



**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH**

205

CRM-M-22204-2023

Date of decision: 12.11.2024

Raj Deep Bhatia

.....Petitioner

Versus

State of Punjab

.....Respondent

CORAM: HON'BLE MRS. JUSTICE MANJARI NEHRU KAUL

Present : Mr. Rakesh Verma, Advocate
for the petitioner.

Mr. Navdeep Singh, DAG, Punjab.

MANJARI NEHRU KAUL, J.

1. The petitioner is seeking quashing of Complaint No.10 dated 27.02.2023 under Sections 3(K)(I), 17, 18 and 33 of the Insecticides Act, 1968 (hereinafter referred to as 'Insecticides Act') and Rule 10(4) of Insecticides Rules, 1971 (hereinafter referred to as 'Insecticides Rules') punishable under Section 29 of the Insecticides Act, titled as 'State Vs. M/s Atla Kheti Sewa Centre and others' pending in the Court of learned CJM, Mansa, and all consequential proceedings arising therefrom, including summoning order dated 27.02.2023 (Annexure P-2).

2. As per the complaint in question (Annexure P-1), on 19.01.2022 Insecticides Inspector Sahil visited the premises of M/s Atla Kheti Sewa Centre Joga (hereinafter referred to as 'the Firm') and took a sample of the Clodinafop Propargyl 15% Batch No.LLS-200902, with a manufacturing date as 02.09.2020 and an expiry dated of 01.09.2022,

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allegedly manufactured by M/s Leeds Lifescience Pvt. Ltd (hereinafter referred to as 'the Manufacturing Company'). Three samples of Propargyl 15% were drawn following the procedure prescribed under the Act. Out of these three sealed samples, two were handed over to the Chief Agriculture Officer Mansa, one was sent to the Senior Analyst, Insecticides Testing Laboratory, Amritsar (hereinafter referred to as 'Laboratory'). The test report from the Laboratory found the samples to be 'misbranded', as the active ingredients content were found to be only 12.92 % Clodinafop Propargyl instead of 15 % as per ISI specifications. After completing the requisite formalities, including obtaining consent from the competent authority, the complaint was filed before the learned Chief Judicial Magistrate Mansa, under Sections 3(k)(i), 17, 18, 33 of the Act on 27.02.2023 (Annexure P-1). Vide order dated 27.02.2023 (Annexure P-2), the concerned Court summoned all the accused including, the petitioner Raj Deep Bhatia director to face trial.

3. Learned counsel for the petitioners contends that the learned Trial Court has erroneously summoned the petitioner for being the director of the Manufacturing Company, despite the ingredients of the alleged offences not being made out against them. It has been further argued that the complaint in question contained only vague and bald allegations that the insecticide was manufactured by the company of which the petitioner was an official, without specific allegations against the petitioner. Relying on State of *NCT of Delhi Vs. Rajiv Khurana : 2010(3) RCR (Criminal) 912*, learned counsel has asserted



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that under Section 33 of the Act, it is mandatory to make specific averments about the accused to being incharge of or responsible for the business of the company, and the absence of such averments renders the complaint against the petitioner unsustainable and would be an abuse of the process of law.

4. It has been further submitted by the learned counsel that although the petitioner was holding position in the company, he was not concerned with the quality control section. The complaint itself states that Dharmvir Malik was appointed as the Manager, Quality Control cum Responsible Person, tasked with maintaining product quality in compliance with Section 33 of the Act. In his support, Learned counsel has placed reliance on affidavit of Dharmvir Malik dated 16.08.2020 submitted to Department of Agriculture Punjab, annexed as Annexure P-3. Once a company has appointed a Manager, Quality Control cum Responsible Person, no other official could be thus held liable. Learned counsel has relied upon M/s *Cheminova India Limited & Anr. Vs. State of Punjab & Ors : 2021 SCC Online SC 541*, to support this argument, by stating that prosecuting the petitioner would cause grave injustice since he was admittedly not involved in the quality control. Learned counsel has also relied upon '*Rajesh Aggarwal & another vs. State of Punjab*' CRM- M-5137-2022 decided by this Court on 30.07.2024.

