CASE NO.:
Appeal (civil) 1073 of 2006

PETITIONER:
Duncan Industries Ltd. and Anr

RESPONDENT:
Union of India

DATE OF JUDGMENT: 10/02/2006

BENCH:
H. K. Sema & B.N. Srikrishna

JUDGMENT:
J U D G M E N T
(arising out of SLP (C) No. 6297/2004)
With
Civil Appeal No.1074/2006 @ SLP (C) No. /2006 @CC No. 12164/2004

SRIKRISHNA, J.

Delay condoned in the Special Leave Petition arising out of CC No. 12164 of 2004. Leave granted in both the Special Leave Petitions.

The question to be answered in this case is: whether the scheme of subsidies (known as the "Retention Price Scheme") granted by the Respondent-Union of India (hereinafter "the Government") to fertilizer manufacturers, could be retrospectively modified to the detriment of these manufacturers. In our view, this question needs to be answered in the affirmative.

The Retention Price Scheme

M/s Duncan Industries Ltd. (hereinafter "the First Appellant") is engaged in the business of manufacturing and selling urea (a fertilizer). In 1993, the First Appellant acquired the urea plant of M/s Indian Explosives Ltd. (a unit of ICI India Ltd.). The Second Appellant is a shareholder in the First Appellant-Company (hereinafter, collectively "the appellants").

In 1957, the Government notified fertilizers (including urea) as an "essential commodity", under the Essential Commodities Act, 1955 (hereinafter "the EC Act"). The Fertilizer (Control) Order, 1957 (hereinafter "the Fertilizer (Control) Order") was made in exercise of the powers conferred by Section 3 of the EC Act. The Fertilizer (Control) Order has been revised from time to time. Through the Fertilizer (Control) Order, the Government was able to fix the maximum retail price of fertilizers, which was to be complied with by dealers, manufacturers etc. However, since this controlled-price mechanism resulted in losses for manufacturers, it was suggested that the Government provide subsidies to make good the losses. Accordingly, the Government constituted a Committee under the Chairmanship of Mr. S.S. Marathe (hereinafter "the Marathe Committee") to introduce a rational system for the pricing of fertilizers in the country. The Marathe Committee was to suggest a mechanism that would ensure a reasonable return on investment to manufacturers of fertilizer, facilitate the healthy development and growth of the fertiliser industry, and also ensure that the prices of fertilizer were kept within reasonable limits. To this effect, the Marathe Committee made a detailed report suggesting an intricate system of fertilizer subsidies known as the "Retention Price Scheme" (hereinafter also mentioned as "the Scheme"). This report was considered in detail by the Government, which decided to introduce the Retention Price Scheme for units in the nitrogenous fertilizer industry (with effect from 1.11.1977).

A brief outline of the Retention Price Scheme is necessary. The Retention Price Scheme was devised with a view to determine the appropriate subsidy for fertilizer manufacturers. The subsidy is calculated as the difference between the "Retention Price" and the maximum retail price fixed for fertilizers (under the Fertilizer (Control) Order). A detailed formula prescribed under the Scheme determines the Retention Price for fertilizers.

The Retention Price was to be worked out by calculating the cost of manufacture of urea per ton. The cost of manufacturing urea comprises three types of costs: (i) Capital-related costs (ii) Conversion costs (or Fixed costs) and (iii) Variable costs (or Input costs). Capital-related costs incurred by a manufacturer were the total amount of capital invested, including loan and equity. Conversion costs included salaries, overheads, chemicals and consumables, repair and selling expenses, catalysts etc. Variable costs included the costs of the feedstock (the feedstock may vary from unit to unit), utilities costs, packaging etc. Also, this formula of Retention Price provided a post-tax return of 12% on the net worth. The working of the Scheme provided for a fair ex-factory Retention Price per ton of urea based upon a capacity utilization of 80% to arrive at the Variable Cost. In this manner, the Marathe Committee had worked out the Retention Price for each of the twenty-one urea-manufacturing units. In summary, the combination of Conversion costs, Variable costs and Capital-related charges (including the 12% post-tax return) was styled as the Retention Price.

The Retention Price Scheme envisaged a Fertilizer Price Fund Account for the payment of subsidies. In respect of those units where the Retention Prices were lower than the maximum retail price, the units were required to credit the difference to the Fertilizer Price Fund Account. Conversely, units whose Retention Prices were higher than the maximum retail price would receive the difference from the Fertilizer Price Fund Account, as a subsidy.

