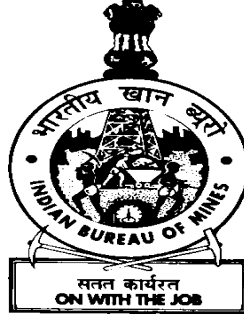


भारत सरकार
Government of India
भारत सरकार;
Ministry of Mines

भारत सरकार
[क.म&38] वॉल्यूम 1
वि.सं. 2020 & फ़रवरी 2020

Bulletin of Mineral Information
Volume - 38, No. 1
April 2020 – September 2020



भारत सरकार; **[क.म.सं.सं.]**
INDIAN BUREAU OF MINES

Prepared by
Mineral Economics Division
Indian Bureau of Mines

Issued by
Controller General
Indian Bureau of Mines
Nagpur

December, 2020

The material contained in this publication may be reproduced or quoted with due acknowledgements.

Disclaimer

The Bulletin of Mineral Information is compiled and published with due care and is restricted to general information purpose. The data given here is based on information received from State Government Departments under the provisions of Rule 59 (1) of Minerals (Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016. Though the data so obtained is believed to be reliable, the accuracy, adequacy, completeness, legality, usefulness of any information, expressed or implied are not guaranteed. IBM shall not be responsible for any tort arising out of or in connection with the use of the data. The information provided is on "as is" basis and assumes no responsibility for errors or omissions in the content. This office reserves the right to make additions, deletions or modifications to the contents at any time without prior notice. IBM shall not be liable for any consequent damage that may result from errors or omission contained in the bulletin.

CONTENTS

SECTION- 1

Mineral Legislation and Policy on Export and Import of Minerals/Ores

MINERAL LEGISLATION

A. Amendments/Notifications: Nil

B. Court Decisions:

- 1 Rameshwar Singh, Petitioner v. State of Jharkhand and others, respondents, AIR 2020 Jharkhand 59, Vol. 107, Part 1276 April, 2020. 5
- 2 Godfam Investment & Finance Co. Ltd, Dhanbad, Petitioner v. State of Jharkhand and Others, respondents. AIR 2020, Jharkhand 77, Vol. 107, Part 1277, May, 2020. 6
- 3 M/s S.S. Enterprises, Erode, Petitioner v. District Collector, Erode, Respondent, AIR 2020 Madras 149, Vol.107 Part 1277, May, 2020. 7
- 4 M/s Kumar Enterprises, A. Registered Partnership Firm, Bengaluru, Petitioner v. Union of India and others, Respondents, AIR 2020 Karnataka 109, Vol. 107, Part 1278, June, 2020. 9
- 5 S. Chendurpandi, Petitioner v. Union of India and Others, Respondents, AIR 2020 Madras 182, Vol. 107, Part 1278, June, 2020. 12
- 6 N. Krishnamurthi, Petitioner v. State of Karnataka, Respondent, AIR 2020, Karnataka 118, Vol.107, Part 1279, July, 2020. 13
- 7 V.Velmurugan, Petitioner v. State of Tamil Nadu, Rep. by its Secretary, Industries Department, Secretariat, Chennai and another, Respondents, AIR 2020 Madras 193, Vol.107, Part 1279, July, 2020. 14
- 8 Kalu Masar s/o Shri Heeraji Masar, Petitioner v. The State of Rajasthan and others, Respondents, AIR 2020 Rajasthan 113, Vol. 107, Part 1279, July, 2020. 16
- 9 Mishri Khan and Others, Petitioners v. State of Rajasthan and others, Respondents AIR 2020 Rajasthan 132, Vol. 107, Part 1280, August, 2020. 21
- 10 Common Cause, Applicant v. Union of India and others, Respondents, AIR 2020 Supreme Court 3814, Vol. 107, Part 1281, September, 2020. 24

SECTION – 2

2. Trend in Mining, Prospecting and Reconnaissance

2.1	Trend in Mining	26-32
(A)	Mining Leases Granted	26
(B)	Mining Leases Executed	27
(C)	Mining Lease Period Extended	27
(D)	Mining Leases Executed after Grant of Extension of Mining Lease Period	30
(E)	Mining Leases Renewed/ Revived/Restored	30
(F)	Mining Leases Revoked	30
(G)	Mining Leases Determined	30
(H)	Mining Leases Surrendered	31
(I)	Mining Leases Terminated	31
(J)	Mining Leases Transferred	31
(K)	Mines Opened	31
(L)	Mines Temporarily Discontinued	32
(M)	Mines Reopened	32
(N)	Mines Abandoned	32
2.2	Trend in Prospecting	33-34
(A)	Composite Licences Granted	33
(B)	Prospecting Licences Granted	33
(C)	Prospecting Licences Executed	33
(D)	Prospecting Licences Renewed	33
(E)	Prospecting Licences Revoked	33
2.3	Trend in Reconnaissance Permits (R.P.)	34
	Details of Reconnaissance Permits (R.P.)	34
SECTION – 3		35-40
Highlights		
(A)	Domestic	35
(B)	Abroad	40

SECTION-1

Mineral Legislation and Policy on Export and Import of Minerals/Ores

1. MINERAL LEGISLATION

A. Amendments/Notifications: Nil

B. Court Decisions:

1. **Rameshwar Singh, Petitioner v. State of Jharkhand and others, respondents, AIR 2020 Jharkhand 59, Vol. 107, Part 1276 April, 2020.**

Subject: Challenging the rejection of renewal of mining lease.

Facts: The petitioner was granted mining lease for stone pertaining to an area of 2 acres on plot no. 2916 (P) situated at Mouza Kharkhar of the District-Koderma in terms of the provision of Mines and Minerals (R&D) Act, 1957 and Bihar Minor and Minerals Concession Rules, 1972 for the term of five years with effect from 20.10.1987 to 19.10.1992. The said lease was further renewed for ten years with effect from 20.10.1992 to 19.10.2002. He further submits that in view of rule for renewal, the petitioner could not file renewal application within 90 days prior to the lapse of lease. The Deputy Commissioner, Koderma vide Order dated 19.12.2002 rejected the renewal Application No. 20 dated 02.12.2002 on the ground of non-clearance of royalty dues. Being aggrieved with the Order dated 19.12.2002, the petitioner filed Revision Case No. 21 of 2003, which was also rejected by the Mines Commissioner, Jharkhand, Ranchi vide Order dated 03.12.2004 on the ground that the petitioner has not cleared the dues of royalty in respect of other lease areas which were held by the petitioner. The petitioner again filed renewal application No. 04 of 2013, which was also rejected. Being aggrieved with the deemed rejection, petitioner filed Revision Case No. 240 of 2013, which was rejected by the Mines Commissioner, Ranchi vide Order dated 16.10.2014, against which, this writ petition has been filed by the petitioner.

