

HONOURABLE SRI JUSTICE CHALLA KODANDA RAM

WRIT PETITION No. 7296 of 2017

ORDER:

Final order dated 10.02.2017 cancelling licence, in exercise of power vested under Section 31 of the Andhra Pradesh Excise Act, 1968, is challenged before this Court. Cancellation of licence is effected upto 30.06.2017.

Learned counsel for the petitioner submits that cancellation of licence is bad in law on two grounds, viz. one on the ground of there not being fifteen days notice as required to be issued; and the second, though the petitioner had sought compounding of the offence by agreeing to pay compounding fees, in terms of Andhra Pradesh Excise (Compounding of Offences) Rules, 1973, the compounding application has not been considered by the respondent authorities. It is also submitted that, in the impugned order, though option was given to the petitioner to get the offence compounded and, in as much as by the time of cancellation order, the petitioner had offered to get the offence compounded, the same was not considered, and such non-consideration is bad in law. It is settled by the judgment of this Court in **N.Malla Reddy v. State of A.P**¹, wherein this Court held that compounding application can be considered before cancellation of licence/prior to conviction in a criminal case and not thereafter.

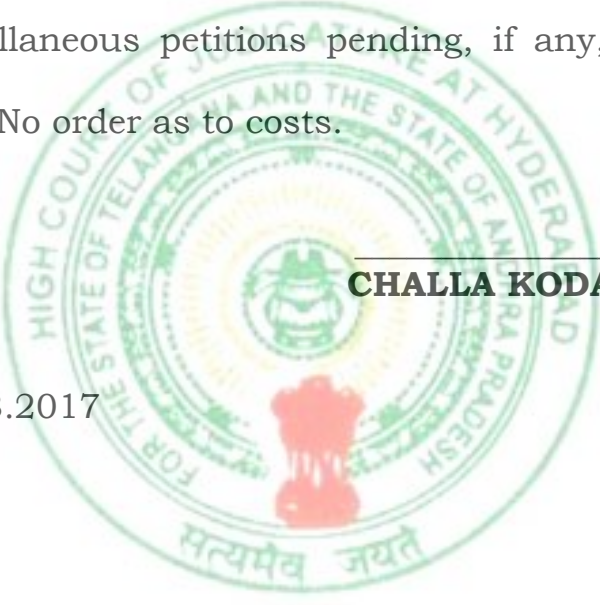
¹ 2013(5) ALT 713

The submissions made by the learned counsel for the petitioner are not being disputed.

In the circumstances, the order impugned is set aside, and the matter is remanded back to respondent No.4 for fresh consideration in the light of the principles laid down in **N.Malla Reddy** (1 supra). Such exercise shall be completed within a period of two weeks from the date of receipt of a copy of the order.

The Writ Petition is, accordingly, allowed.

Miscellaneous petitions pending, if any, shall stand dismissed. No order as to costs.



CHALLA KODANDA RAM,J

Date: 07.03.2017
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