

**NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION  
NEW DELHI**

**REVISION PETITION NO. 2965 OF 2017**

(Against the Order dated 06/05/2017 in Appeal No. 648/2016 of the State Commission  
Chhattisgarh)

1. ANIRUDH KUMAR GUPTA

S/o. Sh. Ram Das Gupta, R/o. Village & Post Lailunga,

RAIGARH

CHHATTISGARH

.....Petitioner(s)

Versus

1. JUNIOR ENGINEER, C.G. STATE ELECTRICITY  
DISTRIBUTION CO. & ANR.

Lailunga, Tehsil - Lailunga,

RAIGARH

CHHATTISGARH

2. EXECUTIVE ENGINEE (SA/SHU) DIVISION, C.G.  
STATE ELECTRICITY

Distribution Company, Village Pathal,

JASHPUR

CHHATTISGARH

.....Respondent(s)

**BEFORE:**

**HON'BLE DR. INDER JIT SINGH, PRESIDING MEMBER**

FOR THE PETITIONER : MR. PRAVEEN CHATURVEDI, ADVOCATE

MS. JYOTI CHATURVEDI, ADVOCATE

FOR THE RESPONDENT : MS.RASHMI SINGH, ADVOCATE

MS.RASHMI SINGH, ADVOCATE

**Dated : 05 June 2024**

**ORDER**

1. The present Revision Petition (RP) has been filed by the Petitioner against Respondents as detailed above, under section 21 ( b) of Consumer Protection Act 1986, against the order dated 06.05.2017 of the State Consumer Disputes Redressal Commission Chhattisgarh (hereinafter referred to as the 'State Commission'), in First Appeal (FA) No.684 of 2016 in which order dated 22.09.2016 of Raigarh District Consumer Disputes Redressal Forum (hereinafter referred to as District Forum) in Consumer Complaint (CC) no. 35 of 2015 was challenged, inter alia praying for quashing the order dated 06.05.2017 of the State Commission.

2. While the Revision Petitioner (hereinafter also referred to as Complainant) was Appellant before the State Commission and Complainant before the District Forum, the Respondents (hereinafter also referred to as OPs) were Respondents before the State Commission and OPs before the District Forum.

3. Notice was issued to the Respondents on 20.12.2017. Parties filed Written Arguments/Synopsis on 27.05.2022 ( Petitioner ) and 24.08.2022 ( respondent ) respectively.
4. Brief facts of the case, as emerged from the RP, Order of the State Commission, Order of the District Forum and other case records are that complainant applied application for loan under Prime Minister Employment Generation Programm in 2009 in District Trade and Industry Centre Raigarh, Chhatisgarh for his and his family livelihood in village Rourkela, Tehsil Lailunga, District Raigarh for the establishment and operation of Spice Industry, which was referred to State Bank of India, branch Lailunga for approval of loan.
5. The Bank after approval of loan of complainant granted Rs.11,00,000/- term loan for permanent capital and Rs.8,00,000/- for share capital from total investment of unit i.e. Rs.21,11,500. The complainant established unit in 2012 after purchasing machines under the observation of the Bank from the term loan amount of Rs.11.00 lacs. Rs.5,27,800/- is stated as government grant-in aid amount. The unit of complainant was based on electricity and complainant had taken no objection certificate for the electricity connection for the unit from Chhattisgarh Electricity Distribution Company Ltd. Before the approval of bank loan, complainant had paid Rs.37,594/- to the respondents, which was the amount of demand notice. A promise was given that electricity connection will be given within one-two months and respondents had also had taken signature of the complainant on the stamp paper as an agreement. The electricity connection was not given by the respondents even after payment of said amount. The complainant visited many times to the office of the respondents and prayed for immediate connection of electricity and prayed that his unit is closed due to denial of electricity connection. Even then, the electricity connection was not given. Complainant wrote letters to Respondents, Collector of Raigarh, State Bank of India Lailunga and General Manager, Trade and Industry Raigarh for electricity connection, C.G.State Electricity Distribution Company at Raigarh. The State Bank of India has written to the respondents for giving immediate electricity connection. The respondent did not give electricity connection. On 16.02.2015, respondents gave a letter to the complainant that electricity connection will be given after completion of extension work. Respondents also stated that there is possibility that extension work will take two years time. The Petitioner on the same day wrote letter to the Superintendent of Police, Raigarh and prayed that connection be given within one week and also requested to get the blank stamp paper returned from the OP. The Superintendent of Police got the blank stamp paper returned and got the written statement issued from OP for connection within 15 days. It is the case of the complainant that electric connection was granted on 02.03.2015. The connection being granted after two years, the complainant did not operate the machines and paid Rs.28,136/- per month as instalment of bank loan. Being aggrieved, the Complainant filed CC before the District Forum and District Fourm vide order dated 16.03.2015 awarded compensation of Rs.50,000/- and cost of litigation of Rs.5000/-. Being aggrieved with the award given by District Forum, the Complainant preferred Appeal before the State Commission and State

