PETITIONER:
STANDARD GAMES ETC.

Vs.

RESPONDENT:
STATE OF U.P. & ORS. ETC.

DATE OF JUDGMENT: 10/04/1996

BENCH:
RAMASWAMY, K.
BENCH:
RAMASWAMY, K.
BHARUCHA S.P. (J)
PARIPOORNAN, K.S.(J)

CITATION:
1996 SCC (4) 467 JT 1996 (5) 624
1996 SCALE (4)463

ACT:

HEADNOTE:

JUDGMENT:

WITH
CIVIL APPEAL NO. 3322 OF 1996
AND
CIVIL APPEAL NOS. 7749 OF 1996
(Arising out of SLP (C) No. 5560 of 1984)

O R D E R

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

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.

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 & Ors. vs. State of U.P. & Ors. [(1983) 3 SCR 812]. 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.

The appeals are accordingly dismissed. No costs.