

# SUPREME COURT OF INDIA

Indian Explosives Ltd.

Vs.

Kanpur Nagar Mahapalika

(J Verma, B Kirpal and V Khare JJ.)

08.01.1998

## ORDER

1. The subject-matter of controversy in the present case is the demand of octroi for the period 1969 to 1983 by the respondent-Kanpur Nagar Mahapalika from the appellant amounting to approximately Rs six crores. In all a sum of Rs 1,50,17,892 has been paid by the appellant to the Kanpur Nagar Mahapalika towards this claim. During the pendency of this appeal the appellant had offered to pay a further sum of Rs 25 lakhs to the Kanpur Nagar Mahapalika in discharge of the entire liability under this head adding that the appellant would approach the Central Government for reimbursement of that amount from the Fertilizer Pool (FICC) in view of the fact that the ultimate liability for payment of octroi was that of Indian Oil Corporation.

2. Having heard learned counsel for the parties and taking into account the offer made earlier by the appellant as also the fact that octroi has now been abolished, we deem it fit that this litigation be brought to an end by making an order which commends to us to be just in the facts and circumstances of the present case. In our opinion, Kanpur Nagar Mahapalika should be permitted to retain the amount of Rs 1,50,17,892, already paid to it by the appellant and in addition it be paid a sum of Rs 50 lakhs only by the appellant towards the entire octroi dues for the period 1969 to 1983. On payment of this further sum of Rs 50 lakhs by the appellant to the respondent-Kanpur Nagar Mahapalika, the entire liability of the appellant in this behalf shall stand discharged. The appellants undertake to pay the entire amount of Rs 50 lakhs in this manner to Kanpur Nagar Mahapalika on or before 31-3-1998. We may add that the appellants, if so advised, are at liberty to approach the Central Government for reimbursement of the amount paid by it to Kanpur Nagar Mahapalika in

accordance with law.

3. The appeal is disposed of in the above terms. No costs.