5. Per contra, learned State counsel while opposing the prayer made by counsel opposite, has not disputed that a Quality Control



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Manager was in place at the time of the raid in question. However, it has been argued by the learned State counsel that the petitioner along with the other accused, has prima facie committed offences punishable under Sections 3(k)(i), 17, 18, 29 and 33 of the Act, as the petitioner too was responsible for the affairs of the company, particularly ensuring the quality of the insecticides. Learned State counsel has argued that the submissions of the petitioner of not being responsible for the day to day affairs or quality control is a matter which can be delved into only during trial when the parties present their evidence.

6. I have heard learned counsel for the parties and perused the relevant material on record.

7. Before proceeding further, it would be apposite to reproduce the relevant provisions of the Act, as under:-

“3 (k) “misbranded”—an insecticide shall be deemed to be misbranded—

(1) if its label contains any statement, design or graphic representation relating thereto which is false or misleading in any material particular, or if its package is otherwise deceptive in respect of its contents;

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17. Prohibition of import and manufacture of certain insecticides.—

(1) No person shall, himself or by any person on his behalf, import or manufacture—

(a) any misbranded insecticide;

(b) any insecticide the sale, distribution or use of which is for the time being prohibited under section 27;

(c) any insecticide except in accordance with the conditions on which it was registered;

(d) any insecticide in contravention of any other provision of this Act or of any rule made thereunder: Provided that any person who has



applied for registration of an insecticide under any of the provisos to sub-section (1) of section 9 may continue to import or manufacture any such insecticide and such insecticide shall not be deemed to be a misbranded insecticide within the meaning of sub-clause (vi) or sub-clause (vii) or sub-clause (viii) of clause (k) of section 3, until he has been informed by the Registration Committee of its decision to refuse to register the said insecticide.

(2) No person shall, himself or by any person on his behalf, manufacture any insecticide except under, and in accordance with the conditions of, a licence issued for such purpose under this Act.

18. Prohibition of sale, etc., of certain insecticides.—

(1) No person shall, himself or by any person on his behalf, sell, stock or exhibit for sale, distribute, transport, use, or cause to be used] by any worker—

- (a) any insecticide which is not registered under this Act;*
- (b) any insecticide, the sale, distribution or use of which is for the time being prohibited under section 27;*
- (c) any insecticide in contravention of any other provision of this Act or of any rule made thereunder.*

(2) No person shall, himself or by any person on his behalf, sell stock or exhibit for sale or distribute or use for commercial pest control operations any insecticide except under, and in accordance with the conditions of, a licence issued for such purpose under this Act. Explanation.—For the purposes of this section an insecticide in respect of which any person has applied for a certificate of registration under any of the provisos to sub-section (1) of section 9, shall be deemed to be registered till the date on which the refusal to register such insecticide is notified in the Official Gazette.

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XXXX	XXXX	XXXX

29. Offences and punishment.—

- (1) Whoever,—*
- (a) imports, manufactures, sells, stocks or exhibits for sale or distributes any insecticide deemed to be misbranded under sub-clause (i) or sub-clause (iii) or sub-clause (viii) of clause (k) of section 3; or to*
 - (a) imports, manufactures, sells, stocks or exhibits*



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for sale or distributes any insecticide deemed to be misbranded under sub-clause (i) or sub-clause (iii) or sub-clause (viii) of clause (k) of section 3; or"

(b) imports or manufactures any insecticide without a certificate of registration; or tc" (b) imports or manufactures any insecticide without a certificate of registration; or"

(c) manufactures, sells, stocks or exhibits for sale or distributes an insecticide without a licence; or tc" (c) manufactures, sells, stocks or exhibits for sale or distributes an insecticide without a licence; or"

(d) sells or distributes an insecticide, in contravention of section 27; or tc" (d) sells or distributes an insecticide, in contravention of section 27; or"

(e) causes an insecticide, the use of which has been prohibited under section 27, to be used by any worker; or tc" (e) causes an insecticide, the use of which has been prohibited under section 27, to be used by any worker; or"

(f) obstructs an Insecticide Inspector in the exercise of his powers or discharge of his duties under this Act or the rules made thereunder, tc" (f) obstructs an Insecticide Inspector in the exercise of his powers or discharge of his duties under this Act or the rules made thereunder,"

