

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

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

CRR 2788 of 2017

**Rohit Chawla
-Vs-
The State of West Bengal & Anr.**

For the Petitioner	: Mr. Satadru Lahiri, Ld. Adv. Ms. Sonia Mukherjee, Ld. Adv. Mr.Safdar Azam, Ld. Adv.
For the State	: Mr. Joydeep Roy, Ld. Junior Government Adv. Mr. Dipankar Pramanick, Ld. Adv.
Hearing concluded on	: 07.11.2025
Judgment on	: 05.12.2025

UDAY KUMAR, J.: –

1. The petitioner, Rohit Chawla, has moved this Court invoking its inherent jurisdiction under Section 482 of the Code of Criminal Procedure, 1973 (Cr.P.C.) for the quashing of the entire criminal proceeding, being Electronic Complex Police Station Case No. 118 dated 14.11.2014 (corresponding to G.R. Case No. 1037/2014), presently pending before the Court of the Learned Additional Chief Judicial Magistrate, Bidhanagar. The resultant Charge Sheet implicates the petitioner and his co-accused under Sections 420, 409, 467, 468, 471, and 120B of the Indian Penal Code (IPC).
2. The essence of the complaint centers upon a disputed financial transaction involving a loan extended by the petitioner's employer, M/s SREI Equipment Finance Ltd., to the partnership firm M/s Sri Bhagabati Infrastructure,

leading to allegations of cheating and misappropriation subsequent to a loan default and restructuring.

3. The core of the present challenge rests upon two fundamental legal propositions: the patent legal untenability of the charges, and the imperative adherence to the principle of judicial consistency. It is a matter of record that a Coordinate Bench of this Hon'ble Court has already quashed these very proceedings against two similarly situated co-accused, Jitendra Kumar Mishra and Partha Bhattacharya.
4. The criminal complaint originated from a failed financial venture and subsequent internal discord within the borrowing partnership firm. Upon default on the repayment obligations concerning the loan, SREI initiated arbitration proceedings. The loan was subsequently restructured, with the same assets accepted as hypothecated security. Following a further default, O.P. No. 2 alleged that Accused No. 1, in criminal conspiracy with SREI executives, utilized a "Fake dissolution Draft" to illegally restructure the loan and mortgage the assets, resulting in a substantial financial loss to the complainant. Crucially, the hypothecated assets were later repossessed and disposed of by a Court-appointed Receiver under the specific directions of this Hon'ble Court in the parallel arbitration proceedings.
5. The paramount question arising for the consideration of this Court is
“whether the continuation of the criminal proceeding (G.R. Case No. 1037/2014) against the petitioner, Rohit Chawla, is legally sustainable, given that a Coordinate Bench has already quashed the exact same proceeding, arising from the self-same facts and Charge Sheet, against his similarly situated co-accused.”

6. Mr. Satadru Lahiri assisted by Ms. Sonia Mukherjee and Mr. Safdar Azam, Learned Counsels for the petitioner, forcefully contended that the present matter is *res integra* and entirely governed by the precedent established by the judgment dated January 28, 2025 in CRR No. 2227 of 2017 and CRR No. 2417 of 2017. That landmark order quashed the self-same proceedings and Charge Sheet against co-accused Jitendra Kumar Mishra and Partha Bhattacharya. Ld. Counsel stressed that the petitioner, a salaried employee of SREI, stands on an identical factual footing as the co-accused who have already obtained relief.
7. Furthermore, Mr. Lahiri Learned Counsel submitted that the charges conclusively lack the essential criminal ingredients previously determined by the Coordinate Bench. This determination includes the absence of *dishonest intention ab initio* required for the offense under Section 420 IPC, and the failure of the charge under Section 409 IPC because the disposal of the assets was sanctioned by a court-appointed Receiver. Consequently, the continuation of these proceedings against the petitioner constitutes a vexatious prosecution and a gross abuse of the process of the court.
8. On the contrary, Mr. Joydeep Roy assisted by Mr. Dipankar Paramanick, the Learned Counsel for the State places the Case Diary for the Court's perusal, deferring to the discretion of the Court.
9. This Court finds that the core factual matrix—including the loan restructuring, the alleged forged draft, the subsequent default, and the repossession of assets—has already been judicially scrutinized in depth.
10. The conclusive findings of the Coordinate Bench bear reiteration: the repossession and disposal of the hypothecated assets by a Court-appointed