The Scheme was to be administered by an inter-ministerial committee, which also had representatives of the fertilizer industry. This committee was called the Fertilizer Inter-Coordination Committee (hereinafter "the FIC Committee"). The FIC Committee was to have an Executive Director and adequate staff to maintain accounts, make and recover payments, undertake costing, and collect and analyze production data, cost and other inputs, in order to work out the Retention Price periodically and make appropriate adjustments.

The Operation of the Retention Price Scheme
The Government’s decision to introduce the Retention Price Scheme was formally notified on 1.11.1977 in the Official Gazette. However, even prior thereto, a letter (dated 24.10.1977) was written by the Government to the Managing Director of M/s Indian Explosives Ltd. (later acquired by the First Appellant), wherein the details of the Retention Price Scheme were indicated. It was pointed out in this letter that:
"\005It is the intention of the Government to bring the scheme of retention prices in respect of nitrogenous fertiliser into effect from 1.11.1977 on the basis of voluntary agreements on the part of individual units to participate in the scheme\005"
(emphasis supplied)

Accordingly, the Government asked for an undertaking to be signed by a competent authority on behalf of each of the manufacturers and enclosed a draft of the undertaking to be signed. Finally, the letter stated:
"\005your (M/s Indian Explosives Ltd.) willingness to participate in the retention price scheme communicated, and undertaking the enclosed form duly executed by a competent authority on behalf of your company set so as to reach this Ministry before 29th October, 1977."

Ms/ Indian Explosives Ltd. gave such an undertaking on 10.12.1977,

which was incidentally after the specified deadline. The undertaking, addressed to the President of India, was in the following terms: "Whereas the Government of India (hereinafter called the "Government") have introduced and are operating, a scheme of plant-wise retention price in respect of Nitrogenous and Phsophetic (sic) fertilisers, with a view to ensuring that there is a sustained and healthy development of the feertiliser (sic) industry in view, particularly, of the statutory prices control exercise (sic) by the Government over the selling prices of fertilisers.

2. And whereas the retention price scheme envisages determination of fair retention prices for each product manufactured by each fertiliser unit taking into account the cost of production based on norms, return on net-worth, etc. and that the introduction of this Scheme has been rendered possible by a contribution from the Government of India by way of removal of excise duty/FPEC, payment of subsidy and/or otherwise;

3. And whereas the Government are also being (sic) freight subsidy in respect of the Nitrogenous and Phsophetic (sic) fertilisers with a view to covering the cost of transport of fertilisers, as part of the retention price scheme;

4. And whereas the retention price scheme also provides for periodical revisions in the retention prices so as to reflect the changes in the cost of raw materials/ inputs, cost of transportation of raw materials/ inputs, etc.;

5. And whereas Government have been fixing from time to time a specified amount for tonne (hereinafter referred to as net realisation) in respect of each product of each manufacturer based on the prevailing statutory maximum retail selling price, the rate of distribution margin, etc.;

6. And whereas it is a feature of the scheme that units whose retention price as fixed under the scheme is lower than the net realization, shall pay the difference to the Fertiliser Industry Coordination Committee (hereinafter referred to as the "Committee"), which has been set up by the Government to administer the retention price scheme, and that units whose retention price as fixed under the scheme is higher than the net realisation, will receive the difference as subsidy from the said Committee;

7. We, IEL Ltd., do hereby undertake that, in the event of the retention price fixed for our unit(s)/product(s) being lower than the net realisatin (sic), we shall credit every month to the Committee in accordance with such instructions and procedures as the Government/Committee may prescribe from time to time, an amount calculated at a rate per tonne of the concerned nitrogenous/phosphetic fertiiser (sic), equivalent to the difference between the net realisation and the retention price fixed for our unit/product on the quantity of the nitrogenous/phosphetic fertiliser moved out of the factory every month, within a period of 45 days from the last day of the month to which the credit relates.

8. We further undertake that if the aforesaid amount is not credited by us in the time limit specified above, we shall pay interest @ 2.5% above the ruling bank rate for working capital loans as now prescribed, or at such rate as may be prescribed from time to time, by the Government (Ministry of Chemicals and Fertilisers).

9. We also undertake and promise to abide by the decision of the Committee, which is final and binding on all matters relating to the determination of retention price, net realisation, equated freight, etc.