The learned counsel for the petitioner submitted that the impugned order is not sustainable in the eyes of law. The application of the petitioner was of the year 2013, whereas, subsequent amendment in the Rule has come into effect in the year 2014. The petitioner has already filed relevant documents and in that view of the matter, the impugned order is fit to be quashed.

The learned counsel for the respondent-State submitted that the petitioner filed application for renewal of lease on 05.02.2013, which was deemed to be rejected, as the same was filed after expiry of period under Rule 23(1) of the Jharkhand Minor and Mineral Concession Rules, 2004. It is further submitted that as per Rule 23(1) of the Rules, 2004, the petitioner had to submit his

application at least 90 days prior to expiry of lease. The period of lease expired on 19.10.2002 and the application for renewal of lease was filed by the petitioner on 05.02.2013. In spite of that, respondent No.3 vide his letter dated 16.02.2013 sent notice for filing required documents, but the petitioner had not produced any document. Thereafter, his subsequent petition for renewal of lease has also been dismissed after expiry of period prescribed under law.

Decision: The High Court perused the impugned order and stated that there is amendment in the Rules in the year 2014 and in that view of the matter, a person who is seeking lease is required to take clearance from the competent authority. The petitioner has not approached the authority for renewal of the lease 90 days prior to expiry of lease, which is condition precedent under Rule 23(1) of the Jharkhand Minor and Mineral Concession Rules, 2004.

Accordingly, the High Court dismissed the writ petition and further stated that this order will not be an impediment, if the petitioner, if so advised, may approach the authority afresh.

Petition dismissed.

2. Godfam Investment & Finance Co. Ltd, Dhanbad, Petitioner v. State of Jharkhand and Others, respondents. AIR 2020, Jharkhand 77, Vol. 107, Part 1277, May, 2020.

Subject: Writ Petition for seeking return amount of royalty.

Facts: The Deputy Commissioner, Dhanbad, issued Notice Inviting Tender from prospective bidders to participate in auction for settlement of right for 12 mining sand beds. The right to mine was for 3 years, i.e., 01.04.2011 to 31.03.2014 and the auction was to be held on 08.08.2011. The petitioner participated and was declared successful bidder of five sand beds, namely, Tundi Block in Panchayat Kolhar, Lukaiya, Churuiya, Ukma and Mairnwatand. The acceptance of bid of the petitioner was communicated for the aforesaid sand bids vide separate Order all dated 09.08.2011. The petitioner deposited 50% of the bid amount (40% first installment and 10% of earnest money) and commenced its operation from 09.08.2011 itself and as per the terms and conditions of the agreement, the petitioner also deposited second installment of 30%. The petitioner deposited 80% of the bid amount and the balance 20% was to be deposited in the next installment.

The respondent from July, 2012 stopped issuing transit challans, resulting in stoppage of mining operations of the petitioner. The learned counsel for the petitioner submitted that this order was not applicable to the present case as the lease of the petitioner was for earlier period. At this stage, the Counsel restricted the argument only for refund of proportionate amount of bid.

The learned counsel for the respondent-State drew the attention of the Court to Paragraph 20 of the counter affidavit, wherein, it was stated vide letter dated 15.10.2012 that the petitioner has surrendered all the five sand ghats and requested the Deputy Commissioner, Dhanbad, to refund the proportionate amount for the rest period. It was further submitted that in view of Paragraph 20 of the counter affidavit, the writ petition can be disposed of with direction to Respondent no.1 to take a decision, in accordance with law.

Decision: The High Court disposed of the writ petition with a direction/order to the petitioner to make a fresh representation before Respondent no.1, in light of Paragraph 20 of the counter affidavit, within a period of four weeks. If such representation is filed by the petitioner within the aforesaid period, Respondent no.1 will take a final call on the representation of the petitioner within a period of eight weeks thereafter. If Respondent no.1 comes to a finding that the petitioner is entitled for refund, necessary benefit will be extended to the petitioner within a period of six weeks thereafter.

In consequence of the above, the High Court ordered that I.A. No. 8781 of 2013 and I.A. No. 2892 of 2015 also stand disposed of.

Order accordingly.

3. M/s S.S. Enterprises, Erode, Petitioner v. District Collector, Erode, Respondent, AIR 2020 Madras 149, Vol.107 Part 1277, May, 2020.

Subject : Challenging the cancellation of lease and imposition of fine.

Facts: The review petitioner (the lessee) was granted a granite quarry lease in respect of patta lands comprised in S.F.Nos.1075/1B, 1076/1A and 1079/3A, measuring to an extent of 5.07.35 hectares situated in Village Barugur, Bhavani Taluk, Erode District. The lease agreement was entered into for a period of ten years from 15.06.1998 to 14.06.2008. Admittedly, the review petitioner entered into an agreement with one R. Panneer Selvam. The petitioner applied for renewal of the lease. Pending renewal, the review petitioner filed WP.No.23319 of 2008, for restraining the Collector, Erode, from interfering with the quarry operations conducted by the Review petitioner till the fate of Rev. Appl. No. 35 of 2020 of the petitioner's renewal application is decided. By an Order dated 25.09.2008, which Court granted an ex-parte stay restraining the respondents from interfering with the mining operations and permitted the review petitioner to continue with the quarrying operation.

Pending writ petition, a show-cause notice was issued to the review petitioner as to why the lease granted should not be cancelled and penalty be imposed for breach of lease conditions. By an Order dated 11.07.2010, the quarry lease was cancelled and penalty was imposed on the review

petitioner under Rule 36A (5) of the Tamil Nadu Minor Mineral Concession Rules, 1959. Against the Order imposing penalty, WP.No.18193 of 2010 was filed.

The learned single Judge by judgment dated 15.11.2010 allowed the writ petition stating that the exercise undertaken by the Government to cancel the quarry lease by an Order dated 11.07.2010 was not in accordance with Rule 36(5)(h) of the Tamil Nadu Minor Mineral Concession Rules, 1959. The learned Single Judge was of the view that since the period of the lease had expired, there was no question of termination and there was no question of imposing any penalty. The learned Single Judge therefore held that the cancellation of lease and the proceeding of imposing a penalty had commenced long after expiry period of the lease and therefore, the action taken against the lessee and sub-lessee is not in accordance with law.

The State Government challenged the Order of the learned Single Judge by filing writ appeals. It was contended by the State Government that the writ petitioner had been permitted to continue to operate under orders of the Court. It was also contended that the Collector was well within the right to cancel the lease under Section 36(h) of the Tamil Nadu Minor Mineral Concession Rules, 1959. It was also contended that the terms of the lease had been clearly violated by the review petitioner herein by subleasing the same to one R. Panneer Selvam and that the order levying penalty was perfectly in accordance with law. This Court by an Order dated 05.12.2019, allowed the writ appeal and held that there was no error in the conclusion drawn by the authority in the Order dated 11.07.2010, which, in the opinion of the Court, ought not to have been interfered with by the learned single Judge.

