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CRM-M-49087-2022

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

CRM-M-49087-2022

Reserved on:-06.05.2026

Pronounced on:-11.05.2026

Uploaded on:- 12.05.2026

*Whether only operative part of the judgment is
Pronounced or the full judgment is pronounced: operative part/full judgment*

PARITOSH KUMAR GARG**...Petitioner****Versus****STATE OF PUNJAB****....Respondent****CORAM: HON'BLE MS. JUSTICE MANDEEP PANNU**

Present:- Mr. Abhishek Kaushik, Advocate with
Mr. Vijay K. Jindal, Advocate
for the petitioner.

Mr. Sahil Chowdhary, AAG, Punjab.

MANDEEP PANNU, J.

1. The present petition has been filed under Section 482 of the Code of Criminal Procedure for quashing of Complaint No. COMA 4319 dated 05.04.2019 initiated by the respondent for the alleged violation of provisions contained under Section 7A(2) of the Factories Act, 1948 read with Rule 66D of the Punjab Factory Rules, 1952 and all consequential proceedings/orders arising therefrom.

2. Briefly stated, an industrial accident occurred at about 2:15 p.m. on 21.11.2018 in the factory of M/s Happy Forgings Ltd. (Unit-2), Finishing Unit, Ludhiana, wherein one worker namely Rajindra Ray lost his life. Thereafter, an inquiry was marked by the Head Office vide letter No.



Maruhadsa/30/18/10433 dated 14.12.2018 to Sh. Sukhwinder Singh Bhatti, Assistant Director of Factories, Circle No.1, Ludhiana, who conducted inquiry/inspection on 03.12.2018 at 1:00 p.m., on 18.12.2018 at 11:00 a.m. and on 28.12.2018 at 2:00 p.m. During inquiry, alleged violations of Section 7A(2) of the Factories Act, 1948 and Rule 66D of the Punjab Factory Rules, 1952 were found. Thereafter, on the instructions of the Additional Director of Factories for Director of Factories, Punjab vide letter No. DAF/MH/30/19/1356 dated 28.02.2019, complaint/challan was ordered to be filed against the petitioner under Section 7A(2) of the Factories Act, 1948 read with Rule 66D of the Punjab Factory Rules, 1952. Consequently, Complaint No. COMA 4319 came to be instituted on 05.04.2019 under Section 92 of the Factories Act, 1948 by the Assistant Director of Factories (Inspector of Factories), Circle No.1, Ludhiana.

3. Learned counsel for the petitioner has contended that the impugned complaint is patently barred by limitation prescribed under Section 106 of the Factories Act, 1948, inasmuch as the alleged accident had taken place on 21.11.2018 at about 2:15 p.m. and the information regarding the occurrence was admittedly conveyed to the office of Assistant Director of Factories, Circle No.1, Ludhiana as well as to the Director of Factories, Punjab on 21.11.2018 itself through telephonic communication, whereafter formal Accident Report in Form No.18 was duly received by the office of Assistant Director of Factories on 22.11.2018. It has further been argued that immediately upon receipt of information, the Assistant Director of Factories, Circle No.1, Ludhiana addressed communication vide dispatch No.710 dated 22.11.2018 to the higher authorities intimating about the occurrence and