10. We also agree to make available to the Government, or any person nominated for the purpose of inspection, all our books of accounts and other records connected thereto. We also agree to follow the procedure for submission of bills/ recoveries in respect of Nitrogenous and Phsophetic (sic) fertilisers under the retention price scheme as prescribed by the Government of India, Ministry of Chemicals and Fertilisers from time to time."

(emphasis added)

Accordingly, the Retention Price Scheme was brought into operation. The Retention Price fixed initially, was to be operative for the period 1.11.1977 to 31.3.1979. Thereafter, it was fixed for a period of three years from 1.4.1979 to 31.3.1982. From time to time, the Retention Prices for five pricing periods up to 31.3.1991 were notified. Since the calculation of the Retention Prices and its approval by the Government involved administrative delays, the approval of the policy and the computation of the Retention Prices, though made subsequently, were made effective from the beginning of the pricing period. The Sixth pricing period was to commence from 1.4.1991 and remain in force up to 31.3.1994. However, the Retention Price for this price period was actually approved in the Sixty-sixth meeting of the FIC Committee on 16.12.1994, but made operative from 1.4.1991. It is important to note that until the Retention Price fixed for this pricing period was brought into force, the Retention Price that was fixed for the previous year continued to operate. However, once the Retention Price for the Sixth pricing period was notified, it was brought into effect from 1.4.1991.

The Retention Price fixed, which was to be operative only up to 31.3.1994, was actually continued beyond that date. It was initially extended up to 31.3.1997, and finally to 30.6.1997 (hereinafter "the Six-A pricing period"). The details of the policy parameters relating to the Sixth pricing period (1.4.1991 to 31.3.1994) and the Six-A pricing period (1.4.1994 to 30.6.1997) were notified on 24.7.1997/ 5.8.1997. During the extended period of the Sixth pricing period that is from 1.4.1994 to 30.6.1997 (i.e. the Six-A period), the Retention Price and the subsidy amount were worked out on the basis of the Sixth pricing period and payments made and recoveries effected. All of these transactions were consistent with a continuing practice, namely, that the Retention Price would be approved after the expiry of the pricing period, but recoveries and payments would be done, and accounts settled from the commencement of the pricing period.

During the continuance of the Seventh (1.7.1997 to 31.3.2000) and the Eighth (1.4.2000 to 31.3.2003) pricing periods, the Retention Price for each of the manufacturers was revised on account of changes, as well as, variations in the different cost factors, the base year being the last year of the previous pricing period.

In 2000-2001, complaints were voiced that fertilizer manufacturers were misusing the Retention Price Scheme. For instance, it was alleged that fertilizer manufacturers were actually consuming much lower quantities of naphtha/furnace oil but were actually being compensated for higher consumption, resulting in undue gains for them. The Government constituted a committee chaired by Dr. Y.K. Alagh (hereinafter "the Alagh Committee") for the purpose of reassessing the production capacity of such fertilizer units. The Retention Prices were also reduced with effect from 1.4.2000, on an interim basis. When the final statement of accounts of payments/ recoveries arising from the implementation of the Seventh and Eighth pricing policies were drawn, it was seen that an amount of Rs. 2303 crores had to be paid while recoveries to the tune of Rs. 923 crores could be made.

In the process of finalizing the Seventh and Eighth pricing period,

there were detailed discussions held in a meeting between the Government's officials and authorized representatives of the fertilizer manufacturing units. As far as the First Appellant was concerned, one such meeting was held on 7.8.2002 at 2:30 PM, which was attended by the Managing Director and General Manager (Finance) of the First Appellant-Company. The Minutes of this meeting show that the Executive Director of the FIC Committee broadly explained the aspects on which the Retention Price had been worked out for the Seventh and Eighth pricing periods to the representatives of the First Appellant-Company. It was also pointed out in the meeting that Retention Price fixation was subject to the reports of the committees that had been constituted to examine certain pending issues. It was further pointed out that the Retention Prices determined for the Seventh and Eighth pricing periods were subject to further scrutiny of the repairs and maintenance charges and capital additions allowed in the Retention Price. Thereafter, the representatives of the First Appellant-Company were informed that based upon information received by the FIC Committee, certain items of expenditure were disallowed while finalizing the Retention Price for the Seventh and Eighth pricing periods, as these were not related to urea activity.

On 8.8.2002, the First Appellant addressed a letter to the FIC Committee, giving particulars as to the repairs and maintenance charges incurred for the years 1997-98 to 2000-01. It also raised the issue with regard to disallowance of the bank charges for Base Years 1997-98 and 1999-2000. Apart from this, no other issue was raised in the said letter.