Assailing this order, the writ petitioner filed the instant review petition review petition Rev. Appl. No. 35 of 2020. It was stated that no sublease was given to the said R. Panneer Selvam, rather the review petitioner had entered into an agreement called as raising-cum-sale agreement, which is a well-known practice in the field of mining and which is permitted even in terms of the lease agreement. It was also stated that the Government did have prior knowledge of raising-cum-sale agreement entered into between the petitioner and R. Panneer Selvam in 2003 itself and no action was taken by the Government and therefore, the Government could not have terminated the agreement in the same in 2020.

It is contended that the agreement itself recognise the right of the lessee to appoint agents and perform function and extraction of minerals by agents on behalf of the principal party. It was further contended that the relationship between the review petitioner and R. Panneer Selvam was reflected in the Rev.Appl.No.35 of 2020 of the principal agent which is legally permissible under the Tamil Nadu Minor Mineral Concession Rules, 1959 and the lease agreement.

Decision: The High Court stated that the area being sub leased and was not brought to the notice of the Court. There were allegations from the persons Appl.No.35 of 2020 the area that the

review petitioner had violated the terms of the lease agreement in as much as the Review petitioner had sub leased the premises to R. Panneer Selvam. The writ petitioner did not appear during the enquiry and only R. Panneer Selvam had appeared for the enquiry. The order terminating the lease and levying penalty shows that R. Panneer Selvam categorically stated that he was engaged as a sub-lessee by the review petitioner. Though the agreement is titled raising-cum-sale of granite, the reading of the same, in fact, would show that it has all the characteristics of a sub- lessee which is not permitted. The High Court has perused the Rule 36(5)(h) of the MMCR,1959 and stated that the Court was under the impression that quarrying was being done by the review petitioner and since there was a violation in the terms of the lease, the Collector was well within his rights to terminate the lease.

The High Court has further stated that the conclusion of learned Single Judge that termination can be done only during the life of the lease agreement and there cannot be cancellation of a non-existent lease. The High Court has perused the Rule 36-A of the said Rules and stated that whenever any person contravenes any provisions, that person is liable to be punished and a fine can be imposed, which has been done in this case. In view of the above, though no ground has been raised which would warrant review of the judgement sought for in as much as there is no error apparent on face of record, but because of the fact that the review petitioner was not represented during hearing, the Court once again went through the material and record and was unable to persuade reasons to change its view as expressed in the judgement dated 05.12.2019. In view of the above, the High Court dismissed the review petition without any costs.

Petition dismissed.

4. M/s Kumar Enterprises, A. Registered Partnership Firm, Bengaluru, Petitioner v. Union of India and others, Respondents, AIR 2020 Karnataka 109, Vol. 107, Part 1278, June, 2020.

Subject: Writ Petition filed for quashing the Order dated 27.05.2015, passed by the third respondent.

Facts: The petitioner submitted an application dated 4th August, 2004 to the third respondent seeking grant of mining lease in respect of 165 acres of land in Village Ramgad, Sandur Taluk, Bellary district. Pursuant thereto, the said application submitted by the petitioner was processed by the fourth respondent and on 16th January, 2007, the Indian Bureau of Mines (IBM) approved the mining plan of the petitioner for grant of mining lease. Thereafter, on 8th October, 2007, based on an order passed by the Chief Minister dated 8th August, 2007, the second respondent issued a letter to the fourth respondent to forward the application to the first respondent by making necessary recommendation for grant of lease.

On 13th May, 2008, the second respondent placed the file for orders, pursuant to which, an Order dated 24th May, 2008 was passed by the State Government to the effect that the petitioner's application for lease can be recommended to the first respondent. Thereafter, on 27th May, 2008, the second respondent addressed a letter to the first respondent making recommendation for grant of lease in favour of the petitioner and sought for prior approval from the first respondent as required under Section 5(1) of the said Act of 1957. The first respondent granted the said prior approval sought for by the second respondent by issuing a letter dated 20th August, 2008 addressed to the second respondent.

It is contended on behalf of the petitioner that prior approval being granted in favour of the petitioner herein, the State Level Single Window Clearance Committee accorded its clearance to the petitioner for setting up 'Sponge Iron plant - 300 TPD' which was communicated to the petitioner on 28th August, 2009. It is also contended by the petitioner that despite continuous repeated request and demands made by him to the second to fourth respondents as well as the State Government and the Chief Minister between 2009 and 2014, the authorities did not execute the mining lease in favour of the petitioner.

The petitioner contends that all of a sudden, on 17th January, 2015, he received a notice calling upon him to be present before the second respondent on 20th January, 2015 with regard to the said mining lease. After enquiry, the petitioner learnt that on 21st October, 2010, the fourth respondent had sent a letter to the second respondent to return the aforesaid recommendation dated 27th May, 2008 issued in favour of the petitioner. Based on the said letter dated 21st October, 2010, the proceedings were taken up by the second respondent on 20th January, 2015. It is contended by the petitioner that he learnt about the aforesaid letter dated 21st October 2010 for the first time on receipt of the aforesaid notice dated 17th January, 2015. The petitioner was informed that there was some overlap with the area recommended in his favour and that the re-survey had to be conducted to ascertain the same. On 27th January, 2015, the Government officials were directed to submit the re-survey report by 13th February, 2015 and the proceedings were adjourned to 16th February, 2015.

On 16th February, 2015, the second respondent perused the re-survey report dated 13th February, 2015, which states that there was an overlap in an extent of only 3.75 acres. The petitioner accepted the said overlap and requested the second respondent to delete the said extent of overlap out of total extent of 165 acres and to execute the lease deed in favour of the petitioner in respect of the remaining extent of 161.25 acres. Accordingly, the same was accepted by the second respondent, who closed the hearing as having been completed. Aggrieved by the impugned Order dated 27th May, 2015, the petitioner filed the present writ petition.

The learned Senior Counsel for the petitioner submitted that having regard to the undisputed fact that the prior approval granted in favour of the petitioner by the first respondent vide Letter dated 20th August, 2008, had been issued and communicated prior to the amendment to Section 10-A (2) (c) of the said Act of 1957, which was inserted by way of amendment with effect from 12th January, 2015. The said prior approval stood expressly saved by virtue of the said provision. It is further contended that once the prior approval had been granted by the first respondent under Section 5(1) of the said Act of 1957 on 20th August, 2008, the execution of a mining lease was only a formality subject to the terms and conditions of the said prior approval. It is therefore contended that once the approval had been granted by the first respondent, the second and third respondents were legally duty bound to execute the mining lease in favour of the petitioner. The learned Senior Counsel also submitted that the impugned order is violative and contrary to the principles of natural justice in that no opportunity was given to the petitioner before passing of the impugned order. The learned Senior Counsel has placed reliance upon the judgement of the Apex Court in the case of *Bhushan Power and Steel Limited v. S.L.Seal, Additional Secretary (Steel and Mines), State of Odisha and others* (AIR 2016 SC (Supp) 955) in support of his contentions.

