

**IN THE HIGH COURT AT CALCUTTA
CRIMINAL REVISIONAL JURISDICTION
APPELLATE SIDE**

**PRESENT:
THE HON'BLE JUSTICE UDAY KUMAR**

CRR 4267 OF 2022

**REGISTRAR OF COMPANIES, WEST BENGAL
-VS-
RANJAN MEGHANI**

For the ROC / Petitioner : Mr. Prodyat Saha

For the Respondent : Mr. Aritra Basu,
Mr. P.P. Bishwal
Ms. Swastika Ray

Reserved on : 15.07.2026

Pronounced on : 01.08.2026

UDAY KUMAR, J.: –

I. INTRODUCTION

1. Corporate misfeasance cannot serve as a blanket justification for sweeping, unfocused criminal prosecutions, nor can regulatory zeal override the mandatory statutory safeguards of procedural time-bars. The boundaries of criminal liability for independent professionals cannot be expanded into an elastic net of retrospective persecution, and the foundational rule of law must remain impervious to administrative indolence and state delays. When this revisional application was taken up for a comprehensive and protracted hearing, and the learned counsel for the contesting parties advanced extensive arguments, this

litigation squarely brought to the fore a critical tension in corporate jurisprudence: the protective independence claimed by external professional experts under the statutory corporate framework versus the expansive, penal net cast by the legislature against systemic corporate deception.

2. The Petitioner, being the Registrar of Companies, West Bengal (hereinafter referred to as the ROC), has invoked the revisional jurisdiction of this Court under Section 482 read with Section 401 of the Code of Criminal Procedure, 1973 (Cr.P.C.), assailing the legal propriety, correctness, and validity of the order dated July 13, 2021, passed by the learned Judge, 2nd Special Court, Calcutta, in Complaint Case No. 16 of 2020. By the said order, the learned trial court was pleased to allow the application filed under Section 245(2) of the Cr.P.C. and discharged the private opposite parties namely Ranjan Meghani (Accused No. 10) and Bhal Chandra Khaitan (Accused No. 12), from a criminal prosecution principally launched under Sections 58A, 58AA, 60, 67, 69, 73, 75, 81, and 628 of the Companies Act, 1956 (hereinafter the 1956 Act), as well as Section 448 read with Sections 61(1)(a) and 117(1) of the Companies Act, 2013 (hereinafter the 2013 Act).

II. STRUCTURAL CHANGE IN THE ARRAY OF PARTIES & ABATEMENT

3. Before entering into the substantive legal and factual matrix of this revision, a vital structural development regarding the array of parties must be recorded with exactitude. During the pendency of this

revisional application, Opposite Party No. 12, Bhal Chandra Khaitan, an independent practicing Chartered Accountant who was impleaded as Accused No. 12 in the primary complaint, passed away on January 23, 2025, at the Rabindranath Institute of Cardiac Science, Kolkata.

4. A formal substitution application supported by an affidavit has been solemnly affirmed by his surviving spouse, Smt. Sushila Devi Khaitan, enclosing the official death certificate issued by the Registrar of Births and Deaths, Kolkata Municipal Corporation. By operation of the mandatory statutory provisions enshrined in Section 394 of the Cr.P.C., criminal appellate and revisional proceedings seeking to overturn an order of discharge or acquittal abate unconditionally upon the demise of the accused, as the right to prosecute does not survive against the legal heirs for personal penal liability. Accordingly, this criminal revision stands abated in its entirety insofar as it relates to the deceased Opposite Party No. 12 (Bhal Chandra Khaitan). The present adjudication therefore survives and proceeds exclusively against the surviving private Opposite Party No. 1 (Accused No. 10), Shri Ranjan Meghani, who is a practicing Chartered Accountant.
5. It is further recorded that pursuant to a supplementary affidavit affirmed on behalf of the ROC by the Deputy Registrar of Companies, a certified copy of the primary criminal complaint has been placed on record. This cured the initial procedural defect concerning the absence of the primary complaint, enabling this Court to examine the matter comprehensively on its merits.