The Litigation

A Civil Miscellaneous Writ Petition No. 43934/2001 was moved by the appellants in the High Court of Judicature at Allahabad to challenge the interim revision of Retention Price made on 5.11.2001 and the consequent demand raised upon the First Appellant on 13.11.2001 for recovery of Rs.184.01 crores under the Scheme. Although, the appellants had filed the Writ Petition sometime in 2001, it was actually moved in 2002, by which time the Government had recovered Rs. 127.21 crores by way of adjustments, leaving a balance of Rs. 56.80 crores.

A Civil Miscellaneous Application No. 40383/2002 was taken out by the appellants for interim relief, which was disposed of by an agreed order. A perusal of the agreed order made on 3.4.2002 does not indicate that there was any challenge to the manner of computation of the Retention Price, but only suggested that the recovery of the balance amount of Rs. 56.80 crores be made in 10 monthly instalments, subject to disposal of a representation made by the appellants. On the question of payment of subsidy for the month of January 2002, it was stated in the order itself that it would be subject to the Government's power of revision, review and recovery of excess payment, if exercised, in the future.

The appellants challenged the working of the Retention Price Scheme by Civil Miscellaneous Writ Petition No. 43042/2002. This Writ Petition was dismissed by the High Court through the impugned judgment dated 7.11.2003. By another order dated 7.11.2003, following the impugned judgment, the High Court also dismissed Civil Miscellaneous Writ Petition No. 43934/2001.

The Contentions

The appellants impugn the judgment of the High Court under appeal, on the following grounds:

Firstly, Dr. Rajeev Dhavan, learned Senior Counsel for the appellants, contends that the Retention Price Scheme was a statutory scheme made under the provisions of the EC Act read with the Fertiliser (Control) Order. Dr. Dhavan contends that this being a delegated legislation could not have been given retrospective effect to the detriment of the appellants.

Next, Dr. Dhavan contended that the High Court had misunderstood

the operation of the Retention Price Scheme as being entirely ad hoc. According to him, what was ad hoc was the periodic revision of the subsidies payable or receivable on account of input particulars, but the pricing policy determined for the pricing periods would remain constant. Dr. Dhavan has thus, sought to differentiate the process for determining the policy norms from the actual process of computing the Retention Price.

Third, learned counsel contends that there was a promise made out to the manufacturers that there would be assured post-tax returns of 12%, which has allegedly not been fulfilled as a result of the revision of the pricing norms. Hence, according to Dr. Dhavan, the Government was estopped from implementing any revision of the Retention Price Scheme, which would take away the "vested right" of 12% post-tax returns.

Finally, Dr. Dhavan argued that the retrospective and adverse revision of the pricing norms by the Government is "arbitrary", "unreasonable" and violative of Article 14 of the Constitution, especially since the Government fixes the maximum retail price of fertilizer.

The learned Additional Solicitor General, by reference to the voluminous record, contended that the High Court was fully justified in its conclusion, and that there was no substance in the Writ Petition.

The Nature of the Retention Price Scheme

The first contention of Dr. Dhavan is that the Retention Price Scheme is a statutory scheme, and he accordingly contends that a delegated legislation could not be retrospectively validated. This argument needs consideration only if the Retention Price Scheme can be said to have statutory flavour.

In our view, the High Court’s finding that the Retention Price Scheme is nothing but an administrative order, is correct. Evidently, there is nothing in the EC Act that deals with Retention Prices. Indeed, Clause 3 of the Fertiliser (Control) Order merely provides that it is open to the Government to fix the maximum retail price of fertilizers. Therefore, fertilizer manufacturers cannot sell fertilizer at a price exceeding the maximum price fixed under the said clause.

On the other hand, there is no provision that deals with the grant of subsidies for producing fertilizers. We repeatedly asked Dr. Dhavan as to under which law the Government was obliged to make available subsidies to fertilizer manufacturers. He fairly admitted that there was no such obligation on the Government, and stated that if the Government decided to withdraw the Scheme, it would only have to comply with the requirements of Article 14. Indeed, it must be remembered that the Retention Price Scheme is a result of the Report of the Marathe Committee. It was intended to serve as a measure of alleviation to fertilizer manufacturers, so that they were not hit by the rising prices of inputs, especially since the retail price of the fertilizer was itself controlled. Thus, it is evident that the Retention Price Scheme is not linked to any statute in any manner whatsoever, but is a mere administrative order.