Commission vide order dated 06.05.2017 partially accepted the Appeal of the Complainant by awarding Rs.1,00,000/- for mental agony instead of Rs.50,000/-. The amount of Rs.5000/- as awarded by District forum remained intact.

6. It is the case of the complainant that on 20.12.2014, the State Bank of India, Lailunga Branch wrote to OP stating that loan was financed in 2012, NOC was issued by OP in March 2013, connection charges have been paid on 16.03.2013 but connection has not been issued till date. Thus, the unit is being run by Diesel Pump due to which loan account of becoming NPA.

7. Petitioner has challenged the said Order dated 06.05.2017 of the State Commission mainly on following grounds:

- i. The compensation granted by District Forum and enhanced by the State Commission is denial of justice being solely based on deficiency of service for the reason that financial losses has been incurred by the Petitioner due to the act of the OP, while paying EMI for loan to Bank without running the unit for want of connection.
- ii. The Bonafide project under Prime Minister Employment Generation Scheme with Term Loan of Rs.11 Lakh and Rs.8 Lakh as cash credit limit in the year 2012 for establishment of Spice Grinding unit based on electricity has to be set to be spoiled by OPs knowingly the fact that loan is returnable in five years.
- iii. OP deliberately delayed the electric connection and demanded bribe to the tune of Rs.15,000/- which was reported to the police as well.
- iv. The bonafide of the petitioner by establishing plant and machinery as per schedule was spoiled by OP by delaying the electric connection for more than 2 years. After waiting for 1 -1 ½ year for electric connection, the Petitioner started the unit with the help of diesel pump to prevent the machinery from decay. This increased the cost of production and caused losses for the reason that diesel pump was not included in the project cost.
- v. State Bank of India, Lailunga Branch wrote to the OP and stated that loan was financed in 2012, NOC was issued by OP in March 2013, connection charges were paid on

16.3.2013 but connection has not been issued till date. The unit is being by Diesel pump due to which loan account has become NPA.

vi. The act of the OP is in violation of Chapter 4.58 vide which the prescribed time limit to issue connection is 18 days but the same was issued with delay of more than 2 years.

8. Heard learned counsels of both sides. Contentions/pleas of the parties, on various issues raised in the RP, Written Arguments, and Oral Arguments advanced during the hearing, are summed up below.

8.1 Learned counsel for the Petitioner apart from repeating the points which have been stated in para 5, argued that Petitioner paid the EMI and Bank interest without running the unit and had paid Rs.1,96,510/- towards interest and Rs.5,67,520 towards EMI against term loan. Further, the Petitioner had to pay interest on CC limit to the tune of Rs.1,68,398/- without running the unit. Even the SBI, Lailunga Branch had certified that consumer has suffered huge losses due to delayed electric connection, despite establishing the unit in time for want of electric connection for more than 2 years, as a result the unit became almost dead. Learned counsel relied upon the judgment of the Hon'ble Supreme Court in 'Lucknow Development Authority Vs. M.K.Gupta', Manu/SC/0178/1994.

