

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

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WRIT PETITION No.31644 OF 2015
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ORDER:

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

“to issue writ, order or direction more particularly one in the nature of WRIT OF MANDAMUS declaring the action of Respondent No.2 in Demand Notice No.189/Vg/VSP/2011, dated 25.04.2011 and the action of Respondent No.1 in Memo No.8555/M.I(2)/2011-5, dated 2.6.2015 in directing to pay normal seigniorage fee along with three (3) times penalty by a non-speaking order as arbitrary, illegal, unjust and unconstitutional and in violation of principles of natural justice and Mines and Minerals (Development & Regulation) Act 1957 and A.P. Minor Mineral Concession Rules 1966, consequently call for records in Demand Notice No.189/Vg/VSP/2011, dated 25.04.2011 and set aside the same and pass such other order or orders as the Hon'ble Court deems fit and proper in the interest of justice.”

2. Heard Smt.N.Shoba, learned counsel appearing for the petitioner and learned Government Pleader for Mines and Geology appearing for the respondents, apart from perusing the material available before this Court.

3. Followed by a show cause notice, the Assistant Director of Mines and Geology, (Vigilance), Visakhapatnam – 2nd respondent herein vide demand notice No.189/Vg/VSP/2011, dated 25.04.2011 directed the petitioner to pay an amount of Rs.16,80,262/-, which includes normal seigniorage fee of Rs.1,57,192/- and ten times penalty of Rs.15,23,070/-.

4. Calling in question the validity and legal sustainability of the said demand issued by the 2nd respondent, 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.

5. The 1st respondent – State Government by virtue of Memo No.8555/M.I(2)/2011-5, dated 02.06.2015, disposed of the said revision filed by the petitioner by directing the petitioner to pay three times penalty together with the normal seigniorage fee. Aggrieved by the said order passed by the 1st respondent, the present writ petition has been filed.

6. The copy of the memorandum of grounds of revision, dated 28.04.2011, filed by the petitioner herein before the 1st respondent-State Government is placed on record wherein the petitioner raised number of grounds. A perusal of the impugned memo, dated 02.06.2015, 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 such 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, writ petition is allowed, setting aside the memo No.8555/M.I(2)/2011-5, dated 02.06.2015 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 two months from the date of receipt of copy of this order. Till such exercise attains finality, there shall be no coercive action against the petitioner herein.

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

29th September, 2015
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A.V.SESHA SAI, J