Our conclusions are fortified by a judgment of this Court in Neyveli Lignite Corporation Ltd. v. Commercial Tax Officer where the nature of this very Scheme came to be considered, albeit in the context of a sales tax case. This Court held that the Retention Price Scheme is:

"\005clearly an administrative decision of the Government of India. It has been issued pursuant to the Ministry’s resolution and it enables a factory (sic)\005to receive subsidy from the Government in case the retention price is more than the price fixed under clause 3 of the Fertiliser (Control) Order."

The first contention of Dr. Dhavan must, therefore, fail since the Retention Price Scheme is a mere administrative scheme without any statutory flavour.

Retrospectivity in the Scheme

At the outset, we must note that the Retention Price Scheme, both conceptually and in its actual operation, has always had an element of retrospectivity built-in. Indeed, the correspondence between the parties indicates that the Retention Price was always fixed and made applicable ex post facto from the beginning of the pricing period with adjustments to be made towards payments and recoveries. However, Dr. Dhavan seeks to differentiate the process for determining the policy norms from the actual process of computing the Retention Price. According to learned counsel, what was ad hoc and could be retrospectively changed were the subsidies payable or recoverable in line with actuals. On the other hand, according to him, the pricing norms (the formula for calculating Retention Prices) could not be retrospectively changed. We cannot, however, accept this distinction.

At the outset, the First Appellant had voluntarily entered into the undertaking dated 10.12.1977, where it promised inter alia:
"\005to abide by the decision of the Committee, which is final and binding on all matters relating to the determination of retention price, net realization, equated freight, etc."
(emphasis supplied)

Firstly, neither the above-mentioned undertaking, nor the evidence on record, appears to indicate that there exists any distinction on the lines suggested by Dr. Dhavan. Secondly, in our view, "\005all matters relating to the determination of retention price\005" unambiguously includes the power to determine the norms and policy that would be used for computing the Retention Price. Also, as we have already mentioned, from its inception, the Retention Price Scheme has always had an element of retrospectivity built-in. Therefore, the undertaking entered into by the manufacturers clearly allows the Government to retrospectively revise the pricing norms/policy for the Retention Price Scheme. Further, as we shall see, the First Appellant was at all stages fully aware of and party to the deliberations that went into determining the norms for calculating the Retention Prices. Hence, in our view, the distinction sought to be made between the norms for determining Retention Price and the actual computation of the Retention Price is not tenable.

Assured Returns

It is next contended by Dr. Dhavan that the Government is estopped from formulating a scheme under which the Retention Price fixed would deny the First Appellant the assured 12% post-tax returns. We do not agree.

At the outset, we notice that the Scheme was not the result of any unilateral action on the part of the Government. Although the result of an administrative decision, it was grounded in an agreement reached between the Government and certain fertilizer manufacturers. Indeed, it was open to the manufacturers to decline to enter into such arrangement. This is evident from the letter of the Government dated 24.10.1977, which put forward the Scheme. As discussed earlier, this letter requested M/s Indian Explosives Ltd. (later acquired by the First Appellant) to enter into the Scheme as suggested, so that it may get the subsidy. The subsidies were, of course, subject to the provisions of the Retention Price Scheme, and subject to the undertaking to be given. In response to the letter of 24.10.1977, M/s Indian Explosives Ltd. gave a categorical undertaking dated 10.12.1977 in the terms that we have already extracted. It is of significance that M/s Indian Explosives Ltd., undertook and promised inter alia:
"\005to abide by the decision of the Committee, which is final and binding on all matters relating to the determination of retention price, net realization, equated freight, etc."
(emphasis supplied).

In the face of this undertaking, we are unable to accept the contention of Dr. Dhavan that the Retention Price Scheme was something that was compulsorily imposed on fertilizer manufacturers. Indeed, it is not as if the manufacturers are challenging the maximum retail price fixed under the Fertiliser (Control) Order. They are merely challenging the manner in which

the Retention Price, which determines the subsidy payable under an agreed arrangement, is determined. In fact, when we read the undertaking which was extracted above, it appears to us that the manufacturers had agreed to abide by the decision of the FIC Committee, on all matters relating to determination of the Retention Price as being "final and binding" upon them. In the light of this, the argument of estoppel is actually the boot on the other foot.