The learned Principal Additional Government Advocate in support of the impugned order placed reliance upon the judgement of the Apex Court in the case of *State of Kerala & Another v. B. Six Holiday Resorts Private Limited* (AIR 2010 SCW 2168).

Points of issues: (i) Whether the prior approval granted by the first respondent in favour of the petitioner under Section 5(1) of the said Act of 1957 vide letter dated 20th August, 2008 was saved by Section 10-A(2)(c) of the said Act of 1957 with effect from 12th January, 2015?

(ii) Whether the impugned order dated 27th May 2015 (Annexure-A) is in accordance with law?

Decision: The High Court has referred to Section 10A of the MMDR Act, 1957 and stated that the prior approval of the Central Government - first respondent herein in favour of the petitioner was communicated as long back as on 20th August, 2008 much prior to the (Amendment) Act, 2015. Under these circumstances, as held by the Apex Court in *Bhushan Power and Steel* (supra), the vested right to obtain a lease that stood accrued in favour of the petitioner by virtue of the prior approval dated 20th August, 2008 issued by the first respondent stood expressly saved by Section 10-A (2) (c) of the (Amendment) Act, 2015 and consequently, the petitioner became entitled to obtain a lease of the land in his favour from the State Government Authorities. Point No.1 is accordingly goes in favour of the petitioner.

The High Court has stated that the impugned order passed by the third respondent without giving any opportunity to the petitioner is violative of principles of natural justice and the same deserves to be quashed on this ground also. The learned Senior Counsel for the petitioner is also correct in

submitting that neither the said Act of 1957 nor the Karnataka Minor Mineral Concession Rules, 1994, enables the second to fourth respondents to review its earlier recommendation dated 27th May, 2008 issued by them in favour of the petitioner. The High Court has further stated that the first respondent granted approval under Section 5(1) of the said Act of 1957, the entire material including the applications of M.A. Rahim and BNR minerals were placed before the first respondent which has proceeded to grant the approval in favour of the petitioner. Under these circumstances, in the light of the material on record that the applications of M.A. Rahim, BNR minerals and Bharamanna were not only considered before the grant of approval but all of them were held to be ineligible as on 16th February, 2015, since they did not possess a prior approval under Section 5(1) of the said Act of 1957, the second respondent was fully justified in passing the Order dated 16th February, 2016 confirming the recommendation issued in favour of the petitioner.

The High Court has also stated that the impugned order deserves to be quashed for several reasons. It also has stated that the petitioner is entitled to grant of lease in his favour by quashing the impugned order and since both M.A. Rahim and Bharamanna have become ineligible on account of their applications having stood lapsed for want of previous approval by the first respondent prior to 12.01.2015 as stated supra, it was considered unnecessary to remit the matter back to the State Government. Point No.2 is accordingly in favour of the petitioner.

In the result, the High Court passed the following order:

- (i) The writ petition is hereby allowed.
- (ii) The impugned order at Annexure-A dated 27th May 2015 bearing No.CI 407 MMM 2014 passed by the third respondent is hereby quashed.
- (iii) The second respondent is hereby directed to execute the mining lease in favour of the petitioner after complying with all procedures and formalities in terms of the letter dated 20th August 2008 bearing No.5/85/2008-M.IV issued by the first respondent within a period of two months from the date of receipt of a copy of this order.

Petition allowed.

5. S. Chendurpandi, Petitioner v. Union of India and Others, Respondents, AIR 2020 Madras 182, Vol. 107, Part 1278, June, 2020.

Subject : Challenging the cancellation of quarrying licence on the ground of public interest.

Facts: According to the petitioner, the Respondents No.5 and 6 had issued quarrying licence to Respondent No.9 within 2.8 km radius of the Nuclear Power Station site at Koodankulam and therefore the said licence requires to be cancelled in public interest. On notice, the respondents have entered appearance and have placed materials before the Court to show that the quarrying

licence was issued to the 9th Respondent in respect of the area, which is 5.98 km from Koodankulam Nuclear Power Project and it is 2.9 km from the compound wall of the site.

Learned counsel for the petitioner drew the attention of the Court towards G.O.Ms. No.829 dated 29.04.1991 and submitted that whenever any activity is to be permitted by the Revenue authorities within 2 to 5 km radius around the Nuclear Power Station, permission of the Project Local committee should have to be obtained, whereas, in this case, such a permission has not been obtained.

Decision: The High Court has opined that, the necessity to obtain clearance from the Koodankulam Project Local Committee would arise only where the proposed activity falls within the radius of 2 to 5 kms. and not beyond it. That apart, the Revenue authorities had written to the Project Director of Koodankulam Project seeking his permission, for which, the Project Director, by Letter dated 02.12.2019, communicated that Koodankulam Nuclear Power Project NPCIL, do not have any objection regarding granting of permission for quarry-lease at location mentioned in the letter.

Accordingly, the High Court has dismissed the said writ petition for want of merits without any costs and vacated the interim order of injunction. The High Court has also closed the connected miscellaneous petitions.

Petition dismissed.

6. N. Krishnamurthi, Petitioner v. State of Karnataka, Respondent, AIR 2020, Karnataka 118, Vol.107, Part 1279, July, 2020.

Subject : Challenging the validity of the Order dated 17.12.2019 for cancellation of the lease.

Facts: On 6th February 2019, a quarrying lease was granted in favour of the petitioner for a period of 20 years under the provisions of the Karnataka Minor Mineral Concession Rules, 1994 (for short “the said Rules of 1994”). The Competent Authority within the meaning of the said Rules of 1994 had cancelled the lease. It is mentioned in the impugned order that a request was received from the Deputy Conservator of Forest by Letter dated 15th April, 2019 to cancel the said lease. It is further observed that the Chief Conservator of Forest by his Letter dated 16th April, 2019 informed the Competent Authority that the area around the leased area is leased to Mysore Paper Mills (MPM). Therefore, it is not permitted to transport the lease products through the area leased to MPM. Therefore, by relying upon Sub-Rule (5) of Rule 8 of the said Rules of 1994, the Competent Authority purported to cancel the lease vide Order dated 17.12.2019. The submission of the learned counsel appearing for the petitioner submitted that the power of the Competent Authority to cancel the lease is under Sub-Rule (3) of Rule 6 of the said Rules of 1994 in case of breach of terms and conditions of the lease. The condition precedent for determination of lease is issuance of a notice calling upon the lessee to rectify the breaches. This condition was not complied with.

The learned Additional Government Advocate submitted that the Competent Authority is bound by the opinion expressed by the Forest Department, in view of Clause (iii) of Sub-Rule (5) of Rule 8 of the said Rules of 1994 under which the Competent Authority, before granting a lease, is required to obtain NOC from the Deputy Conservator of Forest. He submitted that the Competent Authority is bound by the opinion expressed by the officials of the Forest Department.

