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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **28-03-2025**

CORAM

THE HONOURABLE MR JUSTICE G.K. ILANTHIRAIYAN

CRL OP NO. 9401 of 2025

and Crl.MP.Nos.6226 & 6227 of 2025

K.C.Palanisamy

... Petitioner

Vs

The Assistant Registrar of Companies Tamil Nadu,
Registered Office
Shastri Bhavan, Haddows Road,
Chennai – 600 006.

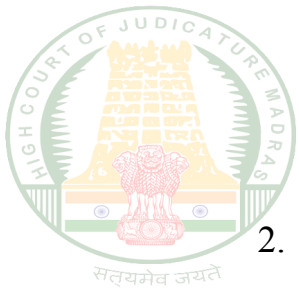
... Respondent

PRAYER: Criminal Original Petition is filed under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023, to call for the records in EOCC No.70 of 2023(split up from EOCC No.480 of 2009) pending on the file of the Additional Chief Metropolitan Magistrate EO – II Egmore, Chennai and quash the same as against the petitioner/5th accused.

For Petitioner : Mr.N.Ramakrishnan

ORDER

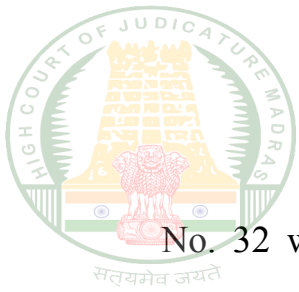
This petition has been filed to quash the proceedings in EOCC No.70 of 2023(split up from EOCC No.480 of 2009) pending on the file of the Additional Chief Metropolitan Magistrate EO – II Egmore, Chennai.



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2. The case of the prosecution is that the respondent filed a complaint under Sections 210 & 220 of the Companies Act as against 7 accused persons alleging that during the course of inspection of the records of the company, the inspecting officer had noticed that the company has not filed balance sheet for the year ended 31.03.2006 with the respondent office. Therefore, this is a contravention of the provisions under Section 210 & 220 of the Companies Act and is punishable under Section 210(5)(6) and 220(3) of the Companies Act. Since this is a continuing offence, it is not barred by limitation. After inspection, the accused were issued a show cause notice on 18.01.2008. However on receipt of the same, the accused failed to send any reply to the show cause notice. Hence, the complaint.

3. The learned Counsel appearing for the petitioner would submit that the petitioner is arrayed as the 5th accused and he was one of the Directors of the 1st accused company. After his induction as one of the Directors of the 1st accused company, his wife died due to illness, and as such the petitioner could not look into the management and affairs of the 1st accused company. In the meantime, a dispute arose between the accused and the company with regard to the management and administration. Therefore, he resigned from the Board of Directors of the 1st accused company with effect from 16.11.2005, and Form



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No. 32 was also filed before the Registrar of the Company. Therefore, the petitioner has nothing to do with the 1st accused / Management and administration of affairs from 16.11.2005. The respondent filed a batch of complaints against all other accused persons for alleged contraventions of Sections 159, 210 and 220 and 166 of the Companies Act.

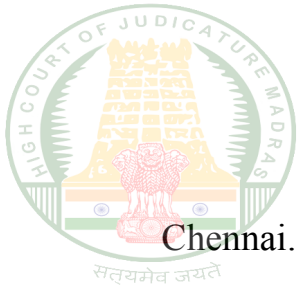
4. As per the offence under Section 210 of the Companies Act, the balance sheet of the first accused company shall be laid before the respondent at the Annual General Meeting. As per Section 220 of the Act, the 3 copies of the balance sheet shall be filed before the first respondent company within a period of 30 days from the date of which the said balance sheet was laid in the Annual General Meeting for the year ended 31.03.2006. The Annual General Meeting of the 1st accused company is to be held within a period of 15 months from the date of the last Annual General Meeting and the balance sheet has to be filed within a period of 30 days from the date of which the balance sheet was laid in the Annual General Meeting as contemplated under Section 220 of the Act. The petitioner had already resigned from the 1st accused company on 16.11.2005, much prior to the expiry of the timeline stipulated under Section 220 and Section 166 of the Act. Therefore, the petitioner is not liable for the contraventions under Section 166 of the Act.



WEB COPY 5. Heard the learned counsel for the petitioner and perused the materials available on record.

6. On perusal of the records, it reveals that the filing of the three copies of the balance sheet cannot be construed, as there is no specific date of the last Annual General Meeting mentioned by the petitioner anywhere. The petitioner revealed this information from the 1st accused company by filing Form No.32 before the Registrar of Companies. It is all a disputed question of facts and cannot be decided here, especially under Section 482 of the Cr.P.C. This matter has to be taken further by the trial court. That apart, the only reason for the petitioner's situation was the non-appearance of the petitioner before the Trial Court, which resulted in the trial being split up into EOCC.No.480 of 2009 against the petitioner, and now it is facing trial in EOCC.No.70 of 2003. Therefore the petitioner has failed to make out a prima facie case to entertain this quash petition, which is dismissed accordingly.

6. In view of the above discussion, this Court is not inclined to quash the proceedings in E.O.C.C.No.70 of 2023(split up from EOCC No.480 of 2009) on the file of the Additional Chief Metropolitan Magistrate EO-II,



Chennai. The petitioner is at liberty to raise all the grounds before the trial

WEB COPY Court.

7. Accordingly, the Criminal Original Petition stands dismissed.

Consequently, connected miscellaneous petitions are also closed.

28.03.2025

Index : Yes/No
Neutral citation : Yes/No
Speaking/non-speaking order

drl

To

1. The Additional Chief Metropolitan Magistrate EO – II
Egmore, Chennai

2. The Assistant Registrar of Companies Tamil Nadu,
Registered Office
Shastri Bhavan, Haddows Road,
Chennai – 600 006.



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G.K.ILANTHIRAIYAN, J.

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(3/3)**

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