directly linked with and are part of the relevancy of the materials from which the "reasonable belief" is arrived at by the authority issuing the authorisation to conduct the search. The subject-matters of these three clauses are the various aspects of the "information" referred to in the opening sentence of section 132(1). 10. The attempt of learned counsel for the petitioner is to indirectly probe into and analyse the sufficiency of the reasons leading to the issuance of authorisation. This is not permissible. It is not for the court to examine the sufficiency of the material leading to the belief of the authority that search shall have to be conducted ; the court has to see that the belief was reasonable, in the sense, that it was formed on the basis of relevant material (information) ; the court cannot substitute its own opinion as to the reasonableness of the belief. The court has to examine to see whether the belief is an irrational or blind belief, formed out of prejudice or the result of relying on wild gossip or baseless rumours, etc. In this regard, the relevant principles enunciated by the Supreme Court will be referred to, in due course, hereinafter. Suffice if I state here that it is not permissible for the court to sit in appeal over the belief formed by the officer issuing the authorisation and the court cannot venture to reappreciate the materials available to the said officer to see whether the belief formed was correct or erroneous. There is a difference in law between an incorrect inference drawn from certain basic facts and the relevancy of those basic facts to the inference drawn. In the former case, the incorrectness of the inference drawn can be rectified or nullified by a superior authority or court, provided the law permits it to be rectified. The said rectification or nullification is part of the appellate or revisional power which the law should specifically provide for. The writ jurisdiction is not so comprehensive as to comprise within it such an appellate or revisional power. It is essentially a supervisory jurisdiction to see that statutory authorities function within their bounds and that their decisions are not arbitrary, fanciful or based on irrelevant considerations. The scope of the writ jurisdiction while examining the validity of the authorisation under section 132(1) is clearly limited to seeing whether the reasonable belief formed by the authority issuing the authorisation was a reasonable belief, in the sense whether the said belief was formed only on the basis of relevant material/information. 11. It was seriously and repeatedly urged that the reasons leading to the formation of the belief under section 132(1) should be disclosed to the person against whom the authorisation was issued, at least after the search. Since search and seizure are inherently arbitrary and are a serious invasion of the fundamental rights of the petitioner guaranteed under article 19(1)(g) of the Constitution, disclosure of the reasons and the basis for the formation of the relevant belief would enable the petitioner to show whether it was an arbitrary action. 12. It is true that the power of search and seizure is a serious and drastic power ; exercise of the said power directly intrudes into and involves the fundamental rights of the citizens of this country. It is a case of

direct conflict between the State's power and the citizen's rights and liberties. Courts as guardians of the fundamental rights of the people of this country have to closely watch and guard these rights and liberties. But, at the same time, misuse of the said rights and liberties by a few persons which, in turn, would adversely affect the revenues of the State cannot be permitted. The power vested in the State is to see that rights and liberties vested in individuals are not misused to the detriment of the public. The menace of tax evasion has to be curbed by the State so that the vast revenues needed by the State to expend on its welfare activities, beneficial to the law-abiding people in the State, could be preserved and collected. The rights and liberties of a vast number of citizens would be meaningful and properly enjoyable only if the State is able to create proper opportunities for the same through its welfare activities. Therefore, when prevention of tax evasion measures are taken and unearthing of hidden wealth is aimed at by recourse to the power of search and seizure, all that the court can examine is to find out whether there is a relevant basis for the exercise of the said power by the State or its officers. An arbitrary invasion of the right or liberties of the citizen is not permissible and the court's role as the guardian of the fundamental rights is to see whether the State's action is arbitrary or unauthorised. To form a particular opinion and take a decision to act under a given set of circumstances as provided under the law is the exclusive function of the administrators. The process of arriving at the decision should not be vitiated by irrationally or irrelevancy because in such a case, the resultant decision will become arbitrary. There is a vast and qualitative difference between an administrative act and a judicial act, in spite of the recent dilution of the concept of an administrative action. Assuming that power to order search and seizure is a quasi-judicial power (though I do not think so), the scope for judicial scrutiny of the exercise of the said power is very much limited, bearing in mind the respective roles assigned to the executive and the judicial departments of the State. 