Decision: The High Court has referred to Sub-Rule (3) of Rule 6 of the said Rules of 1994 and stated that the power to determine the lease can be exercised only in case of breach by the lessee of the conditions specified in the said Rules of 1994 or breach of the terms and conditions in quarrying lease. Before the said action is taken, the Competent Authority shall inform-by notice in writing-the lessee or licensee to remedy the breach within thirty days from the date of notice. There is a power to cancel the lease after giving an opportunity of being heard to the lessee. The power to determine lease can be exercised only after a notice as aforesaid is issued. In the present case, no such notice was issued to the petitioner.

The High Court has further stated that in the circumstances, the impugned order cannot be sustained. The High court has passed the following order:

- (i) The impugned Order dated 17th December, 2019 is hereby quashed and set aside;
- (ii) However, this Order will not preclude the Competent Authority from initiating action under Sub-rule(3) of Rule 6 of the said Rules of 1994, in the event of any breach of the said Rules of 1994 or the conditions of lease that the petitioner was found to have committed.
- (iii) The High Court has allowed the writ petition with the above terms.

Petition allowed.

7. V. Velmurugan, Petitioner v. State of Tamil Nadu, Rep. by its Secretary, Industries Department, Secretariat, Chennai and another, Respondents, AIR 2020 Madras 193, Vol.107, Part 1279, July, 2020.

Subject : Writ petition is filed seeking issuance of a Writ of Mandamus directing the 1st Respondent to execute a lease deed in favour of the petitioner for quarrying limestone.

Facts: One Subramaniam and the petitioner herein had applied for quarrying limestone in S.F.Nos.412/1, 415/1 and 415/3 of Village Olaipadi (west) Kunnam Taluk, Perambalur District under Section 10 of the Mines and Minerals (Development and Regulation) Act, 1957 [hereinafter referred to as 'MMDR Act, 1957'] on 23.02.1996. Apart from these two applications, two other persons viz., K.R. Kandasamy and Yesarex had also filed applications for such grants. The said applications were considered and the Director of Geology and Mining recommended the mining lease applications of the petitioner and the said Subramaniam in S.F.415/1. The said applications, along with the reports of the District Collector as well as Director of Geology and Mining were sent to the Government for consideration. The Government, after obtaining necessary opinion, approved the application of the petitioner on certain terms.

While the matter stood thus, an injunction suit in O.S.No.324 of 2005 came to be filed by one Pagotharivu, in which, the District Collector, the Revenue Divisional Officer, Perambalur and Tahsildar, Kunnam and the petitioner herein were made as parties. Due to pendency of the said suit, the second Respondent has not executed lease deed in favour of the petitioner for quarrying limestone. Thereafter, the suit came to be dismissed on 14.03.2013. After obtaining the judgement and decree in the said suit, the petitioner made a representation to the second respondent to execute the lease deed. Even after receipt of such representation, no action was taken. Thereafter, the petitioner sent several representations, but, no fruitful action was seen forthcoming. According to the petitioner, the mineral, which is sought to be quarried in this petition, is a major mineral and the formalities of getting approval from the Central and State Governments were already completed by the Order of the first Respondent vide G.O.(3D)No.39, dated 10.06.2005. The petitioner has also complied with all the requirements as mandated under the Mineral Concession Rules, 1960. When the State and Central Governments have already cleared all the formalities, the Second Respondent cannot keep execution of the lease deed pending in favour of the petitioner. Therefore, the petitioner is before the Court seeking for the aforementioned relief. The Second Respondent filed counter affidavit stating that this writ petition is filed after a lapse of 15 years to enforce the Government Order in G.O.(3D)No.39, dated 10.06.2005 for execution of lease deed, which is not maintainable and the same is <http://www.judis.nic.in> W.P(MD)No.2117 of 2020 liable to be dismissed on laches.

Further, it is stated in the counter-affidavit that the petitioner has not made any representation from 12.1.2015 to 11.1.2017. Therefore, the lease deed cannot be executed in view of the limitation. As per Section 10B of the Amended Act, 2015, grant of mining leases in respect of notified minerals are only through auction. Therefore, the relief sought in the writ petition has become redundant and devoid of any merit.

The learned Counsel for the petitioner submitted that the petitioner had complied with all the procedures for obtaining a lease deed. It was the pendency of above said O.S.No.324 of 2005, that was cited for not executing the lease deed which is also admitted by the second Respondent. Hence Rule 31(1) cannot be put against the petitioner. The objection raised by the respondents that after the issuance of grant of mining lease on 10.06.2005 the lease deed was not executed within 6 months is unsustainable.

The Learned Counsel for the petitioner urged that the execution of lease deed is only a ministerial act as already the approval of lease deed is granted and placed his reliance on the case M/S. Gujarat Pottery Works Pvt. Ltd. V. B.P.Sood and Others (AIR 1967 SC 964).

Decision: The High Court has referred to the case Bhushan Power and Steel Ltd v. S.L. Seal (AIR 2016 SC (Supp) 955) and stated that if the said principle enunciated in the aforesaid judgement is applied to the case on hand, undoubtedly, the petitioner is entitled to have the lease deed executed in his favour. The High Court has further stated that after the disposal of suit on 14.03.2012, it was intimated by the petitioner to the first Respondent on 30.06.2014 followed by remainder 01.07.2014, which was also responded by the State on 23.07.2014. There was a further communication from the first Respondent on 25.07.2014. Once again the petitioner had sent

remainders on 18.05.2017, 13.06.2017 and 04.09.2017. Despite the above remainders, the first Respondent did not come forward to execute the lease deed. In view of the fact that Section 10 A does not apply to petitioner, there is no impediment to direct the first Respondent to execute the lease deed.

Accordingly, the High Court has allowed the writ petition with no costs and directed the second Respondent to execute the lease deed in favour of the petitioner for quarrying limestone in S.F.415/1 of Olaipai(West), Kunnam Taluk, Perambalur District as per the G.O(3D) No. 39 dated 10.06.2005, in accordance with law. The above said exercise has to be completed in expedition, however, on or before 30.04.2020.

Petition allowed.

8. Kalu Masar s/o Shri Heeraji Masar, Petitioner v. The State of Rajasthan and others, Respondents, AIR 2020 Rajasthan 113, Vol. 107, Part 1279, July, 2020.

Subject: This intra-court appeal is directed against the Order dated 15.01.2019 of the Learned Single Judge.

Facts : The appellant, a member of Scheduled Tribe, was granted Mining Lease No.3/87 (6/96) of the mining area measuring 10,000 sq. m. for excavation of mineral serpentine, near Village Naya Gaon, Tehsil Simalwada, District Dungarpur for a period of 10 years w.e.f. 13.3.87, which was further renewed for a period of 20 years w.e.f. 13th March, 1997.

