SooperKanoon - India's Premier Online Legal Search - sooperkanoon.com

Standard Games Etc. Vs. State of U.P. and Others Etc.

Standard Games Etc. Vs. State of U.P. and Others Etc.

SooperKanoon Citation : sooperkanoon.com/642541

Court : Supreme Court of India

Decided On : Apr-10-1996

Reported in : 1996IVAD(SC)656; AIR1997SC285; JT1996(5)SC624; 1996(4)SCALE463; (1996)4SCC467; [1996]Supp1SCR172

Judge : K. Ramaswamy,; S.P. Bharucha and; K.S. Paripoornan, JJ.

Appeal No. : Civil Appeal Nos. 3323 of 1984.

Appellant : Standard Games Etc.

Respondent : State of U.P. and Others Etc.

Advocate for Def. : R.B. Misra and ; K.S. Chauhan, Advs.

Advocate for Pet/Ap. : Ashok Grover,; Lalitha Kohli and; Manoj Swarup, Advs

Prior history : From the Judgment and Order dated 4.3.82 of the Allahabad High Court in C. Misc. W.P. No. 390/81.

Judgement :

1. Leave granted in SLP (C) No. 5560/84.

2. The admitted facts are that the appellant had installed the video game consisting of a machine with a display screen which is activated only by inserting a coin in the slot made in the machine. Immediately thereon, the screen is lit up and the game commences. The question is : whether it is an entertainment within the

meaning of Section 2(a) of U.P. Entertainment and Betting Act, 1979 (for short, the 'Act') The appellant's own case is that the operator gets nothing in return other than the pleasure he derives or enjoys from exercising or building up his skill in operating the machine. The Act defines 'admission' under Section 2(a). Section 2(g) defines 'entertainment'. Section 2(1)(iii), (iv) and (v) in particular defines 'payment for admission' with wide language. Notification dated July 24, 1981 was issued by the State exercising the power under Sections 3(1) and 4(1) of the Act prescribing the rates of admission.

3. Admittedly, since there is no enumeration in this regard for the video game, Clause (v) of the said notification imposes 30% of the admission fee as entertainment tax. The controversy raised in this case is squarely covered by the decision of this Court in Geeta Enterprises and Ors. v. State of U.P. and Ors. : [1983]3SCR812 . This Court has considered the above provisions and had held that charge of inserting the coin was realised only from those who wanted to operate the video game at the rate of 50 paise, for a slot lasting upto 30 seconds and it amounts to entertainment within the meaning of Section 2(g) of the Act. Therefore, video games is exigible to entertain tax. We, therefore, hold that the appellant is liable to pay the entertainment tax. We do not find any illegality in the view taken by the High Court warranting interference.

4. The appeals are accordingly dismissed. No costs.

SooperKanoon - India's Premier Online Legal Search - sooperkanoon.com