

Supreme Court of India

Paras Enterprises vs Karnataka Electricity Board on 24 April, 1992

Equivalent citations: JT 1992 (3) SC 149, 1992 (1) SCALE 1053, 1993 Supp (2) SCC 130, 1992 (1) UJ 723 SC

Bench: K Singh, M F Beevi

ORDER Kuldeep Singh and M. Fathima Beevi, JJ.

1. Special leave granted.

2. The question before the High Court was whether the appellant is liable to pay electricity charges under "Tariff Schedule LT-5(b)" or "Tariff Schedule LT-3" of the Electric Power Tariff as prescribed by the Karnataka Electricity Board. The appellant claimed that it was covered by Tariff Schedule LT-5(b) and as such the Karnataka Electricity Board has no power to issue demand notice claiming electricity charges under Tariff Schedule LT-3. Learned Single Judge and the Division Bench of the High Court dismissed the writ petition and the writ appeal filed by the appellant.

3. We have heard learned Counsel for the parties. The relevant Schedules are reproduced hereunder:

TARIFF SCHEDULE LT-5(b) (Industrial heating and motive power including lighting) Applicable for supply to commercial, Industrial and other installations not covered under LT-3 & LT-4, Film Studios, X-ray installations, poultry farms with sanctioned load of more than 7.5 KW.

TARIFF SCHEDULE LT-3 (Commercial Non-Industrial Lights, Fans Heating Motive Power) Applicable to power supply for lights, fans Radio/TV Receivers. Air Conditioners, Refrigerators, Xerox/Photo copiers and Commercial Motive Power, etc. for commercial and non-industrial purposes.

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4. The Division Bench on the basis of the facts as disclosed by the appellant before the High Court, came to the conclusion that the appellant was using the cold storage for commercial purposes and as such the Electricity Board was justified in issuing demand under Tariff Schedule LT-3. The Division Bench dismissed the writ appeal on the following reasoning:

We have already extracted the nature of activity carried on by the appellant. It will be clear from what we have extracted in the beginning of our judgment that it is not using this Cold Storage Plant for any industrial purpose. It does nothing more than getting potato seeds, storing them and distributing to the farmers on a marginal profit. This undoubtedly is a commercial activity. Once this conclusion is reached, we do not know how it could ever be contended that the appellant cannot be charged under Tariff Schedule LT-3, that applied specifically to commercial purpose. Therefore the impugned demand is well in order. As the learned Judge rightly concluded what is sought to be done by the Electricity Board is a revision of tariff by correcting the mistake.

5. We see no informity in the judgment of the High Court under appeal. We agree with the reasoning and the conclusions reached by the High Court. The appeal is, therefore, dismissed. No costs.