undertook to conduct investigation. Learned counsel submits that the inquiry was thereafter conducted by the Inspector/Assistant Director of Factories on 03.12.2018, 18.12.2018 and 28.12.2018, which clearly demonstrates that the Inspector had acquired knowledge regarding the alleged commission of offence at least on 21/22.11.2018 and, in any case, not later than 03.12.2018. It has been argued that despite such admitted knowledge, the complaint came to be filed only on 04.04.2019/05.04.2019, much beyond the statutory period of three months prescribed under Section 106 of the Factories Act. Learned counsel further contends that the limitation under Section 106 starts running from the date the alleged commission of offence comes to the knowledge of the Inspector and not from the date of completion of inquiry, preparation of report or receipt of approval from higher authorities. It is further argued that neither any application seeking condonation of delay was moved nor any explanation regarding delay in filing the complaint was furnished before the learned trial Court. Learned counsel has submitted that even if the date of first inquiry i.e. 03.12.2018 is taken as the starting point, the complaint still remained beyond limitation. On the strength of judgments passed in *J.J. Irani v. State of Jharkhand (AIR 2014 SC 3735)*, *M/s Changer Vidyut Kranti Pvt. Ltd. v. State of Himachal Pradesh, Criminal Appeal No. 831 of 2024, decided on 13.02.2024* and *Rajeev Mittal v. State of Orissa, CRLMC No.2815 of 2024, decided on 04.03.2025*, it has been contended that the complaint as well as all consequential proceedings deserve to be quashed being barred by limitation. Before adverting to the factual matrix of the present case, it would be apposite to refer to Sections 105 and 106 of the Factories Act, 1948, which are relevant for the



adjudication and disposal of the present petition:-

“105. Cognizance of offences.—(1) No Court shall take cognizance of any offence under this Act except on complaint by, or with the previous sanction in writing of, an Inspector.

(2) No Court below that of a Presidency Magistrate or of a Magistrate of the first class shall try any offence punishable under this Act.

106. Limitation of prosecutions.—No Court shall take cognizance of any offence punishable under this Act unless complaint thereof is made within three months of the date on which the alleged commission of the offence came to the knowledge of an Inspector:

Provided that where the offence consists of disobeying a written order made by an Inspector, complaint thereof may be made within six months of the date on which the offence is alleged to have been committed.

Explanation.—For the purposes of this section,—

- (a) in the case of a continuing offence, the period of limitation shall be computed with reference to every point of time during which the offence continues;
- (b) where for the performance of any act time is granted or extended on an application made by the occupier or manager of a factory, the period of limitation shall be computed from the date on which the time so granted or extended expired.”

4. A careful perusal of Section 106 of the Act leaves no manner of doubt that the limitation prescribed therein begins from the date on which the alleged commission of offence came to the knowledge of the Inspector. The provision further makes it manifest that the statute itself provides



limited exceptions by way of proviso and explanations (a) and (b). Admittedly, the present case neither pertains to disobedience of any written order passed by an Inspector nor is it the case of the respondent that the alleged violation constitutes a continuing offence or that any time had been sought by the occupier/manager for compliance. Therefore, the complaint was necessarily required to be instituted within three months from the date the alleged commission of offence came to the knowledge of the Inspector.

5. In the present case, the occurrence admittedly took place on 21.11.2018 at about 2:15 p.m. in the premises of M/s Happy Forgings Ltd., Ludhiana, wherein one worker namely Rajindra Ray lost his life. The material placed on record further reveals that the occurrence was immediately reported to the office of Assistant Director of Factories, Circle No.1, Ludhiana and formal Accident Report in Form No.18 was received on 22.11.2018. Annexure P-1 on record is a communication bearing No.710 dated 22.11.2018 addressed by the Assistant Director of Factories (Inspector of Factories), Circle No.1, Ludhiana to the Director of Factories, Punjab specifically mentioning that a “killing incident” had occurred on 21.11.2018 at 2:15 p.m. in the premises of M/s Happy Forgings Ltd., Kanganwal, Ludhiana and that worker Rajindra Ray had died in the said occurrence. The said communication further records that inquiry regarding the incident had already been initiated and complete report would be forwarded subsequently. Thus, from Annexure P-1 itself, it stands conclusively established that the occurrence as well as the alleged commission of offence had come to the knowledge of the Inspector at least on 22.11.2018.

