

**(1996) 05 P&H CK 0206**  
**In the Punjab And Haryana At Chandigarh**  
**Case No : C.W.P. No. 5755 of 1981**

Indian Induction Castings (P) Ltd.

APPELLANT

Vs

General Manager, District Industries Centre

RESPONDENT

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**Date of Decision :** 02-05-1996

**Acts Referred:**

Punjab Electricity (Duty) Act, 1958 — Section 12, 3(1)

**Citation :** (1997) 116 PLR 100

**Hon'ble Judges :** T.H.B. Chalapathi, J

**Bench :** Single Bench

**Advocate :** Hemant Kumar, for the Appellant; Anmol Rattan, AAG, for the Respondent

**Final Decision :** Allowed

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## Judgement

T.H.B. Chalapathi, J.—In this writ petition, the petitioner is seeking a direction to the respondents not to collect the electricity duty and octroi from the petitioner for a period of 3 years from the date of commencement of the industry of the petitioner.

2. The petitioner established an industrial unit namely Modern D.C. Electric Induction Furnace at the Industrial Belt of Faridabad. The petitioner's unit was registered as a small scale unit. The petitioner started establishing its unit in December, 1980 and its plant was commissioned on 6.11.1981. According to the petitioner, the State of Haryana exempted the industrial units from payment of electricity duty and octroi for a period of 3 years if the investment was upto 50 lacs. The petitioner set up its unit at the cost of Rs. 50 lacs. Therefore, according to the petitioner, he is entitled to the benefit of exemption under the industrial policy of the State of Haryana for a period of 3 years from the date of the production. According to the petitioner, he received a bill for payment of electricity charges amounting to Rs. 17,738.10 and Rs. 4,338.08 on account of electricity duty. According to the petitioner, he was not liable to pay electricity duty of Rs. 4,338.08. The petitioner filed this writ petition for granting him

exemption from payment of electricity duty for a period of 3 years, as per the industrial policy of the State of Haryana in providing facilities and incentives to the industrial establishments in the State of Haryana.

3. The point for consideration is whether the petitioner is entitled to the exemption granted under the policy of the State Government. There is no dispute that Haryana Government in its notification No. 26/2/80-3 MI&P dated 30.1.1981 has exempted the new units of industrial consumers from the payment of the whole of the electricity duty leviable under clause (iii) of Sub-section (1) of Section 3 of the Punjab Electricity (Duty) Act, 1958. This exemption has been granted u/s 12 of the said Act. There is also no dispute that the petitioner commenced the establishment of the unit in December, 1980 and the petitioner's plant was commissioned on 6.11.1981. The Director of Industries registered the petitioner's unit as "Small Scale Industrial Unit" w.e.f. 6.11.1981. The Notification regarding industrial policy dated 30.1.1981 exempting from payment of the electricity duty under the Punjab Electricity (Duty) Act was issued in suppression of the earlier Notification dated 20.3.1970 and even under the notification dated 30.1.1981 the period of exemption in respect of small scale industries at Faridabad and Ballabgarh Industrial Areas is 3 years from the date of production. Therefore, it is clear that when the petitioner's unit was commissioned, the notification dated 30.1.1981 was in force. Further, according to the respondents the petitioner's unit was registered provisionally as a "Small Scale Industrial Unit" on 14.11.1980. Therefore, it is clear that when the notification was issued on 30.1.1981, the petitioner registered his unit as Small Scale Industrial Unit" and under Annexure R-3 the petitioner was required to complete all the formalities for establishing his unit within a period of six months. It appears that the period of six months was extended upto 13.11.1981. Therefore, the petitioner completed the establishment of his unit before the expiry of the extended period and I do not see any reason to deprive the petitioner of exemption from the payment of the electricity duty. I am, therefore, of the opinion that the petitioner is entitled to exemption from the payment of electricity duty.

4. In the writ petition, the petitioner also sought the relief in regard to octroi, but there is no averment in the petition that the petitioner was subjected to the payment of octroi. The petitioner has also not placed before me any order exempting the petitioner's unit or any other unit from payment of octroi. Thus it appears that there was no demand for payment of octroi. Therefore, I am of the opinion that no relief can be granted to the petitioner in regard to the levy of octroi.

Accordingly, I allow the writ petition and declare that the petitioner is entitled to exemption of payment of electricity duty only in terms of the Notification of the Haryana Government bearing No. 26/2/80-3 MI&P dated 30.1.1981. There will be no order as to costs.