13. Disclosure of the materials or the information to the persons against whom the action under section 132(1) is taken is not mandatory, because the very disclosure would affect or hamper the investigation. Further many a time, the source of information could easily be inferred from the said material and it is not in the interest of the public to reveal the source through which the authority received the information relevant to the action under section 132(1). Information would have been collected by the promise of confidentially ; even otherwise, to avoid embarrassment to the persons conveying the information, the source cannot be revealed. When investigation is in progress and in the meanwhile, persons against whom action is proposed come to know of the material on which the investigation is based, there is every likelihood of further manipulative devices being adopted by such persons to give a different orientation to the relevant facts. The person against whom the action is to be taken will be given all the relevant facts and materials on which further action is proposed, after investigation is completed."Search and seizure" is only an initial step in the enquiry to be held regarding tax evasion. At this stage, its purpose is to get hold of evidence bearing on the tax liability of a person, which the said person is suspected to have been withholding from the assessing authority and to get

hold of the assets representing income believed to be undisclosed income. The stage for disclosure of the materials is reached only when the Revenue resolves to proceed to make an appropriate order imposing tax liability or penalty, etc., and at that stage, all relevant materials from which the liability of the taxpayer is sought to be inferred shall have to be disclosed. 14. At the initial stage of search and seizure, it is sufficient if the Revenue places the material before the court to examine whether the said material on which search and seizure is ordered, was relevant to the exercise of the power under section 132(1) ; the material placed for the court's perusal cannot be disclosed to the petitioner. 15. Now, I shall proceed to refer to the several decisions laying down the above principles. 16. ITO v. Seth Brothers is one of the earliest of the decisions of the Supreme Court in respect of section 132 of the Act. The premises of Seth Brothers was searched in June, 1963. Certain documents were seized. The proceedings were challenged before the High Court. The extent of seizure was found by the High Court, as far beyond the limits of section 132 and, therefore, it held that there was abuse of the power conferred by the said provision ; hence the proceedings were quashed by the High Court. The Supreme Court did not agree with the approach of the High Court and, therefore, the order of the High Court was set aside and the matter was remanded to the High Court. In that connection, the scope of section 132 was considered by the Supreme Court. At page 843, the court held : "The section does not confer any arbitrary authority upon the Revenue Officers. The Commissioner or the Director of Inspection must have, in consequence of information, reason to believe that the statutory conditions for the exercise of the power to order search exist. He must record reasons for the belief and he must issue an authorisation in favour of a designated officer to search the premises and exercise the powers set out therein. The condition for entry into and making search of any building or place is the reason to believe that any books of account or other documents which will be useful for, or relevant to, any proceeding under the Act may be found. If the officer has reason to believe that any books of account or other documents would be useful for, or relevant to, any proceedings under the Act, he is authorised by law to seize those books of account or other documents, and to place marks of identification therein, to make extracts or copies therefrom and also to make a note or an inventory of any articles or other things found in the course of the search. Since by the exercise of the power a serious invasion is made upon the rights, privacy and freedom of the taxpayer, the power must be exercised strictly in accordance with the law and only for the purposes for which the law authorises it to be exercised. If the action of the officer issuing the authorisation or of the designated officer is challenged, the officer concerned must satisfy the court about the regularity of his action. If the action is maliciously taken or power under the section is exercised for the collateral purpose, it is liable to be struck down by the court. If the conditions for exercise of the power are not satisfied the proceeding is liable to be quashed. But where power is exercised bona fide and in furtherance of the statutory duties of the tax officers, any error of judgment on the part of the officers will not vitiate the exercise of the power. Where the Commissioner entertains the requisite belief and for reasons