**III. FACTUAL BACKGROUND & THE CORE INVESTIGATION
MATRIX**

6. To appreciate the precise contours of the controversy, the foundational facts culled from the records and the complaint lodged by the ROC must be set out in detail. The primary company, M/s Adorable Agrotech Limited (arrayed as Accused No. 1), was incorporated on July 28, 2010, with a modest initial authorized share capital of ₹5,00,000/-. However, between 2010 and 2014, this authorized capital was artificially inflated through five consecutive increases to an astronomical ₹70,35,00,000/-. Acting upon intelligence regarding widespread financial irregularities, the Central Government in the Ministry of Corporate Affairs ordered an investigation under Section 210(1) of the 2013 Act, conducted by a joint inspection team comprising Shri K.S. Pradhan, Joint Director, Ministry of Corporate Affairs, Government of India and Shri Vikram Singh, Deputy Registrar of Companies, West Bengal.
7. The statutory investigation unmasked a massive financial arrangement whereby this exponential capital expansion was engineered almost exclusively by creating and issuing Non-Convertible Redeemable Preference Shares, while the core equity share capital of the company remained entirely static. The inspection team concluded that these capital expansions were executed through ordinary resolutions under the guise of special business, completely bypassing the strict, protective shareholder protocols mandated under Section 81(1A) of the 1956 Act.
8. Furthermore, the company allotted these redeemable preference shares to thousands of investors on single, isolated days e.g., to 1,431

individuals on September 15, 2011, and to 9,120 individuals on July 1, 2013. Under Section 67(3) of the 1956 Act, any invitation or offer of securities made to fifty or more persons automatically transforms the transaction into a public offer, which statutorily mandates the registration of a full prospectus with the ROC under Section 60 and compulsory listing of shares on a recognized stock exchange under Section 73 thereof. Having failed to fulfill these mandatory requirements, the ROC treated these massive public collections as illegal, unadvertised "deposits" under the Companies (Acceptance of Deposits) Rules, 1975, thereby attracting severe penal consequences under Sections 58A and 58AA of the 1956 Act.

9. To project an aura of regulatory compliance before public authorities, the company uploaded several electronic returns onto the MCA portal (specifically Form 5 and Form 2: Return of Allotment) in October and December of 2011. The sole and exclusive nexus linking the surviving independent professional, CA Ranjan Meghani, to this massive corporate web is his professional verification and certification of these electronic forms. He was neither a promoter, executive director, nor internal manager or key managerial personnel of the company. His professional engagement was strictly limited to certifying the statutory e-Forms. The inspection report incorporated within the complaint notes:

"...five Form-2 is defective on account of name of the shareholders not given in the list of allottees, mismatch of date of allotment in the attachment, shareholders name repeated twice/thrice on same date of allotment... All these forms are

signed by Shri Biswajit Biswas, director of the company who has filed the forms with the ROC without verification knowing that the same are false with mala fide intention... and all above forms are certified by... Mr. Ranjan Meghani, CA for certifying Form for the allotment dated 15.10.2011 and 15.12.2011, thereby have committed an offence under Section 628 read with Section 75 of the Companies Act, 1956."

10. Acting upon the findings of this inspection report, the Registrar of Companies instituted Complaint Case No. 16 of 2020 on March 17, 2020, before the learned Judge, 2nd Special Court, Calcutta, seeking the prosecution of the company and various individuals, including the opposite party, under Section 628 read with Section 75 of the 1956 Act.
11. Upon taking cognizance of the complaint, the opposite party entered appearance and filed an application for discharge under Section 245(2) of the Cr.P.C. The learned trial court, by its judgment and order dated July 13, 2021, allowed the application and discharged the opposite parties. The trial court reasoned that a practicing Chartered Accountant certifying e-Forms does not fall within the statutory definition of an "officer" under Section 2(30) of the 1956 Act (or Section 2(59) of the 2013 Act), and consequently, the ROC lacked the requisite locus standi to institute and prosecute criminal proceedings directly against them under the Act. Assailing this order of discharge, the ROC has approached this Court by way of the instant revisional application.

