

**IN THE HIGH COURT OF JHARKHAND AT RANCHI
(CIVIL WRIT JURISDICTION)
W.P(C) No. 3510 of 2017**

Alok Kumar Katyal, son of Late Ramsharan Das, resident of Tata-Chaibasa Road, P.O. Chaibasa, P.S. Sadar, Town Chaibasa, District West Singhbhum. **Petitioner**

Versus

1. The State of Jharkhand through Principal Secretary, Department of Industry, Mines & Geology, at Nepal House, Doranda, P.O. Doranda, P.S. Doranda, District Ranchi.
2. Deputy Commissioner, Saraikella Kharsawan, P.O. Saraikella, P.S. Saraikella, District Saraikella Kharsawan.
3. District Sub-Registrar, Saraikella Kharsawan, P.O. Saraikella, P.S. Saraikella, District Saraikella Kharsawan.
4. District Mining Officer, Saraikella Kharsawan, P.O. Saraikella, P.S. Saraikella, District Saraikella Kharsawan.
5. Assistant Mining Officer, Saraikella Kharsawan, P.O. Saraikella, P.S. Saraikella, District Saraikella Kharsawan.

... .. **Respondents**

**CORAM: HON'BLE MR. JUSTICE SUJIT NARAYAN PRASAD
HON'BLE MR. JUSTICE NAVNEET KUMAR**

For the Petitioner : Mr. Ankit Vishal, Advocate
For the Respondents : Mr. Mohan Kumar Dubey, AC to AG

Order No. 06 / Dated: 04th October, 2024

Prayer

1. This writ petition is under Article 226 of the Constitution of India, whereby and whereunder, the petitioner aggrieved by the communication from letter dated 11.11.1996, whereby the procedure for determination of stamp duty on mining lease has been prescribed.

Factual Matrix

2. The brief facts as per the pleading made in the writ petition required to be enumerated which reads as under:-

3. It is the case of the writ petitioner that the petitioner had applied for grant of a mining lease for the minor mineral stone vide his application dated 12.12.2015. After consideration, the respondent

State approved the grant of lease vide letter no. 3528 dated 23.12.2015 for the minor mineral 'Stone' over an area situated in Plot No. 336(P), Mouza Upersila, Revenue Thana Saraikella, Circle Raj Nagar, District Saraikella Kharsawan, admeasuring 25 acres for a period of 10 years. In the said letter, the estimated royalty for the basis of stamps duty was calculated to be Rs. 6,25,000/-.

4. Accordingly, a mining deed was executed on 23.02.2016 by and between the Deputy Commissioner, Saraikella Kharsawan and the petitioner. The said mining lease deed was registered on 24.02.2016 and stamp duty and registration charges thereon was paid on the basis of the calculation made by the respondent State. The stamp duty paid by the petitioner was to the tune of Rs. 87,600/-, whereas the registration charges were to be Rs. 67,367/-.

5. Thereafter, the office of the District Mining Officer, Saraikella Kharsawan, vide a letter No. 704/M dated 20.05.2017 has directed the petitioner to deposit a further sum of Rs. 32,75,134.82 towards deficit stamp duty charges and Rs. 24,56,351.12 towards registration charges.

6. In the said letter it has also been mentioned that the aforesaid amounts have to be deposited with the District Sub-Registrar, failing which the steps would be taken for premature determination of the mining lease.

7. It also appears from letter dated 20.05.2017 that the said demand towards short levy/deficit of stamps duty and registration charges have been raised on the basis of the letter of District Sub-Registrar dated 25.03.2017, which is also founded on an audit objection raised vide letter dated 10.03.2017, wherein it was purportedly found that in the district of Saraikella Kharsawan, stamp duty and registration charges have not been determined and collected as per the letter no. 4732 dated 11.11.1996.

8. The said letter no. 4732 dated 11.11.1996 was issued by the erstwhile State of Bihar, whereby the purported decision of the

government was communicated to all concerned officials, that for the purpose of calculation of stamp duty on a mining lease, an amount equal to one year royalty or dead rent whichever is higher, would form the basis of calculating the stamp duty charges.

9. Being aggrieved by the letter dated 11.11.1996, this writ petition has been filed.

10. This matter was heard by this Court on 26th September, 2024 and the matter was adjourned to be listed on 03rd October, 2024 and accordingly listed today.

11. Counter affidavit in this case has also been filed where the stand inter-alia has been taken.

12. Mr. Mohan Kumar Dubey, learned A.C. to A.G. in all fairness has submitted that the identical matters has been decided by the Co-ordinate Division Bench of this Court in the case of *M/s. Aaraanya Mines Private Limited vs. the State of Jharkhand through its Chief Secretary & Ors. in W.P. (C) No. 1909 of 2024* on 28th June, 2024.

