

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

W.P.No.18780 of 2015

O R D E R:

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 nature of Writ of Mandamus declaring the proceedings of the Assistant Director of Mines and Geology-respondent no.3 in Demand Notice No.21(A)/V&E/Vg-Gooty/2012 dt.5.10.2012 and the orders of the 1st respondent in Memo No.2762/M.1(2)/2013-2 dt.7.5.2015 directing the petitioner to pay normal seigniorage fee along with two times penalty as arbitrary, illegal, unjust, unconstitutional, in violation of Mines and Minerals (Development & Regulation) Act 1957 and A.P. Minor Mineral Concession Rules 1966 and pass such other order or orders as the Hon'ble Court deems fit and proper in the circumstances of the case and in the interest of justice.”

The Assistant Director of Mines & Geology (Vigilance), Gooty, Anantapur District, 3rd respondent herein, by virtue of the demand notice No.21(A)/V&E/Vg-

Gooty/2012 dated 5.10.2012 raised demand against the petitioner herein for payment of normal seigniorage fee along with 5 time penalty as shown in the table given therein. By virtue of the said demand notice, the 3rd respondent-Assistant Director of Mines & Geology has asked the petitioner to remit a sum of Rs.3,65,200/- towards normal seigniorage fee and further sum of Rs.18,26,000/- towards penalty.

Aggrieved by the said demand notice dated 5.10.2012, the petitioner herein has preferred a revision application before the 1st respondent State Government under Rule 35(A) of the A.P. Minor Mineral Concession Rules 1966(for short “the Rules”) and the 1st respondent vide memo No.2762/M.I(2)/2013-2 dated 7.5.2015 modified the demand notice issued by the 3rd respondent-Assistant Director of Mines and Geology by directing the petitioner herein to pay two times penalty together with normal seigniorage fee.

Calling in question the validity and legal sustainability of the said order passed by the 1st respondent, the present writ petition has been filed by the petitioner herein.

In the present writ petition, it is the contention of the learned counsel for the petitioner, reiterating the contents of the writ affidavit, that the 1st respondent disposed of the revision filed by the petitioner herein without giving him

any opportunity and the same is in violation of principles of natural justice. It is further submitted that the impugned memo is opposed to the very spirit and object of the provisions of Rule 35-A of the Rules.

On the other hand, it is vehemently contended by the learned Government Pleader for Mines and Geology that the impugned memo dated 7.5.2015 issued by the 1st respondent is in accordance with law and there is no illegality nor there is any infirmity in it and that the petitioner is not entitled for any relief from this Court under Article 226 of the Constitution of India.

It is settled and well established principle of law that the orders of quasi judicial authority should be supported by reasons. As evident from the impugned memo dated 7.5.2015, the 1st respondent herein, while issuing the impugned memo, did not assign any reasons whatsoever for arriving at the conclusions.

In view of the above, the writ petition is allowed and the impugned memo dated 7.5.2015 issued by the 1st respondent is set aside and the matter is remitted back to the 1st respondent for fresh disposal as per law, after affording personal hearing to the petitioner. This exercise shall be completed within a period of two months from the date of receipt of copy of this order. As a sequel thereto, miscellaneous applications, if any pending in the writ petition, shall stand closed. There shall be no order as to

cost.

A.V.SESHA SAI, J

Date:25.06.2015

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Note Issue cc in two days.

THE HONOURABLE SRI JUSTICE A.V.SESHA SAI

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25.6.2015