

**IN THE COURT OF THE PRL. DISTRICT & SESSIONS
JUDGE, UTTARA KANNADA, KARWAR.**

Com.O.S. No. 2/2020

M/s M.N. Chemicals Limited PLAINTIFF

V/s

Vasantha Rao and others ... DEFENDANTS

:ISSUES:

1. Whether the plaintiff proves that defendant No.1 was appointed as Director of company on 20.11.1995 and defendant No.3 was employed as General Manager, Marketing and later inducted as Director on 30.04.2012?
2. Whether the plaintiff further proves that defendant No.1 and 3 were given full control of accounts, administration, operation of Bank accounts, purchases and sales of manufactured products of plaintiff company and also authorized to draw salary for themselves?
3. Whether the plaintiff further proves that defendant No.1 and 2 misrepresented themselves as owners of company to gain public confidence and misappropriated Rs. 18,95,591/- through

defendant No. 6 by showing payments from plaintiff company towards processing charges and R and D expenses to D-6?

4. Whether the plaintiff further prove defendant No.1, 2, 3 and 4 have misappropriated and falsified the accounts and siphoned an amount of Rs. 2,76,56,468/- from plaintiff company as pleaded in Para No. 22 of plaint in detail?
5. Whether the plaintiff further proves that the ledger accounts are manipulated and fictitious entries are made to reduce net profit and to evade income tax by defendant No. 1 and 3 and also to cause loss to plaintiff as pleaded in Para No. 27 of plaint?
6. Whether the plaintiff proves that defendant No.1 has made enormous investments from the money siphoned from their company as pleaded at Para No. 30 of plaint in detail?
7. Whether the plaintiff are entitled for the prayer of relief that defendant No.1 to 4 jointly or severally liable to pay an amount of Rs. 2,76,56,468/- along with interest at 18% p.a. from the date of suit till the realization and prayer No. (b) to (h)?
8. Whether the plaintiffs are entitled for the relief of direction against D-1 for disciplinary proceedings by Indian Institute of Chartered Accountants under this provision?
9. Whether the defendant No.1 and 3 proves that they were Directors of the company for namesake and entries, operation of accounts was solely controlled and managed by Mr. Naveen and Mr. Rajashekhar Eligar who were Directors of plaintiff company?
10. Whether the defendant No.1 and 2 proves that they used, owned and were in possession of plant, machinery, equipment,

lab., required for manufacturing the products sold by them and had employed Accountant, Chemist and other office assistants to run the M/s Pharama Foods Pvt. Ltd.?

11. Whether the defendant No.1 and 2 proves the books of account maintained by M/S Pharama foods shows actual expenses incurred by them and it was met by them from their own income from Pharama foods and not from plaintiff firm?
12. Whether defendant No.1 to 3 proves that the building on plot No. R.50.KSSIDC industrial area, Hegde Road, Kumta was constructed by them from their own source and accounted for?
13. Whether the defendant No.1 and 2 proves that plaintiff company has adjusted his salary of Rs. 14,06,325/- as adjustment of interest towards loan of his residential house and shown in balance sheet of 31.03.2014 and accounted for?
14. Whether the defendant No. 1 to 3 proves that plaintiffs have themselves shown dubious transactions under the management of Naveen Patil and siphoned the amount shown in Para No. 26 of written statement to cheat the income tax?
15. Whether the defendant No. 1 and 2 are entitled for counter claim amount of decree against plaintiff to pay Rs. 38,42,580/- towards arrears of pay, gratuity, bonus, cost and damages towards C-1 shed premises and damages at the rate of 18% per annum from the date of counter claim till realization and cost of suit?
16. Whether the defendant No. 3 is entitled to Rs. 10,98,616/- by way of counter claim from the plaintiff?

17. Whether the defendant No. 3 is entitled to interest at 18% p.a. on the counter claim from date of filing counter claim as sought for?
18. What order or decree?

Date: 29th May 2023

Sd/-
Prl. District & Sessions Judge,
Uttara Kannada, Karwar.