recorded by him authorises a designated officer to enter and search premises for books of account and documents relevant to or useful for any proceeding under the Act, the court in a petition by an aggrieved person cannot be asked to substitute its own opinion whether an order authorising search should have been issued. Again, any irregularity in the course of entry, search and seizure committed by the officer acting in pursuance of the authorisation will not be sufficient to vitiate the action taken, provided the officer has, in executing the authorisation, acted bona fide. The Act and the Rules do not requires that the warrant of authorisation should specify the particulars of documents and books of account ; a general authorisation to search for and seize documents and books of account relevant to or useful for any proceeding complies with the requirements of the Act and the Rules. It is for the officer making the search to exercise his judgment and seize or not to seize any documents or books of account. An error committed by the officer in seizing documents which may ultimately be found not to be useful for or relevant to the proceeding under the Act will not by itself vitiate the search, nor will it entitle the aggrieved person to an omnibus order releasing all documents seized." 17. As to the books of account, etc., that could be seized, the court pointed out the existence of a very wide power in the authorities. At page 847, the court held : "The suggestion that the books of account and other documents which would be taken possession of should only be those which directly related to the business carried on in the name of Messrs. Seth Brothers has, in our judgment, no substance. The books of account and other documents in respect of other businesses carried on by the partners of the firm of the assessees would certainly be relevant because they would tent to show inter-relation between the dealings and supply of materials having a bearing on the case of evasion of income-tax by the firm. We are unable to hold that because the Income-tax Officers made a search and seized the books of account and documents in relation to business carried on in the names of other firms and companies, the search and seizure were illegal." 18. The court further held that the fact that the authorities seized unnecessary documents is not a reason to hold that the search and seizure was not held in good faith. 19. It is, therefore, clear that, before issuing authorisation, the authority should record reasons for his "reasonable belief" and the court cannot be asked to substitute its own opinion whether an order authorising search should have been issued. When the power is exercised bona fide and in furtherance of the statutory duties of the tax officers, any error of judgment on their part will not vitiate the exercise of the power. 20. The constitutional validity of section 132 was considered by the Supreme Court in Pooran Mal v. Director of Inspection (Investigation), Income-tax . In the same decision, the Supreme Court held that the illegality of the search and seizure would not affect the relevancy of the evidence collected thereby. The need to have such a drastic power of search and seizure was referred to by the court while rejecting the contention that section 132 contravened article 19(1)(g) of the Constitution. At page 515, the court observed : "Dealing first with the challenge under article 19(1)(f) and (g) of the Constitution it is to be noted that the impugned provisions are evidently directed against persons who are believed on good grounds to have illegally

evaded the payment of tax on their income and property. Therefore, drastic measures to get at such income and property with a view to recover the Government dues would stand justified in themselves. When one has to consider the reasonableness of the restrictions or curbs placed on the freedoms mentioned in article 19(1)(f) and (g), one cannot possibly ignore how such evasions eat into the vitals of the economic life of the community. It is a well known fact of our economic life that huge sums of unaccounted money are in circulation endangering its very fabric. In a country which has adopted high rates of taxation a major portion of the unaccounted money should normally fill the Government coffers. Instead of doing so it distorts the economy. Therefore, in the forest of the community, it is only right that the fiscal authorities should have sufficient powers to prevent tax evasion." 21. It was also held that search and seizure is only a temporary interference with the right to hold the premises searched and the articles seized. The Supreme Court also analysed the relevant provisions to point out the inbuilt safeguards found in section 132 against an arbitrary exercise of the power. Nowhere has the court held that the reasons recorded before authorising the search should be disclosed to the person against whom the warrant was issued. 