On 9.10.12, the appellant submitted an application to the Assistant Mining Engineer, Mines and Geology Department, Dungarpur seeking transfer of the aforesaid mining lease in favour of M/s Solanki Green Marble Private Limited, i.e., the Respondent No.7 stating therein that the transfer of the mining lease is being sought so as to excavate the mineral scientifically by installing advanced machinery. The appellant and his son (Respondent No.8), the promoters of the said Company, were holding 8,000 and 2,000 equity shares respectively therein. The Assistant Mining Engineer, Mines and Geology, Dungarpur issued an Order dated 17.12.12 transferring the mining lease in favour of Respondent No.7 on certain terms and conditions incorporated therein.

On 12.12.12, the appellant tendered resignation as Director of the Company and in his place, Shri Vikram Singh was inducted as Director. The communication in this regard was sent to the Registrar of Companies and the Mining Authority concerned was also informed accordingly. According to the appellant, the resignation letter and also the communication sent to the Mining Authority bear his forged signature. The equity shares of the respondent Company held by the appellant and his son were also transferred in the name of Vikram Singh and an amount of ` 80,000/- was paid to the appellant by cheque. The mining lease was transferred in the name of the respondent Company vide Order dated 17.12.12 issued by the Assistant Mining Engineer, Dungarpur.

Later, vide communication dated 1.8.14 issued by the Joint Secretary, Department of Mines, the Mining Engineer, Dungarpur was directed to cancel the transfer of the mining lease inasmuch as the area covered by the mining lease is situated in the forest area, but, no prior approval as required was obtained from the Ministry of Forest, Government of India. Accordingly, vide Order dated 21.8.14 issued by the Mining Engineer, Dungarpur, the transfer of the mining lease was cancelled and the mining area was directed to be handed over to the original lease holder, the appellant herein.

Aggrieved by the Order dated 21.8.14, the respondent Company preferred a Writ Petition No.6059/14 before this Court which was later withdrawn stating that assailing the said order, the respondent Company has already preferred a revision petition before the Revisional Authority. Accordingly, vide Order dated 10.2.17 passed by the learned Single Judge of this Court, the writ petition was dismissed with liberty to the Respondent No.7 herein to pursue the revision petition filed as aforesaid.

The revision petition preferred by the Respondent No.7 as aforesaid came to be dismissed by the Revisional Authority vide Order dated 14.7.17. The legality of the said Order as also the Order dated 21.8.14 issued by the Mining Engineer cancelling the transfer of mining lease was assailed by the respondent Company by way of yet another Writ Petition No.9338/17 before this Court vide Order dated 1.12.17, this Court while admitting the said writ petition passed an interim order making the mining operations/ proceeds of the mining, subject to the outcome of the writ petition.

On 8.8.17, the appellant submitted an application before the Mining Engineer, Dungarpur, seeking withdrawal of the application dated 9.10.12 filed by him for transfer of mining lease in favour of the respondent Company stating therein that by playing fraud, Mr. Vikram Singh Solanki, the so called Director, has submitted resignation of the appellant and illegally transferred the shares while forging his signatures, and for this reason, he has already filed a civil suit seeking injunction before the Civil Court of competent jurisdiction.

A reply was filed on behalf of the State in the said writ petition before this Court justifying the cancellation of the transfer of the mining lease on the ground that the prior approval of the Department of Forest, Government of India was necessary before permitting the transfer of the mining lease.

During the pendency of the writ petition preferred by the respondent Company, the Joint Secretary, Department of Mines, Government of Rajasthan, issued Order dated 28.12.18 whereby the Communication dated 1.8.14 issued by the Department of Mines, Government of Rajasthan and the Order dated 21.8.14 cancelling the mining lease were withdrawn subject to the respondent Company withdrawing the Writ Petition No.9338/17 filed before this Court. The withdrawal order was issued keeping in view the communication dated 3.5.10 issued by the Ministry of Forest and Environment, on the basis of which, on depositing the amount of ` 1 lakh, in other 60 matters of similar nature, the transfer of the mining lease was sanctioned.

Pursuant to the Order dated 28.12.18 (supra) issued by the Department of Mines, the respondent Company vide Order dated 2.1.19 got the writ petition preferred as aforesaid dismissed as having become infructuous.

Aggrieved by the Order dated 28.12.18 issued by the Department of Mines as aforesaid, without giving an opportunity of hearing to the appellant and following the due process of law, the appellant made a representation to the State Government not to transfer the mining lease in favour of the respondent Company and take over the mine being excavated by the appellant, but to no avail. In these circumstances, assailing the action of the State Government, the appellant preferred the writ petition before this Court.

The learned Single Judge while relying upon Communication dated 3.5.10 issued by the Ministry of Environment and Forest addressed to the Principal Secretary/Secretary (Forest), All States/ UT Governments, observed that the transfer of the mining lease in the forest area was permitted by the Ministry of Forest on the condition of depositing 10% of Net Present Value or ` 1 Lakh as transfer fees and thus, there was no legal impediment in transferring the mining lease in favour of the respondent Company. Learned Single Judge further observed that after resignation of the appellant way back in the year 2012 as Director, the equity shares held by him were also transferred in favour of Mr. Vikram Solanki, who was appointed as Director in his place and the transfer of mining lease vide Order dated 17.12.12 was never questioned or challenged until the State Government suo moto cancelled the same. The Court observed that it is seriously questionable and debatable as to whether the appellant herein has any right to challenge the transfer of the mining lease in the name of the respondent Company. Accordingly, the writ petition has been dismissed by the learned Single Judge by the order impugned. Hence this appeal.

The learned Senior Advocate for the appellant contended that as per provisions of Rule 15 of the Rajasthan Minor Mineral Concession Rules, 1986 (for short "the Rules of 1986"), prior consent of competent authority is necessary in the matter of transfer of mining lease. Once the respondent had already passed an order cancelling the transfer of the mining lease on the ground that no prior permission was taken and the litigation in this regard was pending, the Order dated 28.12.18 issued by the Mining Authority withdrawing the earlier orders dated 1.8.14 and 21.8.14 is absolutely illegal, arbitrary and violative of Rule 15 & 16 of the Rules of 1986. The learned counsel relied upon a decision of the Supreme Court in Gursharan Singh and others v. New Delhi Municipal Committee & Others (AIR 1996 SC 1175).

Learned Senior Advocate for the Respondent No.7 submitted that the mine in question already stood transferred to the respondent Company vide Order dated 17.12.12 after completing entire process as required under the law and therefore, the appellant had no right to question the withdrawal of the cancellation of transfer of mining lease. It is submitted that the petition can be filed only by the person aggrieved and thus, the appellant who had raised no grievance against the transfer of the lease and enjoyed the benefits flowing there from can not be said to be a person aggrieved and thus, the writ petition preferred was liable to be dismissed on this count alone. The learned counsel relied upon the decisions of the Supreme court in the matters of D.