Receiver under this High Court's specific direction conclusively removes the necessary element of dishonest misappropriation under Section 409 IPC. Furthermore, the Charge Sheet was found deficient as it failed to demonstrate any false or fraudulent representation made by the SREI executives *at the inception* of the transaction. The dispute was thus determined to stem from a subsequent breach of contract, not initial dishonest inducement. The allegation regarding the "Fake dissolution Draft" was deemed unsustainable, pertaining to the interpretation of an agreement rather than the illegal "making of a false document." Ultimately, the proceedings were found to have been instituted with an ulterior motive for financial recovery, placing the case squarely within Category 7 of the guidelines laid down by the Apex Court in *State of Haryana v. Bhajan Lal*.

- 11.** The most compelling argument advanced by the petitioner is undoubtedly that of judicial consistency. The petitioner, Rohit Chawla, as a salaried employee and senior executive (Group ERM Head) of SREI, is situated analogously to the co-accused who have already obtained relief. His role, like theirs, involved the execution of company policy, not personal malfeasance. There is, therefore, no discernible factual or legal distinction justifying the continuation of proceedings against him.
- 12.** The Rule of Consistency is clear, where the legal foundation of a prosecution is found unsustainable against one group of co-accused on common facts, it must logically and equally be held unsustainable against the remaining co-accused standing on the same factual plane.
- 13.** Moreover, the law unequivocally holds that vicarious liability is generally foreign to the Indian Penal Code and cannot be invoked to prosecute

employees solely by virtue of their designation, absent a specific, attributable criminal role.

14. Given that the legal foundation of the principal offences has been conclusively dismantled, and the prosecution was clearly identified as being instituted with an ulterior motive for financial recovery, it would be an exercise in futility and an indefensible judicial anomaly to allow the exact same case to continue against the remaining co-accused. The continuation of this prosecution against a salaried employee, implicated merely by designation, is oppressive and an unconscionable abuse of the process of the court.
15. Based on the foregoing detailed discussion, the Court concludes that the principle of judicial consistency and parity is fully attracted, rendering the Coordinate Bench's judgment in CRR Nos. 2227 & 2417 of 2017 binding on the present facts. The allegations, even taken at face value, fail to disclose the essential ingredients of the criminal offenses under Sections 420/409/467/468/471 IPC. Consequently, the criminal proceeding is manifestly attended with *malafides* and instituted with an ulterior motive, meeting the criteria for quashing under Section 482 Cr.P.C. and the *Bhajan Lal* guidelines. The continuation of the proceeding against the petitioner, Rohit Chawla, unequivocally amounts to an abuse of the process of the court.
16. In the considered view of this Court, permitting the criminal proceedings to continue against the petitioner, Rohit Chawla, after the legal basis for the prosecution has been conclusively dismantled by a Coordinate Bench, would allow the criminal process to be utilized as an instrument of harassment and oppression. This Court finds no justifiable reason to deviate from the decisive findings already rendered.

17. Accordingly, the inherent jurisdiction under Section 482 Cr.P.C. is warranted to prevent the manifest abuse of the process of the court.
18. The present revisional application, CRR No. 2788 of 2017, is, therefore, allowed.
19. The impugned proceeding being G.R. Case No. 1037 of 2014 arising out of Electronic Complex Police Station Case No. 118 dated 14.11.2014 is hereby quashed, *qua* the petitioner, Rohit Chawla.
20. All interim orders stand vacated.
21. There shall be no order as to costs.
22. Urgent certified copy of this judgment and order, if applied for, be issued to the parties upon compliance with requisite formalities.

(Uday Kumar, J.)