22. The substance of the power to search and seize conferred by section 37(1) of the Foreign Exchange Regulation Act, 1973, is the same, as under section 132(1) of the Act. The scope of this power was considered in Dr. Partap Singh v. Director of Enforcement . It was held therein that the materials on which the officer has reasons to believe that any documents will be useful for or relevant to any investigation need not be disclosed in the search warrant ; such material may be secret, may have been obtained through intelligence, or even conveyed orally by informants. In the said case, the petitioner contended that, if the court is going to look into the file produced on behalf of the officer who authorised the search, it must be disclosed to the petitioner so that the petitioner "can controvert any false or wholly unreasonable material set out in the file", but the Supreme Court did not accept this submission. The Supreme Court also referred to an earlier decision in S. Narayanappa v. CIT , to hold that whether grounds for ordering search were sufficient or not is not a matter for the court to investigate. However, the court may examine the question whether the reasons for the belief have a rational connection or a relevant bearing to the formation of the belief and are not extraneous or irrelevant for the purpose of the section. 23. It is clear from the ratio of this decision that the High Court may examine the files for the limited purpose stated above, but the person against whom the search warrant was issued is not entitled to look into the file. Another earlier decision in R. S. Seth Gopikisan Agarwal v. R. N. Sen, Asst. Collector of Customs and Central Excise, , was also referred to. Further, in Partap Singh's case [1985] 155 ITR 166, at page 175, the court once again pointed out that "illegality of the search does not vitiate the evidence collected during such illegal search". The scope of section 132 had come up before the Division Bench of this court in C. Venkata Reddy v. ITO [1967] 66 ITR 212 ; AIR 1969 Mys 118, the ratio of which need not be repeated in view of the pronouncements of the Supreme Court in this regard. 24. Mr. Veerabhadrappa sought to sustain his proposition by relying on Kalinga Tubes Ltd. v. D. Suri,

; the said decision has no direct bearing here, as the court there, held that the Magistrate who issued the search warrant, issued it as a "court" and that as an order of the court, it was a public document. 25. It is unnecessary to examine the submission of learned counsel for the petitioner, based on sections 74 to 76 of the Evidence Act, in view of the several decisions of the Supreme Court governing the question. 26. New Kashmir and Oriental Transport Co. (Private) Ltd. v. CIT is a decision of the Allahabad High Court. At page 337, the Bench held : "As we have pointed out at an earlier occasion, the seizure of the books of account of a businessman is a serious encroachment upon his fundamental right to carry on business. Such an encroachment, of course, is permitted by law in public interest. But it is necessary that the powers under section 132 as also under section 131 should be exercised strictly in accordance with the law and the principles of natural justice. The petition asked for copies of the search warrants and the reasons recorded by the Commissioner for authorising the search. This request was refused. The petitioner then applied for inspection. That too was refused by the Commissioner on the ground that there was no provision permitting the inspection of the documents. This approach of the Commissioner is obviously erroneous. Unless there is a statutory prohibition, a person against whom action is being taken under section 132 is entitled to inspect the record of the proceedings and to obtain copies of the orders passed in those proceedings. If such a right is denied to him, he will not be able to satisfy himself that the action against him is justified and to seek redress against any illegal action taken or order passed. It is a well known maxim that 'justice not only should be done, but should be seen to have been done'. An aggrieved person is entitled to know that the requirements of the law have been complied with. We are thus satisfied that the Commissioner was not justified in refusing to the petitioner the inspection of the record or copies asked for by him. We make it clear that, in a given case, it may be possible for the Commissioner to treat a particular information or a document as confidential and to withhold its inspection. But that is not the case of the Department in the instant case. Wholesale refusal to grant copies or allow inspection is not justified by law." 27. I cannot agree with the broader meaning attributed to the above decision by learned counsel for the petitioner who contended that copies of the search warrants and "the reasons recorded by the Commissioner for authorising the search" must always be furnished when asked for. Such a meaning runs counter to the decision of the Supreme Court ; the above observations by the Bench of the Allahabad High Court are to be confined to the peculiar set of facts of the said case only. 28. In V. K. Jain v. Union of India , a learned judge of the Delhi High Court held that there is no requirement providing for a copy of the warrant of authorisation to be given to the person whose books are sought to be searched and seized before the search starts. 29. A few more decisions cited by learned counsel for both parties require to be mentioned, though I do not think it necessary to refer to them in detail ; some of them are : (i) I. Devarajan v. Tamil Nadu Farmers Service Co-operative Federation ; (ii) H. L. Saibal v. CIT ; (iii) Subir Roy v. S. K. Chattopadhyay ; (iv) Jain and Jain v. Union of India [1982] 134 ITR 655 (Bom)' (v) L. R. Gupta v. Union of India . Here, the