[shall be punishable—

(i) for the first offence, with imprisonment for a term which may extend to two years, or with fine which shall not be less than ten thousand rupees but which may extend to fifty thousand rupees, or with both; tc" (i) for the first offence, with imprisonment for a term which may extend to two years, or with fine which shall not be less than ten thousand rupees but which may extend to fifty thousand rupees, or with both;"

(ii) for the second and a subsequent offence, with imprisonment for a term which may extend to three years, or with fine which shall not be less than fifteen thousand rupees but which may extend to seventy-five thousand rupees, or with both.] tc" (ii) for the second and a subsequent offence, with imprisonment for a term which may extend to three years, or with fine which shall not be less than fifteen



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thousand rupees but which may extend to seventy-five thousand rupees, or with both.]"

(2) Whoever uses an insecticide in contravention of any provision of this act or any rule made thereunder shall be punishable with fine 26 [which shall not be less than five hundred rupees but which may extend to five thousand rupees, or imprisonment for a term which may extend to six months, or with both]. tc "(2) Whoever uses an insecticide in contravention of any provision of this act or any rule made thereunder shall be punishable with fine 1 [which shall not be less than five hundred rupees but which may extend to five thousand rupees, or imprisonment for a term which may extend to six months, or with both]."

(3) Whoever contravenes any of the other provisions of this Act or any rule made thereunder or any condition of a certificate of registration or licence granted thereunder, shall be punishable— tc "(3) Whoever contravenes any of the other provisions of this Act or any rule made thereunder or any condition of a certificate of registration or licence granted thereunder, shall be punishable—

"(i) for the first offence, with imprisonment for a term which may extend to 3[one year, or with fine which shall not be less than five thousand rupees but which may extend to twenty-five thousand rupees, or with both], tc" (i) for the first offence, with imprisonment for a term which may extend to 2[one year, or with fine which shall not be less than five thousand rupees but which may extend to twenty-five thousand rupees, or with both],"

(ii) for the second and a subsequent offence, with imprisonment for a term which may extend to 4[two years, or with fine which shall not be less than ten thousand rupees but which may extend to fifty thousand rupees, or with both]. tc" (ii) for the second and a subsequent offence, with imprisonment for a term which may extend to 3[two years, or with fine which shall not be less than ten thousand rupees but which may extend to fifty thousand rupees, or with both]."

(4) If any person convicted of an offence under this Act commits a like offence afterwards it shall be lawful for the court before which the second or subsequent conviction takes place to cause the offender's name and place of residence, the offence and the penalty imposed to be published in such newspapers or in such other manner as the court may direct. tc "(4) If any person convicted of an



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offence under this Act commits a like offence afterwards it shall be lawful for the court before which the second or subsequent conviction takes place to cause the offender's name and place of residence, the offence and the penalty imposed to be published in such newspapers or in such other manner as the court may direct.

33. Offences by companies.-

(1) Whenever an offence under this Act has been committed by a company, every person who at the time the offence was committed, was in charge of, or was responsible to the company for the conduct of the business of, the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment under this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any Director, Manager, Secretary or other officer of the company, such Director, Manager, Secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.-For the purpose of this section,-

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm."

8. In emphasizing the necessity for specific averments for prosecution under Section 33, Hon'ble the Supreme Court in **Rajiv Khurana's case (supra)** has held as under:-

"18. The ratio of all these cases is that the complainant is required to state in the complaint how a Director who is sought to be made an accused, was in charge of the business of the company or responsible for the conduct of company's business. Every Director need not be and is not



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in charge of the business of the company. If that is the position with regard to a Director, it is needless to emphasise that in the case of non-Director officers, there is all the more necessary to state what were his duties and responsibilities in the conduct of business of the company and how and in what manner he is responsible or liable.”