Nagraj etc. vs. State of Karnataka and Ors. (AIR 1977 SC 876; Azeez Sait (Dead) by L.Rs. and Ors. v. Aman Bai and Ors. (AIR 2003 SC 4444) and Vishnudas Hundumal etc. v. The State of Madhya Pradesh and Ors.(AIR 1981 SC 1636).

The learned Additional Advocate General submitted that notwithstanding Letter dated 3.5.10 issued by the Ministry of Environment & Forest, the mining lease existing in favour of the appellant herein could not have been transferred in favour of the respondent Company without prior approval of the Ministry of Forest, Government of India, however, so as to maintain the parity qua 60 other persons, in whose favour the transfer of the mining lease was sanctioned on depositing an amount of ` 1 Lakh as transfer fee, the transfer of lease in favour of the respondent Company has also been restored while withdrawing the order of cancellation of the mining lease.

The Senior Advocate for the appellant submitted that the order made in exercise of the statutory authority cannot be sustained in light of the explanation subsequently given by the officer making the order and the same has to be construed with reference to the language used in the order itself. Thus, the attempt of the respondents in justifying the order made on the basis of the reasons independent of those flowing from the order impugned cannot be gone into by this Court. In this regard, learned counsel relied upon the decisions of the Supreme Court in the matters of Commissioner of Police, Bombay vs. Gordhandas Bhanji: AIR 1952 SC 16 and Mohinder Singh Gill & Anr. vs. The Chief Election Commissioner, New Delhi & Ors.: AIR 1978 SC 851.

Decision : The High Court has stated that on the facts and the circumstances of the case, where after cancellation of the transfer of mining lease, the mining lease in favour of the appellant was restored and possession of the mining area was directed to be handed over to him, it cannot be said that the appellant had no existing legal right to inter-meddle in the proceedings of cancellation of transfer of mining lease, revived by the State Government unilaterally, ignoring the application preferred by him withdrawing the application seeking transfer of mining lease in favour of the respondent Company. Thus, the objection sought to be raised on behalf of the respondent Company and the State Government questioning the maintainability of the writ petition on the ground of the appellant being not an aggrieved person, deserves to be rejected.

The High Court has further stated that as per Rule 15 of the Rules of 1986, the transfer of mining lease is not permissible to be made where permission of Revenue or other departments is required to be obtained before issuing the permission. It is not disputed before this Court that the mining area in question falls within the forest area and therefore, the prior approval of the Ministry of Forest, Government of India, was required to be obtained before the competent authority would sanction the transfer of mining lease. However, the transfer of the mining lease was sanctioned by the competent authority without obtaining a prior approval envisaged under the relevant Rules and the instructions issued by the Government of India in this regard and for this reason, the Order dated 17.12.12 passed by the competent authority permitting the transfer of mining lease was ex facie illegal. Admittedly, there is no provision under the Rules of 1986, which empowers the competent authority/State Government to review its own order. Moreover, in the instant case, the order passed by the competent authority cancelling the transfer of mining lease having been upheld by the revisional authority, the concluded proceedings could not have been reopened by

the State Government on its own or on the applications being made by the respondent Company. In this view of the matter, the action of the State Government in reviewing its own order is ex facie without jurisdiction. The Order dated 28.12.18 passed by the State Government sanctioning the transfer of mining lease as aforesaid without giving an opportunity of hearing to the appellant is apparently violative of the basic principle of natural justice. The lease holder was under an obligation to obtain prior approval of the Ministry of Forest, Government of India, which was admittedly not obtained and thus, the transfer of the mining lease in favour of the respondent Company was bad in law.

The High Court has referred to the decision given by the Supreme Court in the cases Vishnudas Sundumal's case (supra); in Gursharan Singh's case (supra); Vishal Properties Pvt. Ltd. v. State of U.P. & Ors. (AIR 2008 SC 183); in Hande Wavare and Co. v. Ramchandra Vitthal Dongre and Ors. (AIR online 2019 SC 413); State of Orissa & Others v. Anoop Kumar Senapati (AIR online 2019 SC 1099) and stated that the action of the State Government in sanctioning the transfer of the mining lease in question without prior approval of the Government of India, was ex facie illegal and without jurisdiction. The State Government cannot be permitted to undo the concluded proceedings by exercising the power not vested in it under the law. This Court is firmly of the opinion that such action of the State Government cannot be protected by this Court under Article 226 of the Constitution of India on the ground that since other similarly situated persons have been extended the benefits of sanction of the transfer of mining lease de- hors the Rules, the respondent Company also deserves to be extended same benefit. Moreover, in the instant case, where the original lease holder was contesting the claim of the respondent Company for revival of the proceedings and sanction of the transfer of mining lease, the concept of equal treatment to the persons similarly situated beneficiary of an illegal act on the part of the State Government, even otherwise could not have been invoked by the State Government.

Thus, the High Court has further stated that on the facts and in the circumstances of the case discussed above, for the parity of reasons mentioned in para 20 (supra), the appellant- writ petitioner cannot be non-suited by this Court on the ground raised by the respondent Company as aforesaid.

Accordingly, the High Court has allowed the special appeal without any order as to costs. The High Court has held that the order impugned dated 15.1.2019 passed by the learned single Judge is set aside. The writ petition preferred by the appellant is allowed. The Order impugned in the writ petition dated 28.12.2018 passed by the State Government, withdrawing the Order dated 21.8.2014 issued by the Mining Engineer, Dungarpur cancelling the transfer of the mining lease made by the appellant – Kalu Masar in favour of the Respondent No. 7-M/s Solanki Green Marble Pvt. Ltd, quashed.

Appeal allowed.

9. Mishri Khan and Others, Petitioners v. State of Rajasthan and others, Respondents AIR 2020 Rajasthan 132, Vol. 107, Part 1280, August, 2020.

Subject: The two petitions filed for challenging the validity of Rule 48 of RMMCR, 1986 and questioning the legality of the demand notices issued for the recovery of cost of the mineral unauthorisedly excavated.

