

(1995) 01 KAR CK 0033
In the Karnataka High Court
Case No : Writ Appeal No. 679 of 1994

Rashtrottana Parishat, Bangalore

APPELLANT

Vs

Karnataka Electricity Board, Bangalore

RESPONDENT

Date of Decision : 17-01-1995

Acts Referred:

Karnataka Electricity Board Electricity Supply Regulations, 1988 — Regulation 30.05

Citation : (1995) 2 KarLJ 499

Hon'ble Judges : G. T. Nanavati, C.J.;A. J. Sadashiva, J

Judgement

G.T. Nanavati, C.J.-We are of the view that there is no substance in any of the two contentions raised by the learned counsel for the appellant.

2. The first contention raised on behalf of the appellant is that in view of the interim order of stay passed by this Court the appellant was under no obligation to pay the electricity bills at the new rates so long as the stay continued. It was submitted that the difference that the appellant was then required to pay cannot be said to be belated payments and therefore the respondent-Board cannot charge any interest on such payments. In support of this contention the learned Advocate relied upon the decision of this Court in Writ Petition No. 1531 of 1991. In our opinion, this contention has no merit. Merely because this Court had earlier granted stay and permitted the appellant, during the pendency of his petition, to pay the electricity bills at the old rate, his liability to pay at the new rate in case of dismissal of his petition had not ceased. It was merely postponed as a result of the stay order. As a result of dismissal of the petition, he has been held to be under a legal obligation to pay the electricity bills at the new rates. The only effect of the said order was that during the pendency of his petition he was permitted to pay at the old rate and the respondent-Board was restrained from disconnecting the power supply on the ground of non-payment of bills at the new rate. As the petition was dismissed, the amounts which the appellant had not paid according to the new rate and which came to be paid later on, became belated payments and therefore he attracted the further liability of paying interest on such belated payments. The judgment relied upon by the

learned Advocate does not support the contention of the appellant as in that case also it has been observed by this Court that in such cases, that is where stay is granted, the liability gets postponed and does not disappear. The appellant is therefore liable to pay interest on the belated payments.

3. As regards the question as to whether the payments can be said to be belated or not, it has to be stated that the revised bill was given to the appellant and he has not paid the said amount in time. Therefore there was delay in making the payments. According to the Rules, such payments have to be regarded as belated payments and therefore interest becomes payable thereon. Therefore, we cannot accept the contention that in this case the appellant was not liable to pay interest as demanded by the Electricity Board.

4. It was next contended that the amount of Rs. 86,124.80 could not have been appropriated by the Electricity Board towards interest. In its letter dated 11-9-1990 (Annexure K to the petition) the appellant had requested the Board to appropriate the said amount towards the difference in the rate of energy charges. The reply of the Electricity Board as contained in the letter dated 6-2-1991 (Annexure L) is very clear on the point. It has pointed out that in view of Regulation 30.07 of Electricity Supply Regulations 1988, it was entitled to appropriate the said amount first towards the interest. Reliance was placed by the appellant on Section 59 of the Indian Contract Act. It cannot be of any help to the appellant because that is a general provision and it cannot apply where there is a contract to the contrary. The appellant had agreed to abide by the Rules and Regulations framed by the Electricity Board and therefore that agreement would prevail over the said general provision contained in the Indian Contract Act. Therefore, we see nothing wrong in the action of the Electricity Board of appropriating the said amount towards the interest liability of the appellant. This appeal is therefore dismissed summarily.