

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

WRIT PETITION No.30237 OF 2015

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 action of the 3rd respondent in Demand Notice No.553/Vg/Ogl/2012-13(4), dt.19-06-2012 and the action of 1st respondent in Memo.No.15280/M.I(2)/ 2012-4, dt.04-08-2015 in directing to pay normal seigniorage fee and 2 times penalty by a non speaking order as arbitrary, illegal, unjust and un constitutional in utter violation of Principles of natural justice and contrary to the A.P. Minor Mineral Concession Rules, 1966 R/W Mines & Minerals (Development & Regulation) Act, 1957 and pass such other order or orders as this Hon'ble Court may deem fit and proper in the interests of justice.”

2. Heard Smt. N. Shoba, learned counsel for the petitioner and learned Government Pleader for Mines and Geology for respondents, apart from perusing the material available before this Court.
3. Followed by a show cause notice, the Assistant Director of Mines and Geology, Eluru, West Godavari District – 3rd respondent herein vide Demand Notice No.553/Vg(Ogl)/2012-13(4), dated 19.06.2012, requested the petitioner herein to pay an amount of Rs.1,97,70,000/-, which includes normal seigniorage fee of Rs.32,95,000/- and 5 times penalty of Rs.1,64,75,000/-.
4. Calling in question the validity and legal sustainability of the said demand, the petitioner herein preferred revision before the 1st respondent – State Government under the provisions of Rule 35-A of the A.P. Minor Mineral Concession Rules, 1966, on 17.04.2015.
5. The 1st respondent – State Government by virtue of Memo

No.15280/M.I(2)/2012-4, dated 04.08.2015 disposed of the said revision filed by the petitioner by directing the petitioner to pay two times penalty together with the normal seigniorage fee. Aggrieved by the said order passed by the 1st respondent – State Government, the present writ petition has been filed.

6. The copy of the memorandum of grounds of revision, dated 17.04.2015 filed by the petitioner herein before the 1st respondent – State Government is placed on record, wherein the petitioner raised a number of grounds. A perusal of the impugned memo, dated 04.08.2015 makes it manifestly evident that the revisional authority did not consider any one of the grounds raised by the petitioner herein while passing the impugned order.

7. It is settled and well established proposition of law that the orders of the quasi-judicial authority should necessarily be supported by reasons. In the instant case, a perusal of the impugned memo discloses that the 1st respondent herein failed to adhere to the said settled proposition of law. In the considered opinion of this Court on the said ground alone the impugned memo is liable to be set aside.

8. For the aforesaid reasons, the writ petition is allowed, setting aside the memo, dated 04.08.2015 issued by the 1st respondent herein and the matter is remanded to the 1st respondent herein for consideration of the revision filed by the petitioner afresh after giving notice and opportunity of being heard to the petitioner. This exercise shall be completed within a period of one month from the date of receipt of a copy of this order. Till such exercise attains finality, there shall be no coercive action against the petitioner herein. There shall be no order as to costs.

9. Miscellaneous petitions pending consideration, if any, in the Writ Petition shall stand closed in consequence. No order as to costs.

A.V.SESHA SAI,J

16th September, 2015

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