Moreover, even if we were to assume for a moment that certain returns have been assured, and that this assurance is binding on the Government, we are not satisfied that this assurance has actually been breached. We agree with the High Court that there are too many imponderables and too many disputed questions of fact for an effective decision in a writ proceeding on this issue. In our view, therefore, this contention of the learned counsel for the appellants must also fail.

Reasonableness and Legitimate Expectation

Dr. Dhavan next contended that the retrospective application of the new policy parameters by the FIC Committee is 'arbitrary', 'unreasonable' and against the Doctrine of Legitimate Expectation. Learned counsel contends that since the Government controls the retail price of fertilizer, it would be 'unfair', 'unreasonable' and violative of Article 14 for them to revise the scheme of subsidies, so that there would be losses caused to fertilizer manufacturers. In our view, this contention has no merit for both the facts and the applicable legal principles indicate that there is nothing arbitrary or unreasonable in what the FIC Committee has done.

At the outset, the material placed on record clearly demonstrates that the representatives of the First Appellant were party to the deliberations before the FIC Committee, who explained the material particulars regarding the manner of working out the Retention Price for the Seventh and Eighth pricing periods. The minutes of the said discussions, read with the correspondence between the parties pertaining to the Retention Price fixation for the Seventh and Eighth pricing periods, leave no doubt that the First Appellant was party to what was being done. Further, at no point, during the discussions or in the subsequent correspondence, did the First Appellant question the validity or correctness of the manner of fixation of the Retention Price (except on some minor issue like bank interest charges).

Dr. Dhavan cited a number of authorities to support his argument. However, these cases pertain to situations where tax exemptions, which were already granted and pursuant to which transactions had been held, were retrospectively withdrawn. Other authorities also pertained to setting up of industries in backward areas on promises of rebate/ concessions. In our view, none of these authorities is of any assistance for resolving the issue before us, which is purely a consensual working arrangement between the Government and fertilizer manufacturers. The argument of 'legitimate expectation', in our view, cannot have application to the present case. As we have said, the Scheme was a voluntary one, and having agreed to abide by the decision of the Government, there is no question of the appellant's 'legitimate expectations' being belied.

Turning to the Article 14 argument, we emphatically reiterate the now-accepted position that Article 14 does not require this Court to examine the intricacies of an economic scheme or pricing policy for its merits or its correctness, for that is in the domain of the executive or the legislative branches of the Government. Indeed, even if the Scheme, as revised, is "unwise" or even "unjust", there is no recourse before us for, as Justice Holmes elegantly put it:

"We fully understand\005the very powerful argument that can be made against the wisdom of the legislation, but on that point we have nothing to say, as it is not our concern."

We are broadly in concurrence with the reasoning of the High Court that in matters of administrative discretion it is not open to the courts to

interfere in minute details, except on grounds of mala fides or extreme arbitrariness. Interference should be only within very narrow limits, such as, where there is a clear violation of a statute or a constitutional provision, or extreme arbitrariness in the Wednesbury sense. Neither the High Court nor we have found any of these vitiating factors in the administration of the Retention Price Scheme and the consequent payments/ recoveries of the subsidy amounts. Thus, in our view, the action of the FIC Committee to adversely modify the subsidies framework, cannot be questioned on its merits.

The Case of M/s Nagarjuna Fertilizers

The learned Additional Solicitor General brought to our notice that, out of all the concerned fertilizer manufacturing units, only two units have challenged the Retention Price Scheme for the relevant periods. One of these is the First Appellant and the other was M/s Nagarjuna Fertilisers and Chemicals Ltd. (hereinafter "Nagarjuna Fertilizers"). Nagarjuna Fertilizers had filed SLP (Civil) No. 20721/2003 against the judgment of the High Court of Andhra Pradesh dismissing its Writ Petition No. 18242/2002 (dated 25.7.2003). This SLP was, however, summarily dismissed by this Court through order dated 17.11.2003. Although, we have carefully applied our mind to the case of the First Appellant, independent of the outcome in the case of Nagarjuna Fertilizers, we find that the two cases are actually indistinguishable on facts and the present case should have also been similarly dismissed. In any event, after a detailed examination, we have arrived at the same result.

The Final Findings

Despite the bulky material and lengthy arguments presented to us, we find that this is a case full of sound and fury, signifying nothing. Indeed, we have found against the appellants on every point that they have chosen to impugn the judgment of the High Court. In the result, these appeals must fail and are hereby dismissed with no order as to costs.