court pointed out that if search warrant is shown to the person, it is sufficient and its copy need not be furnished. (vi) Sriram Jaiswal v. Union of India ; here the Allahabad High Court pointed out the information available with the officer leading to the formation of his belief to authorise search cannot be disclosed to the person who is affected by the search and seizure. (vii) Kalpaka Bazar v. CIT is a decision of the Kerala High Court, wherein at page 620, the court held that the reasons for the search need not be communicated to the party concerned. 30. Mr. Veerabhadrappa, then, contended that, in W. A. No. 3300 of 1993, the Bench directed the disclosure of the reason for ordering the search in the instant case, and the reason, as disclosed and found in annexure "E", is not reason at all. 31. When, under law, the basis for the formation of the belief need not be disclosed, it is quite natural not to find it in the ultimate conclusion expressing the belief ; annexure "E" is nothing but the recording of the said belief. The Bench nowhere, and could not have, directed the disclosure of the material leading to the formation of the belief under section 132(1). 32. In fact, the material was placed before me. The petitioner contends that its income is not at all taxable and it is the income earned by exporting the goods manufactured by it. I find that, in substance, the basis for ordering the search is the information available to the Revenue, that the alleged income of the petitioner-company is not such an income as is now sought to be made out by it. I am satisfied that the belief formed by the officer who authorised the search (Director of Income-tax/Investigation) was based on relevant material and is reasonably connected to the subjects referred to in section 132(1)(c). Whether, ultimately, after the investigation and enquiry, the petitioner-company or any of its directors or any other person, will be taxed or penalised, is entirely irrelevant at this stage ; that depends upon the result of the investigation and adjudication, if any. 33. There is an allegation that, while recording the statements, the officers of the Revenue compelled the officers of the petitioner-company to disclose the secret formula involved in the manufacture of the precious drug and the purpose of the search and seizure was to get hold of this formula. Learned counsel for the Revenue referred to the recorded statements and asserted that no such statement was recorded and the Revenue in no manner made any such attempt to fish out information as to the manufacturing process of the drug. There is no reason to disbelieve this statement of Mr. Dattu, learned counsel for the Revenue, based on official records. 34. Mr. Veerabhadrappa contended that the respondents have not filed any statement of objections to the writ petition and, therefore, the facts asserted in the writ petition are not controverted ; and that all allegations of mala fides, arbitrariness and lack of reasonable conduct on the part of the Revenue should be accepted. 35. It is true that, in a matter like this, the respondents should controvert the averments in the writ petition. But, only because there is no statement of objections, it cannot be said that the averments in the writ petition should be accepted automatically, when those assertions can be considered by reference to the official records. Here, no question of personal illwill or bias is involved. The allegations of mala fides are essentially allegations pertaining to "legal mala fides". Further, the writ petition was taken up for hearing out of turn in view of the urgency involved. 36. When

the existence of the "reasons to believe" could be proved by reference to the records (and that is the only mode permitted by the Supreme Court in "search and seizure" cases, and disclosure of the contents is not expedient), the filing of an affidavit by the concerned officer who issued the authorisation may not advance the case of the Revenue further always. Therefore, the observations of the Supreme Court in Madhya Pradesh Industries Ltd. v. ITO has no relevancy to the present controversy before me. 37. However, I am of the view that it is always proper for the respondents to traverse the averments in the writ petition to the extent it is possible to do so by disclosing materials that could be disclosed in a case of this kind. Actually, under the Rules of this court, the statement of objections is to be filed only when rule nisi is issued and in this writ petition, such a rule has not been issued. 38. Though the prohibitory orders are challenged, Mr. Veerabhadrappa did not pursue the matter, since, as on today, the prohibitory order is confined to the bank account and recently, the period of the prohibitory order has been extended. Learned counsel submitted that the latest order will be challenged separately, if necessary. 39. It is also necessary to note that the chartered accountant of the petitioner-company has been permitted to take xerox copies of all the accounts, etc., of the company required for auditing but so far, the opportunity has not been availed of by the chartered accountant. 40. No other contention survives for consideration. 41. In the result, for the reasons stated above, this petition fails and is rejected.