IV. ISSUES FOR DETERMINATION

12. To ensure a comprehensive and exhaustive adjudication that resolves every facet of this dispute, the following core issues are formulated for determination:

- i. Whether a practicing Chartered Accountant who verifies and certifies statutory e-Forms in a professional capacity fall within the statutory definition of an "officer" or "officer-in-default" of a company under the Companies Act, 1956 and the Companies Act, 2013, so as to render him amenable to criminal prosecution instituted directly by the Registrar of Companies under Section 439(2) of the 2013 Act (Section 621 of the 1956 Act)?
- ii. Whether an independent professional certifying statutory e-Forms and returns can be prosecuted under Section 628 read with Section 75 of the Companies Act, 1956 in the absence of specific pleadings, foundational material particulars, or evidence demonstrating *mens rea*, active connivance, or personal knowledge of falsification on their part?
- iii. Whether the criminal complaint filed by the Registrar of Companies on March 17, 2020, in respect of e-Forms and share allotments filed between the years 2011 and 2014, is *ex facie* and incurably barred by the law of limitation under Chapter XXXVI of the Code of Criminal Procedure, 1973?

V. SUBMISSIONS OF THE RESPECTIVE PARTIES

A. Submissions on behalf of the Petitioner (ROC):

13. Mr. Prodyat Saha, learned counsel appearing on behalf of the Petitioner/Registrar of Companies, vehemently contended that the impugned order of discharge passed by the learned trial court is legally

perverse, superficial, and unsustainable in the eyes of law. The trial court committed a manifest error of law by viewing the complaint through the narrow and restricted prism of an "Officer" or "Officer who is in default" under Sections 2(30) and 2(31) of the 1956 Act.

14. It was argued that Section 628 of the 1956 Act is couched in expansive terms and penalizes "any person" who makes a false statement or conceals a material fact in any return, report, or certificate required under the Act. The opposite party, by affixing his professional signature and certification, lent official credibility and legal sanctity to electronic forms that concealed the true nature of illegal public deposits and irregular allotments.
15. On the question of limitation, learned counsel argued that limitation is a mixed question of fact and law that ought not to be utilized to short-circuit a serious corporate fraud prosecution at the threshold under Section 245(2) of the Cr.P.C., especially when the complex web of concealment came to light only upon the completion of the statutory investigation under Section 210 of the Act of 2013.

B. Submissions on behalf of the Surviving Opposite Party (CA Ranjan Meghani):

16. Mr. Aritra Basu, learned counsel appearing for the surviving opposite party (Ranjan Meghani, Chartered Accountant), strongly supported the legality and reasoning of the trial court's discharge order. He submitted that the opposite party is an independent, practicing professional bound by professional standards, and is neither an "officer" nor an

"officer-in-default" of the company under Sections 2(30) and 2(31) of the 1956 Act [Sections 2(59) and 2(60) of the 2013 Act]. In fact, Section 2(60)(v) of the 2013 Act explicitly insulates persons who give advice in a professional capacity from being deemed officers in default. Consequently, under Section 439(2) of the 2013 Act, the ROC lacks the statutory locus standi to launch a direct prosecution against him.

17. It was further urged that the complaint itself completely exonerates the opposite party of any independent wrongdoing, squarely attributing all mala fide intent, fabrication, and physical filing to the executive director, Shri Biswajit Biswas. There is not a single averment in the complaint pleading the essential ingredients of *mens rea*, active connivance, conspiracy, or personal knowledge of falsification against the certifying Chartered Accountant.
18. Crucially, learned counsel underscored that the criminal prosecution is hopelessly and incurably barred by limitation under Chapter XXXVI of the Cr.P.C. The maximum punishment under Section 628 read with Section 75 of the 1956 Act is imprisonment for a term of two years, which squarely attracts the strict three-year period of limitation prescribed under Section 468(2)(c) of the Cr.P.C. Since the forms were filed between 2011 and 2014, while the complaint was instituted on March 17, 2020, nearly nine years later, without any application for condonation of delay under Section 473, the entire proceeding is a nullity in law, relying heavily on the binding dicta of the Hon'ble Supreme Court in *State of Punjab v. Sarwan Singh* [(1981) 3 SCC 34], *Arun Vyas and Another v. Anita Vyas* [(1999) 4 SCC 690], and the

recent authoritative pronouncement in *Roma Ahuja v. State and Another*[2026 SCC OnLine SC 557].

VI. COURT'S EXHAUSTIVE REASONING AND ANALYSIS

- 19.** Having given my anxious consideration to the rival submissions advanced by the learned counsels for the parties, and having meticulously examined the statutory provisions, the complaint, and the case records, this Court proceeds to analyze the legal issues systematically to arrive at a logical and definitive conclusion.

