105 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

RSA-626 of 2015 (O&M)
Date of decision:21.02.2015

State of Punjab and another .... Appellants

VERSUS

Grospinz Fabz Limited .... Respondent

CORAM: HON'BLE MR. JUSTICE MAHAVIR S. CHAUHAN

Present: Mr. N. K. Verma, Senior. DAG, Punjab,
for the appellants.

MAHAVIR S. CHAUHAN J. (ORAL)

Judgment/decree dated 12.12.2014 passed by learned Additional District Judge, Fazilka (First Appellate Court- 'for short') affirming judgment/decree dated April 22, 2013 passed by learned Additional Civil Judge(Senior Division), Jalandhar (trial Court- 'for short') decreeing suit of plaintiff-respondent for declaration and mandatory injunction, is being attacked by the defendant-State in this regular second appeal.

I have heard learned State counsel for the appellants.

It is argued that the exemption in electricity duty was to the extent of 100% only in respect of 10% exemption as per notification dated 18.08.2008 and not with regard to revised exemption of 13% as per notification dated 25.05.2010. That being so, according to the learned counsel, judgments/decrees passed by the Courts below holding that plaintiff-respondent is entitled to 100% exemption even in respect of the revised notification cannot be sustained.

Plaintiff-respondent before the Courts below had stated that in view of agreement dated 17.01.2008, it was entitled to 100% waiver of electricity duty notwithstanding the subsequent notification issued by the appellant-State. The plea raised by the plaintiff was contested by the appellant-State on the plea that the waiver of electricity duty was only in respect of 10% exemption as given in notification dated 18.08.2008 and it did not apply to the subsequent notification dated 25.05.2010.

Issues were framed. Evidence was adduced and parties were heard by the learned trial Court to reach the conclusion that the appellant-State was not entitled to receive 3% ad-valorem electricity duty in view of the revised notification as it was hit by the principle of promissory estoppel in terms of Section 115 of the Indian Evidence Act, 1872 and, accordingly, suit of plaintiff-respondent was decreed. Appellant-State went in appeal (Appeal No.697 of 2013) but failed.

There is no denial to the fact that in the earlier notification dated 18.08.2008 electricity duty was to the extent of 10% ad-valorem and in the revised notification dated 25.5.2010 it was enhanced from 10% to 13%. However, as noticed by the

Courts below, by way of an agreement dated 17.01.2008, the appellant-State had agreed to exempt electricity duty to the extent of 100% on the establishment of new industrial and commercial units. That being the situation, findings of the Courts below that the agreement dated 17.01.2008 worked as promissory estoppel against the appellants-State as regards claim for 3% ad-valorem electricity duty seem to be well founded. Learned counsel for the appellants has not been able to show anything to the contrary.

Not only this, findings recorded by the Courts below are pure findings of fact and the appeal is not shown to involve any question of law much less a substantial one, I, therefore, regret my disinclination to interfere with the well reasoned judgments passed by the Courts below.

Dismissed.

No costs.

February 21, 2015 **(Mahavir S. Chauhan)**
m. sharma **Judge**