8.2. Learned counsel for the respondent argued that Petitioner is not a consumer under Consumer Protection Act, 1986 as Petitioner has applied for electricity connection for purpose of running a factory unit, namely, M/s Pinky Masala Udyog, which deals in manufacture of spices and the electricity connection was purely for commercial purpose. It is further argued that Appraisal Memorandum for term loan issued to the Petitioner categorically stated at Para ( g) that at the aforesaid unit, the Petitioner would employ one Accountant, two clerk / salesman, one office boy, four operators, four skilled labour and then unskilled labour, which would make it clear that in no way the Petitioner would have operated the entire manufacturing unit all by himself. Thus, the Petitioner had applied for electric connection for running the aforesaid unit for commercial purpose and not for earning his livelihood. Further, the Petitioner in his complaint before District Fourm has stated that he has employed labourers for running the unit, which would demonstrate that the unit for which the electric connection was required by the Petitioner was not to be used by the Petitioner for earning livelihood by self employment and complaint of the Petitioner itself is not maintainable under the Act. Learned counsel further argued that the responsibility of internal wiring was of the Petitioner himself and he has to intimate the respondent regarding completion of the said internal wiring. The Petitioner did not inform the respondent regarding the completion of internal wing of the aforesaid unit and every time the line man of the respondent was returned by the Petitioner whenever the said line man went for

installation of electric meter. The delay in installing the electric connection was not of the respondent.

8.3. It is further argued that according to clause 4.1 of Chattisgarh State Electricity Supply Code, 2011, the supply of electric connection would be made in accordance with time limit stipulated under clause / section 4.58 of the said code, only when the parameters under clause / section 4.1. are fulfilled in all respects. The parameters provided under the said clause / section were not adhered to and therefore the provisions of clause / section 4.58 relating to time stipulation would not be applicable. Counsel further contended that Petitioner is liable to pay monthly instalments to Bank towards the loan financed to him for the said unit, which the Complainant has claimed as compensation.

8.4. Counsel further argued that loan for establishment of unit of the Petitioner was financed in 2012, however, the development work and internal wiring of the Unit was still to be carried out. In the Appraisal Memorandum for term loan document, it was provided at para ( f) that with regard to project implementation, a certificate would be issued. The said certificate was issued on 03.07.2015 by Assistant Manager, District Trade and Industries Centre, Raigarh, which categorically stated that unit was established along with internal wiring on 28.07.2014. Further, it is argued that even assuming but not admitting that if respondents are liable to pay for delay in providing the electric connection, then they are not liable for delay of 2 years but for 8 months as admittedly the electric connection was installed in the unit on 02.03.2015.

9. In this case, as regards deficiency in service on the part of OPs (Respondents herein), there are concurrent findings of both the both the fora below. It has been held by Hon'ble Supreme Court in catena of judgments<sup>[1]</sup> that revisional jurisdiction of the National Commission is extremely limited, it should be exercised only in case as contemplated within the parameters specified in the provision i.e. when State Commission had exercised a jurisdiction not vested in it by law or had failed to exercise jurisdiction so vested or had acted in the exercise of its jurisdiction so vested or had acted in the exercise of its jurisdiction illegally or with material irregularity. It is only when such findings are found to be against any provisions of law or against the pleadings or evidence or are found to be wholly perverse, a case for interference may call for at the second appellate (revisional) jurisdiction. In exercising of revisional jurisdiction, the National Commission has no jurisdiction to interfere with concurrent findings recorded by the District Forum and the State Commission, which are on appreciation of evidence on record. On a careful consideration of all the facts and circumstances of the case, we are not in agreement with the contentions of OPs regarding non-maintainability of the Complaint on the grounds of connection being for commercial purpose and not for earning livelihood. Hence, these contentions are rejected.