9. Similarly, Hon'ble the Supreme Court in ***M/s Cheminova India Limited's case (supra)*** regarding the liability of the Managing Director that the company had nominated other responsible persons, held as under:

“9. Section 33 of the Act deals with ‘offences by companies’. A reading of Section 33(1) of the Act, makes it clear that whenever an offence under this Act has been committed by a company, every person who at the time the offence was committed, was in charge of, or was responsible to the company for the conduct of the business of, the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly. In the case on hand, it is not in dispute that on behalf of the 1st Appellant – Company, 2nd Appellant – Managing Director has furnished an undertaking dated 22.01.2013, indicating that Shri Madhukar R. Gite, Manager of the Company, has been nominated in the resolution passed by the Company on 28.12.2012 to be in charge of and responsible to the said Company, to maintain the quality of the pesticides manufactured by the said Company and he was authorized to exercise all such powers and to take all such steps, as may be necessary or expedient to prevent the commission of any offence under the Act. Filing of such undertaking with the respondent is not disputed. Even, at Para 5.10 in the counter affidavit filed before this Court, it is pleaded by the Respondents that by appointing persons responsible for affairs of the Company, quality control, etc., 2nd Appellant – Managing Director cannot escape his liability from offences committed by 1st Appellant – Company. In view of the specific provision in the Act dealing with the offences by companies, which fixes the responsibility and the responsible person of the Company for conduct of its business, by making bald and vague allegations, 2nd Appellant – Managing Director cannot be prosecuted on vague allegation that he being the Managing Director of the 1st Appellant – Company, is overall responsible person for the conduct of the business of the Company and of



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quality control, etc. In the instant case, the Company has passed a resolution, fixing responsibility of one of the Managers namely Mr. Madhukar R. Gite by way of a resolution and the same was furnished to the respondents by the 2nd Appellant in shape of an undertaking on 22.01.2013. When furnishing of such undertaking fixing the responsibility of the quality control of the products is not in dispute, there is no reason or justification for prosecuting the 2nd Appellant – Managing Director, on the vague and spacious plea that he was the Managing Director of the Company at the relevant time. A reading of Section 33 of the Act also makes it clear that only responsible person of the Company, as well as the Company alone shall be deemed to be guilty of the offence and shall be liable to be proceeded against. Though, the Managing Director is overall incharge of the affairs of the company, whether such officer is to be prosecuted or not, depends on the facts and circumstances of each case and the relevant provisions of law. Having regard to specific provision under Section 33 of the Act, and the undertaking filed in the present case, respondent cannot prosecute the 2nd Appellant herein. Thus, we find force in the contention of Mr. Sidharth Luthra, learned Senior Counsel, that allowing the prosecution against 2nd Appellant – Managing Director is nothing but, abuse of the process of law. At the same time, we do not find any ground at this stage to quash the proceedings against the 1st Appellant – Company.”

10. This Court also in **Rajesh Agarwal's (supra)** while relying upon **Cheminova's (supra)** allowed a similar petition in the following terms:-

*“9. Upon a perusal of the allegations levelled in the complaint in question, it is clear that it lacks any specific averments showing how the petitioners were incharge of or responsible for the conduct of the business of the company, particularly regarding quality control. The complaint explicitly mentions that Mahesh Kumar was the responsible officer for quality control, and he has already been proceeded against. In the light of the case law cited, particularly **M/s Cheminova India Limited's case (supra)**, the petitioners cannot be held vicariously liable when a quality control manager has already been identified and proceeded against.*

10. As a sequel to the above and in the light of the settled



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law, the instant petition is allowed and the complaint in question along with all consequential proceedings arising therefrom, including summoning order, are quashed qua the petitioners.”

11. Upon a perusal of the allegations levelled in the complaint in question, it is clear that it lacks any specific averments showing how the petitioner was incharge of or responsible for the conduct of the business of the company, particularly regarding quality control. The complaint explicitly mentions that Dharamvir Malik was the responsible officer for quality control, and he has already been proceeded against. In the light of the case law cited, particularly M/s Cheminova India Limited's case (supra), the petitioner cannot be held vicariously liable when a quality control manager has already been identified and proceeded against.

12. As a sequel to the above and in the light of the settled law, the instant petition is allowed and the complaint in question along with all consequential proceedings arising therefrom, including summoning order, are quashed qua the petitioner.

12.11.2024

Vinay

(MANJARI NEHRU KAUL)
JUDGE

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No