A. Issue No. 1: Statutory Status and Locus Standi

- 20.** The primary threshold ground on which the trial court based its order of discharge is the statutory definition of an "officer" of a company. A plain reading of Section 2(30) of the Companies Act, 1956, and its successor provision, Section 2(59) of the Companies Act, 2013, reveals that an "officer" includes any director, manager, secretary, or key managerial personnel, along with any person in accordance with whose directions or instructions the Board of directors is accustomed to act. The legislative scheme demonstrates that the status of an "officer" is intrinsically linked to executive governance, managerial control, and the internal administration of the corporate entity.
- 21.** This legislative design is further reinforced by Section 2(60) of the 2013 Act, which defines an "officer who is in default". Clause (v) of Section 2(60) expressly carves out a statutory protection, declaring that a person who gives advice to the Board in a professional capacity shall not be deemed to be an officer in default. When this specific exclusion is

read alongside provisions ensuring auditor independence, such as Section 226 of the 1956 Act, which strictly disqualifies company officers and employees from acting as independent auditors, the fundamental dichotomy between internal executive management and external professional advisors becomes crystal clear.

- 22.** An independent Chartered Accountant engaged to verify and certify statutory e-Forms or returns acts strictly in a professional capacity as an external expert. Their duties are governed by professional standards, statutory audit guidelines, and the rigorous ethical code of the Institute of Chartered Accountants of India (ICAI), rather than by internal corporate commands. Expanding the definition of an "officer" to encompass an independent professional certifier would distort the statutory architecture of company law.
- 23.** Consequently, under Section 439(2) of the 2013 Act (and Section 621 of the 1956 Act), which restricts the ROC's competence to file complaints primarily against the company and its responsible managerial officers, the ROC lacks the direct statutory locus standi to prosecute an independent professional under provisions designed specifically for internal corporate default, unless active criminal complicity is prima facie established.

B. Issue No. 2: Essential Ingredients and Absence of Mens Rea

- 24.** This leads me to the second and equally vital issue concerning the substantive scope of Section 628 of the 1956 Act. Section 628 penalizes "any person" who makes a statement in any return, report, certificate,

balance sheet, or other document required under the Act which is false in any material particular, knowing it to be false, or who intentionally conceals any material fact. The essence of an offence under this section is not merely the submission of an inaccurate or defective document, but the conscious, deliberate, and intentional introduction of falsehood coupled with the requisite *mens rea* (guilty mind). Criminal penal liability of this severity can never be fastened vicariously, on the basis of loose suspicion, or through abstract association.

- 25.** A rigorous scrutiny of the criminal complaint lodged by the ROC reveals a fatal lacuna in the foundational pleadings. The complaint explicitly and categorically attributes the mala fide intention, the physical execution, and the deliberate concealment of investor identities to the company director, Shri Biswajit Biswas. However, concerning the opposite party, a practicing Chartered Accountant, the complaint merely contains a generic assertion that he certified the forms. There is a complete and absolute absence of any foundational averment, specific allegation, or material particular demonstrating that the opposite party had personal knowledge of the underlying financial fraud or that he actively connived with the management to fabricate records.
- 26.** Under Rule 10 of the Companies (Registration Offices and Fees) Rules, 2014, the primary statutory obligation to file correct particulars, rectify defects, and ensure compliance rests squarely upon the applicant company and its directors. An independent professional who relies upon books, records, and data furnished by the management cannot be hauled up under Section 628 without specific, concrete allegations and

material evidence showing direct complicity or conscious knowledge of falsification. The complaint before the trial court miserably failed to disclose any such legal nexus qua the opposite party.