10. The main grievance is with respect to quantum of compensation of Rs.50,000/- awarded by District forum towards deficiency in service alongwith litigation cost of Rs.5,000/-. The State Commission, in appeal, by the petitioner herein enhanced the compensation for mental agony to Rs.1 lakh in addition to cost of Rs.5,000/-. Petitioner seeks a total compensation of Rs.13 lakh on account of deficiency in service which according to him, resulted in loss to him. It is the case of the complainant that he applied for electric connection on 16.3.2013 but the same was granted on 2.3.2015 only. He was compelled to start the unit by diesel pump w.e.f. August, 2013. He states that completed all internal wiring sometime in December, 2012 i.e. even before applying the electric connection. Respondent on the other hand states that the internal wiring were completed only on 28.7.2015. They admit that connection was granted on 2.3.2015 stating that the delay is about seven months only and not two years as alleged. Respondent states that unit started functioning on 17.4.2013.

11. In **Wg. Cdr. Arifur Rahman Khan and Aleya Sultana and Ors. vs DLF Southern Homes Pvt. Ltd. & Ors.** (2020) 16 SCC 512, the Hon'ble Supreme Court held that the word "compensation" has a broad connotation, including actual or expected loss and extending to compensation for physical, mental, or emotional suffering, insult, injury, or loss. The provisions of the Consumer Protection Act (CPA) enable a consumer to claim compensation and empower the commission to redress any injustice done. In **Charan Singh v. Healing Touch Hospital** (2000) 7 SCC 668, the Hon'ble Supreme Court held that Consumer Forums, while quantifying damages, must strive to serve justice by awarding compensation that not only compensates the individual but also aims to change the service provider's attitude. The calculation of damages depends on the specific facts and circumstances of each case, and no universal rule can be applied. Compensation must be assessed based on legal principles and moderation, with the Consumer Forum determining what is reasonable and fair. Additionally, the quality of the respondent's conduct in cases of proven negligence is crucial. In **Suneja Towers (P) Ltd. v. Anita Merchant**, (2023) 9 SCC 194, the Hon'ble Supreme Court held that the quantum of compensation and punitive damages depends on the facts and circumstances of each case. When awarding such damages, the forums should specify all relevant factors and the basis for quantification.

12. In view of foregoing, we are of the considered view that both District Forum and State Commission had granted insufficient compensation. The Complainant had suffered actual losses on account of deficiency in service on the part of OPs in terms of inordinate delay in grant of electric connection and the complainant had to run around after various authorities and suffered agony and mental pain. Hence, he deserved to be granted a higher compensation than Rs.1.00 lakh granted by the State Commission. Considering the entirety of facts of the case, we are of the view that ends of justice will be met if Complainant / Petitioner herein is granted compensation of Rs.5.00 lakh instead of Rs.1.00 lakh granted by the State Commission.

13. For the reasons stated hereinabove, and after giving a thoughtful consideration to the entire facts and circumstances of the case, various pleas raised by the learned Counsel for the Parties, the RP is allowed/disposed off with the following directions/reliefs: -

(i) The orders of District Forum / State Commission with respect to quantum of compensation are modified and OPs/Respondents herein are directed to pay a compensation of Rs.5.00 lakh to the Complainant / Petitioner herein instead of Rs.1.00 lakh granted by the State Commission. Rest of the order of State Commission and District Forum is upheld.

(ii) Amounts payable as per this order be paid by the OPs / Respondents herein to the Complainant / Petitioner herein within 30 days of this order failing which amount payable at the end of 30 days shall carry interest @ 9% p.a. from the expiry of 30 days of this order till the date of actual payment.

14. The pending IAs in the case, if any, also stand disposed off.

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[\[1\]](#) Ruby (Chandra) Dutta vs. United India Insurance Co. Ltd. [(2011) 11 SCC 269, Sunil Kumar Maity vs. State Bank of India and Ors. (2022) SCC OnLine SC 77, Lourdes Society Snehanjali Girls Hostel and Another Vs. H & R Johnson (India ) Limited and Ors, (2016) 8 SCC 286, T. Ramalingeswara Rao (Dead) Through Legal Representatives and Anr. Vs. N. Madhava Rao and Ors. (2019) 4 SCC 608, Rajiv Shukla Vs. Gold Rush Sales and Services Limited and Anr. (2022) 9 SCC 31

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**DR. INDER JIT SINGH**  
**PRESIDING MEMBER**