

IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF
ANDHRA PRADESH

WRIT PETITION No.24255 of 2015

Between:

M/s. Venkateswara Stone Crusher, rep. by its
Prop. V.Nagarjuna.

... Petitioner

and

The State of Andhra Pradesh,
Rep. by its Principal Secretary,
Mines and Geology Department,
Secretariat, Hyderabad
and others

... Respondents

DATE OF JUDGMENT PRONOUNCED: 04-08-2015

SUBMITTED FOR APPROVAL:

THE HON'BLE SRI JUSTICE A.V.SESHA SAI

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|--|--------|
| 1. Whether Reporters of Local newspapers
may be allowed to see the Judgments? | Yes/No |
| 2. Whether the copies of judgment may be
Marked to Law Reporters/Journals? | Yes/No |
| 3. Whether Their Lordship wish to see the
fair copy of the Judgments? | Yes/No |

THE HON'BLE SRI JUSTICE A.V.SESHA SAI

WRIT PETITION No.24255 of 2015

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ORDER:

This writ petition is filed under Article 226 of the Constitution of
India seeking the following relief:

"To issue Writ, Order or Direction, more particularly one in the
nature of Writ of Mandamus, declaring the impugned order
passed by the 1st respondent dt.29.05.2015 in Memo
No.16793/M.I(2)/ 2012-3 and consequently Revised Demand
Notice issued by the 3rd respondent dt.10.06.2015 bearing

No.1779/Q1/Vg/2003, as being illegal, arbitrary and unilateral and consequently set aside the same."

Heard Sri K.Mohan Rami Reddy, learned counsel for the petitioner, and learned Government Pleader for Mines and Geology for the respondents, apart from perusing the material available before this Court.

The Deputy Director of Mines and Geology, Kurnool – 2nd respondent herein granted quarry lease in favour of the petitioner herein for excavation of road metal and building stone over an extent of 0.688 hectares in Sy.No.44 of Kandukur village, Ananthapur District, vide proceedings No.1779/Q1/2003 dated 22.12.2003 for a period of ten years. The Deputy Director of Mines and Geology pressed into service the provisions of the Andhra Pradesh Minor Mineral Concession Rules, 1966, and issued a demand notice bearing No.1779/Q1/Vg/2003 dated 24.05.2012, directing the petitioner herein to pay normal seigniorage fee of Rs.40,19,850/- and five times penalty of Rs.2,11,97,500/-, in total Rs.2,52,17,350/-. Against the said demand notice issued by the Deputy Director of Mines and Geology, the petitioner herein filed a revision on 07.11.2012 before the 1st respondent – State Government under Rule 35-C of the Andhra Pradesh Minor Mineral Concession Rules, 1966. The State Government by virtue of a memo No.16793/M.I(2)/2012-3 dated 29.05.2015, disposed of the said revision modifying the orders of the Deputy Director by reducing the penalty by one time. Thereafter, the Assistant Director of Mines and Geology – 3rd respondent herein issued a revised demand notice to the petitioner vide No.1779/Q1/Vg/2003 dated 10.06.2015 demanding to pay the said amount.

Aggrieved by the said memo dated 29.05.2015 and the revised demand notice dated 10.06.2015, the present writ petition has been filed.

It is contended by the learned counsel for the petitioner that the impugned memo is highly illegal, arbitrary and unreasonable and

violative of Articles 14, 19(1)(g) and 300(A) of the Constitution of India. It is further contended by the learned counsel for the petitioner that the orders of the 1st respondent are totally unsustainable as the same are completely bereft of any reasons.

On the contrary, it is vehemently contended by the learned Government Pleader for Mines and Geology that there is no illegality nor any procedural infirmity in the order passed by the 1st respondent, as such, the present writ petition is not maintainable and the petitioner herein is not entitled to get any relief under Article 226 of the Constitution of India.

The information available before this Court manifestly discloses that by way of demand notice dated 24.05.2012, the Deputy Director of Mines and Geology – 2nd respondent herein demanded a sum of Rs.2,52,17,350/- from the petitioner herein towards normal seigniorage fee and five times penalty. Felt aggrieved by the said demand notice, the petitioner herein preferred a statutory revision on 07.11.2012 under the provisions of Rule 35-C of the Andhra Pradesh Minor Mineral Concession Rules, 1966, raising various grounds. It is a settled and well established proposition of law that the orders of the quasi-judicial authorities must be supported by valid and cogent reasons. In the instant case, as evident from the impugned memo dated 29.05.2015 issued by the 1st respondent herein, the revisional authority, except indicating the revision application as one of the references, did not consider the contents of the said revision application filed by the petitioner herein. It is also evident from the impugned memo that the 1st respondent did not assign any reasons for arriving at the impugned conclusions. Being a quasi-judicial authority, it is obligatory and incumbent on the part of the 1st respondent herein to assign valid and convincing reasons for arriving at the conclusions. In the instant case, the same is conspicuously absent. Therefore, the impugned memo dated 29.05.2015 issued by the 1st respondent cannot be sustained in

the eye of law and the matter requires fresh consideration by the 1st respondent herein.

For the aforesaid reasons, the writ petition is allowed, setting aside the impugned Memo No.16793/M.I(2)/2012-3 dated 29.05.2015 issued by the 1st respondent herein and the matter is remanded to the 1st respondent for fresh consideration and for passing appropriate orders thereon, after giving notice and opportunity of being heard to the petitioner. This exercise shall be completed within a period of one (01) month from the date of receipt of a copy of this order. Till such exercise attains finality, no coercive action shall be taken against the petitioner, pursuant to the demand notice bearing No.1779/Q1/Vg/2003 dated 24.05.2012 issued by the Deputy Director of Mines and Geology, Kurnool – 2nd respondent herein and the revised demand notice bearing No.1779/Q1/Vg/2003 dated 10.06.2015 issued by the Assistant Director of Mines and Geology – 3rd respondent herein.

As a sequel, miscellaneous petitions, if any pending in this writ petition, shall stand closed. There shall be no order as to costs.

A.V.SESHA SAI, J

Date: 04.08.2015

Note: CC in three days
(B/o)
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