C. Issue No. 3: The Incurable Bar of Limitation

- 27.** Even if the contentions of the petitioner regarding professional certification are examined, the criminal prosecution is fundamentally crippled by the absolute and insurmountable bar of limitation under Chapter XXXVI of the Code of Criminal Procedure, 1973.
- 28.** The penal provisions invoked against the opposite party, Section 628 read with Section 75 of the 1956 Act, carry a maximum substantive punishment of imprisonment for a term of up to two years. Under Section 468(2)(c) of the Cr.P.C., the strict period of limitation prescribed for taking cognizance of an offence punishable with imprisonment exceeding one year but not exceeding three years is three years.
- 29.** The schedule of allotments and e-Forms detailed in the complaint itself establish that the documents in question were uploaded and filed by the company between March 2011 and March 2014. The cause of action, if any, accrued concurrently during those years. Yet, the Registrar of Companies instituted the criminal complaint before the learned Special Court on March 17, 2020, reflecting an inordinate, unexplained, and colossal delay of nearly nine years, which is three times the outer limit prescribed by Parliament under Section 468.
- 30.** The law governing the computation of limitation under Chapter XXXVI of the Cr.P.C. has been authoritatively settled by the Constitution

Bench in *Sarah Mathew v. Institute of Cardio Vascular Diseases* by its Director, Dr. K.M. Cherian [(2014) 2 SCC 62], wherein it was established that for the purpose of computing limitation under Section 468, the relevant and decisive date is the date of filing of the complaint or the initiation of criminal proceedings. This principle has been robustly reaffirmed by the Apex Court in *Roma Ahuja (supra)*, emphasizing that criminal law does not countenance stale prosecutions, and the statutory limitation clock stops running strictly on the date of the initiation of proceedings or on the date of filing the complaint.

- 31.** The statutory scheme under Sections 468 to 473 of the Cr.P.C. is designed to protect citizens from being subjected to unending clouds of criminal liability arising from delayed state action. Although Section 473 of the Cr.P.C. empowers a court to take cognizance after the expiry of the limitation period if the delay has been properly explained and condonation of such delay is necessary in the interest of justice, a thorough perusal of the complaint and records reveals an absolute absence of any application for condonation of delay, nor is there any plausible explanation offered by the state regulator for the monumental lapse of nearly a decade between 2014 and 2020 in filing of the complaint.
- 32.** Initiating criminal proceedings after the expiry of the statutory period without invoking Section 473 and without showing sufficient cause renders the entire prosecution legally untenable, dead in law, and barred by limitation. The learned trial court committed no error in cutting short a time-barred and groundless proceeding.

VII. CONCLUSION & FINAL ORDER

33. In light of the exhaustive legal and factual analysis set out above, this Court summarizes its final conclusions:

- i. The proposition that an independent professional certifying a statutory return or e-Form can *never* be prosecuted under Section 628 of the Companies Act, 1956, merely because they do not fall within the narrow definition of an executive "officer" is legally incorrect and requires qualification; active complicity with *mens rea* can attract the section.
- ii. However, the ultimate order passed by the learned Special Court discharging the Opposite Parties from Complaint Case No. 16 of 2020 is **upheld and affirmed** strictly on the ground that the criminal complaint suffers from a total absence of specific pleadings and foundational ingredients of *mens rea* against the certifying professional (Opposite Party no. 1), and is further incurably and hopelessly barred by limitation under Section 468(2)(c) of the Cr.P.C., with no application or ground made out under Section 473 to condone the massive delay.
- iii. Resultantly, **C.R.R. No. 4267 of 2022** stands formally **abated** against the deceased Opposite Party No. 12 (Bhal Chandra Khaitan), and is **dismissed** as against the surviving Opposite Party No. 1 (Ranjan Meghani).

- 34.** It is explicitly clarified that this adjudication pertains exclusively to the specific role, status, and criminal liability of the external, independent professional certifier. Nothing contained in this judgment shall be construed as a bar or impediment precluding the Petitioner / Registrar of Companies, West Bengal, from proceeding in accordance with law against the principal company, its executive directors, promoters, and internal management functionaries, whose liability remains independent.
- 35.** The criminal revisional application is accordingly **disposed of**.
- 36.** There shall be no order as to costs.
- 37.** All connected pending applications, if any, stand disposed of.
- 38.** Interim orders, if any, stand vacated.
- 39.** Let a certified copy of this judgment, along with the Trial Court Records (TCR), if any, be transmitted to the learned trial court immediately for information and necessary compliance.
- 40.** Case diary, if any, be returned forthwith.
- 41.** Urgent photostat certified copy of this judgment, if applied for, be supplied to the parties upon compliance with all requisite formalities.

(Uday Kumar, J.)