

Indian Oil Company Ltd. & Another

v.

Kerala State Road Tr. Company & Others

(Supreme Court Of India)

HON'BLE MR. JUSTICE R.M. LODHA HON'BLE MR. JUSTICE MADAN  
B. LOKUR

Special Leave to Petition (Civil) No. 19996 Of 2013 With Slp(C) No. 20016 Of  
2013 With Slp(C) No. 20042 Of 2013 With Interlocutory Application No. 2, 3  
& 4 Of 2013 In T.P.(C) No. 908 Of 2013 | 16-09-2013

1. We have heard Mr. Goolam E. Vahanvati, learned Attorney General for the  
Petitioners, and Mr. Shekhar Naphade, learned senior Counsel for the  
Respondent Nos. 1 and 2.

2. It is directed that the Central Government shall consider the representation  
(May, 2013) made by the applicants expeditiously and preferably within one  
month from today.

3. Interlocutory Application No. 2 of 2013 stands disposed of.

4. List Interlocutory Application Nos. 3 of 2013 and 4 of 2013 after one month.

S.L.P. (Civil) No. 19996 of 2013

5. We have heard Mr. Goolam E. Vahanvati, learned Attorney General for the  
petitioners (hereinafter referred to as 'Oil Company'), and Mr. V. Giri, learned  
senior counsel for the Respondent No. 1 - Kerala State Road Transport  
Corporation (for short, 'Transport Corporation').

6. The learned single Judge of the High Court by his order dated 21.03.2013 has  
restrained the Oil Company from realising higher price from the Transport

Corporation for the high speed diesel oil supplied than the price charged from other retailers in open market.

7. In our opinion, having regard to the over-all facts and circumstances of the case, particularly that 83% of diesel is imported and the current value of Rupee against Dollar has substantially gone down, we are satisfied that not only the Oil Company has balance of convenience in its favour but we are also of the view that irretrievable injustice shall be caused to the Oil Company if the interim injunction granted by the High Court is allowed to operate.

8. In view of the above, we stay the operation of the order dated 21.03.2013 passed by the single Judge of the Kerala High Court until further orders.

9. Accordingly, the Transport Corporation taking bulk supplies directly from the installations of the Oil Company shall be charged high speed diesel oil price at the non-subsidised market determined price in terms of the letter dated January 17, 2013 of the Government of India, Ministry of Petroleum & Natural Gas (PP Section).

10. However, as of now, no recovery shall be made by the Oil Company from the Transport Corporation towards arrears.

S.L.P. (Civil) No. 20016 of 2013

11. In the light of the order passed by us today in S.L.P. (Civil) No. 19996 of 2013 above, the operation of the order dated 01.04.2013 shall remain stayed until further orders.

12. Accordingly, the Kerala State Water Transport Department, Government of Kerala taking bulk supplies directly from the installations of the Oil Company shall be charged high speed diesel oil price at the non-subsidised market determined price in terms of the letter dated January 17, 2013 of the Government of India, Ministry of Petroleum & Natural Gas (PP Section).

13. However, as of now, no recovery shall be made by the Oil Company from the Transport Corporation towards arrears.

S.L.P. (Civil) No. 20042 of 2013

14. The single Judge of the Andhra Pradesh High Court has passed an interim order directing the Respondent No. 1 -Andhra Pradesh State Road Transport Corporation (for short, 'Transport Corporation') to pay 50% of the enhanced high speed diesel oil price to the Petitioners herein (for short, 'Oil Company') for future supplies.

15. We are informed by Mr. Goolam E. Vahanvati, learned Attorney General for the Oil Company, that the Transport Corporation has not claimed any benefit of the impugned order so far and they have been paying enhanced high speed diesel oil price.

16. Be that as it may, in view of the order passed by us today in S.L.P. (Civil) No. 19996 of 2013 above, it is directed that Andhra Pradesh State Road Transport Corporation shall be charged high speed diesel oil price at the non-subsidised market determined price in terms of the letter dated January 17, 2013 issued by the Government of India, Ministry of Petroleum & Natural Gas (PP Section).

17. The operation of the impugned order shall remain stayed until further orders.