6. The stand of the respondent-State, however, is that although



inquiries were conducted on 03.12.2018, 18.12.2018 and 28.12.2018, yet the offence actually came to the knowledge of the Inspector only on 04.01.2019 after preparation of a complete investigation report upon examination of post mortem report, police papers and statements of witnesses. The said contention does not merit acceptance. The Orissa High Court in ***Rajeev Mittal's case (supra)*** while interpreting Section 106 of the Factories Act has categorically held that the prime consideration for evaluating limitation is the date on which knowledge is acquired by the Inspector and once any Inspector having jurisdiction acquires knowledge regarding the incident, limitation begins to run from that very date. It was further held that it is not necessary that higher officers should also acquire such knowledge and departmental processing cannot postpone the commencement of limitation. The relevant observations contained in paragraph 12 of the said judgment clearly support the proposition that the expression “knowledge” occurring in Section 106 refers to knowledge of occurrence/offence and not completion of departmental inquiry or preparation of final report.

7. Applying the aforesaid principle to the facts of the present case, this Court finds that not only was the occurrence admittedly within the knowledge of the Inspector on 21/22.11.2018, but the Inspector himself initiated inquiry proceedings and visited the factory on 03.12.2018, 18.12.2018 and 28.12.2018. Therefore, even if the first inquiry date i.e. 03.12.2018 is assumed to be the date of knowledge, the complaint instituted on 04.04.2019/05.04.2019 still remains beyond the prescribed period of limitation of three months. The contention of the respondent-State that limitation would commence only upon completion of inquiry and



preparation of final investigation report dated 04.01.2019 is also contrary to the law laid down by the Hon'ble Supreme Court in ***J.J. Irani's case (supra)***. In the said case, the Hon'ble Supreme Court held that once the Factory Inspector was part of the inquiry process and had knowledge regarding the occurrence, limitation would begin from such date itself and it was not necessary for the Inspector to wait for receipt of formal reports from the Government. The Supreme Court specifically held that departmental inquiry and subsequent reports cannot extend or postpone the commencement of limitation under Section 106 of the Factories Act. Equally untenable is the argument sought to be raised regarding departmental approval/sanction. The Hon'ble Supreme Court in ***M/s Changer Vidyut Kranti's case (supra)*** has held that where a complaint is filed by an Inspector himself, previous sanction is not required under Section 105(1) of the Factories Act and the time spent in obtaining departmental approvals cannot be excluded by taking recourse to Section 470(3) Cr.P.C. The Supreme Court further held that Section 106 of the Factories Act is a complete code regarding limitation and the limitation prescribed therein has to be construed strictly.

8. In the present case, the complaint admittedly has been filed by the Assistant Director of Factories (Inspector of Factories), Circle No.1, Ludhiana himself. Therefore, no prior sanction was legally required and the departmental communications exchanged between higher authorities could not have the effect of enlarging or extending the limitation period prescribed under Section 106 of the Act. The reliance placed by learned State counsel upon ***Joti Parshad v. State of Haryana, AIR 1993 SC 1167*** is wholly



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misplaced. The said judgment explains the general concept of “knowledge” and “reason to believe” in a different statutory context. The present case is governed by a special enactment namely the Factories Act, 1948, wherein Section 106 specifically prescribes the starting point of limitation as the date on which the alleged commission of offence came to the knowledge of the Inspector. Once the statute itself prescribes the manner of computation of limitation, the same cannot be diluted or postponed on the basis of internal inquiries, collection of documents or departmental formalities.

9. Consequently, this Court is of the considered opinion that the alleged commission of offence had admittedly come to the knowledge of the Inspector at least on 22.11.2018 and, in any case, not later than 03.12.2018. The complaint instituted on 04.04.2019/05.04.2019 was thus clearly beyond the statutory period prescribed under Section 106 of the Factories Act, 1948. The impugned complaint being barred by limitation cannot legally be sustained.

10. Accordingly, the present petition is allowed. Complaint No. COMA 4319 dated 05.04.2019 instituted under Section 7A(2) of the Factories Act, 1948 read with Rule 66D of the Punjab Factory Rules, 1952 and all consequential proceedings arising therefrom are hereby quashed.

11. All pending applications, if any, also stand disposed of.

(MANDEEP PANNU)
JUDGE

11.05.2026
Anu

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