13. The copy of the said order has been perused by this Court.

14. It appears from the said case that petitioner was aggrieved by the communication from the District Mining Officer, Palamau contained in Letter No. 353/N dated 15th February 2023 whereby the District Mining Officer restrained the petitioner-company from carrying mining operations till the purported dues of stamp duty are paid by it. Further, the petitioner-company has also questioned the direction by the Inspector General, Registration, Department of Revenue as contained in Letter No.13/Nivandhan Vividh Patrachar-02/2021 67/A dated 8th February 2023 to the Deputy Commissioner, Palamau for including the “Final Price Offer” in “The Coal Mines Development and Production Agreement” (in short, CMDP Agreement) for computation of stamp duty in relation to the mining lease granted to the petitioner-company over 126.90 hectares of land

at Lohari Coal Mines, alleging that the letters dated 8th February 2023 and 15th February 2023 are illegal, the petitioner-company is also seeking a direction upon the respondents to permit it to commence the mining operations in the leasehold area under the mining lease registered on 30th December 2022. The learned Division Bench of this Court while taking into consideration a settled proposition in law that any administrative order which ensues serious civil and financial consequences to the citizen must pass the test of fairness and reasonableness and cannot be made without an effective opportunity of hearing to the affected party has declared the demand for paying stamp duty to the tune of Rs. 51,41,47,209/- illegal. The communications dated 8th February 2023 and 15th February 2023 are also held illegal. For ready reference paragraph 1, 2, 20 and 21 are quoted as under:

“Aggrieved by the communication from the District Mining Officer, Palamau contained in Letter No. 353/N dated 15th February 2023 whereby the District Mining Officer restrained the petitioner-company from carrying mining operations till the purported dues of stamp duty are paid by it, the petitioner-company has approached this Court.

2. The petitioner-company has also questioned the direction by the Inspector General, Registration, Department of Revenue as contained in Letter No.13/Nivandhan Vividh Patrachar-02/2021 67/A dated 8th February 2023 to the Deputy Commissioner, Palamau for including the “Final Price Offer” in “The Coal Mines Development and Production Agreement” (in short, CMDP Agreement) for computation of stamp duty in relation to the mining lease granted to the petitioner-company over 126.90 hectares of land at Lohari Coal Mines. Alleging that the letters dated 8th February 2023 and 15th February 2023 are illegal, the petitioner-company is also seeking a direction upon the respondents to permit it to commence the mining operations in the leasehold area under the mining lease registered on 30th December 2022.

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20. In the backdrop of the aforementioned facts, the rival submissions and the contentious issues raised by the petitioner-company challenging the jurisdiction of the statutory Authority to force it to pay Rs. 51,41,47,209/- on the alleged recalculation of stamp duty after including the Final Price Offer as the premium amount, a serious issue in law arises whether the impugned orders can be sustained which

were passed in breach of natural justice. The answer must come in an emphatic “no“. It is widely recognized that natural justice is another name for common sense justice. By now this is quite a settled proposition in law that any administrative order which ensues serious civil and financial consequences to the citizen must pass the test of fairness and reasonableness and cannot be made without an effective opportunity of hearing to the affected party. The rules of natural justice are followed even in cases where the statute does not make a provision for a hearing before passing an order. In “Canara Bank v. Debasis Das” (2003) 4 SCC 557 the Hon’ble Supreme Court observed that natural justice is another name of common-sense justice and are not codified canons but they are principles ingrained into the conscience of men.

21. For the foregoing reasons, the further demand for paying stamp duty to the tune of Rs. 51,41,47,209/- is declared illegal. The communications dated 8th February 2023 and 15th February 2023 are also held illegal and, therefore, quashed. Now in the changed circumstances, the show cause notice dated 16th April 2024 cannot proceed further and is accordingly quashed.”

15. It is evident from the factual aspects that the exactly the identical issues are involved in the said case. This Court in view thereof is of the view that this writ petition since is squarely covered so far as factual aspects involved in the present case is concerned, is also to be disposed of in terms of the said order.

16. Consequently, W.P. (C) No. 3510 of 2017 is disposed of in terms of order dated 28th June, 2024 passed in the case of ***M/s. Aaraanya Mines Private Limited vs. the State of Jharkhand through its Chief Secretary & Ors.*** in W.P. (C) No. 1909 of 2024.

(Sujit Narayan Prasad, J.)

(Navneet Kumar, J.)