Facts: Shri Fateh Khan, the father of Petitioner No. 1 and 2 and father-in-law of Petitioner No.3, was the khatedar tenant of the land comprising Khasra No.703 situated in Village Phalodi, District Jodhpur, which is adjacent to the Government land comprising Khasra No.705. On 15.6.07, technical team of Department of Mines inspected the lands comprising Khasra No.703 and 705 and noticed unauthorised excavation of mineral, i.e., masonry stone. Accordingly, the site inspection report and panchnama was prepared. A notice dated 10.7.07 under Section 4(1)(1A) of Mines and Minerals (Development & Regulation) Act, 1957 (for short "the Act of 1957") read with Rule 48 of the Rules of 1986 and Rajasthan Mineral (Preventing Illegal Mining, Transportation & Storage) Rules, 2006, was issued by the Assistant Mining Engineer to Shri Fateh Khan and Petitioner No.1 and 2 herein, Mishri Khan and Latif Khan. The mineral excavated unauthorisedly was quantified at 6,840 tonnes and accordingly, the cost of the mineral was determined at ` 5,47,200/- and the approval for recovery was sought by the Assistant Engineer (Mines), Balesar from Superintending Mining Engineer, Jodhpur vide Communication dated 19.9.07. The Superintending Engineer issued the Notice dated 23.10.07 to Shri Fateh Khan to make his submissions against the demand created, if any. Later, the approval was granted by the Superintending Engineer vide Communication dated 17.7.13. It is not the case of the petitioners that any objections were raised against the demand created on their behalf at any stage of the proceedings. The demand created has thus attained finality. In the meantime, Shri Fateh Khan expired on 3.8.14. The Assistant Mining Engineer, Balesar made an application to the Assistant Mining Engineer (Recovery), Balesar, for recovery of the outstanding demand as arrear of land revenue under the provisions of Section 256/257 of Rajasthan Land Revenue Act, 1956. The Petitioners no.1 & 2 served a notice for demand of justice dated 26.11.15 through their counsel upon the Assistant Mining Engineer, Balesar, but to no avail.

D.B.CIVIL WRIT PETITION NO. 10477/16: The petitioner was granted mining lease under the provisions of Rules of 1986 of mining area (ML No. 349/89) measuring 100x60 sq. ft situated near Village Jirawal, Tehsil Revdar, District Sirohi for excavation of mineral Granite. The mining lease initially granted for a period of 20 years w.e.f. 2.1.91 was further renewed for 20 years w.e.f. 1.1.11. The mining area leased out to the petitioner was inspected by the Mining Engineer, who noticed that the petitioner had indulged in unauthorised excavation of mineral granite from the area beyond the mining area covered by the mining lease granted in his favour and accordingly, panchnama was prepared. The Mining Engineer issued Notice dated 8.8.11 to the petitioner to show cause as to why the proceedings should not be initiated against him under Rule 48 of the Rules of 1986. The mine was again inspected by the Mining Engineer in presence of representatives of the petitioner on 22.7.11. Vide yet another Notice dated 13.1.12, the Mining Engineer proposed the inspection of the site to be made in presence of the petitioner on 23.1.12 and 24.1.12. According to the petitioner, he had made an application dated 23.1.12 stating that on

account of death of his near relative, he would be unable to remain present on the site at the time of inspection on 23.1.12 and 24.1.12. The site was inspected by the Mining Engineer on the date fixed and the site inspection report & Panchnama were prepared. The mineral illegally excavated by the petitioner was measured as 2,496 sq. meters quantified as 7,488 tonne, unauthorisedly excavated mineral blocks available on the site were taken possession of by the State. The petitioner made application for release of the blocks, but to no avail. The Superintending Mining Engineer, while noticing the discrepancies in the unauthorisedly excavated mineral quantified pursuant to two different inspections made, directed Mining Engineer, Sirohi to prepare the Panchnama afresh and submit the proposal for approval after obtaining reply from the leaseholder. Later, the cost of the mineral excavated unauthorisedly quantified at ` 1,31,04,000/- by the Mining Engineer, was approved and Demand Notice dated 13.8.12 was issued to the petitioner. Thereafter, taking into consideration the representation made by the petitioner complaining against prejudicial attitude of the Mining Engineer, the Superintending Mining Engineer vide Order dated 24.8.12 constituted a team with Mining Engineer, Vigilance, as its Chairman and directed to submit the inquiry report. At the same time, the Mining Engineer, Sirohi issued a Notice dated 30.8.12 creating demand of Rs.1,31,04,000 against the petitioner. Pursuant to the Order dated 15.10.14 issued by the Superintending Mining Engineer, the Assistant Mining Engineer, Balesar and Foreman-II undertook the task of verifying the boundaries of the sanctioned ML no.349/90 (new ML No.20/10) and to submit the report accordingly. The report was submitted on 5.12.14 quantifying the mineral illegally excavated as ` 914.76 tonne and the cost of the mineral was quantified at ` 6,40,332/- by charging 10 times the royalty. The Mining Engineer sought clarification regarding the amount recoverable quantified on the basis of three inspections made on 22.7.11, 23.1.12 & 19.9.13 and 5.12.14. It appears that ultimately, the demand created against the petitioner quantified at ` 1,31,04,000/- was approved. The legality of the demand created was questioned by the petitioner by way of a revision petition before the Revisional Authority, which is alleged to be pending.

The learned Counsel for the petitioners contended that Section 15 of the Act of 1957 which confers power upon the State Government to make rules in respect of minor minerals does not empowers it to frame the rules providing for the punishment for contravention of the rules, if any, and thus, the Rule 48 of the Rules of 1986 as framed by the State Government in exercise of the rule making power providing for offences, penalties and prosecution for unauthorised excavation is beyond its legislative competence and thus deserves to be declared ultra vires. Learned counsel submitted that by virtue of Clause (p) of Sub-section (2) of Section 18 of the Act of 1957, only the Central Government is empowered to frame the rules providing for the procedure for and the manner of imposition of fines for contravention of the any of the rules framed in exercise of the power conferred under the said section and the authority who may impose such fine and thus, the State Government cannot frame the rules transgressing the power vested in it by virtue of Section 15 of the Act of 1957. Learned counsel further submitted that Section 21 of the Act of 1957 provides for the penalties for unauthorised mining operation and transport & storage of mineral otherwise than in accordance with the Act and the Rules made thereunder and therefore, the field being already occupied by the law enacted by the Parliament, the State Government in exercise of the delegated power to frame the rules, cannot make the substantive provision providing for offences and penalties for violation of the rules. In support of the contention, learned counsel has

relied upon a decision of the Supreme Court in *M/s. Khemka and Co. (Agencies) Pvt. Ltd. v. State of Maharashtra*: AIR 1975 SC 1549. Learned counsel submitted that the material on record manifestly shows that the site inspection was not carried out in presence of the petitioners. Learned counsel submitted that the demands have been created against the petitioners without giving an opportunity of hearing to them and therefore, the same are liable to be quashed for this reason alone.

The learned Additional Advocate General submitted that the impugned demands have been raised against the petitioners to recover the cost of the mineral excavated unauthorisedly and no penal proceedings as such for the contravention of the provisions of the rules as such are initiated against the petitioners and thus, the entire edifice of the writ petition raised is misconceived. Learned counsel submitted that Sub-section (1) of Section 15 of the Act of 1957 empowers the State Government for regulating the grant of quarry leases, mining leases or other mineral concessions in respect of the minor minerals and for purposes connected therewith. Learned AAG did further submit that the conjoint reading of Section 15 and Section 21 of the Act of 1957 makes it abundantly clear that Rule 48 as framed by the State Government is well within its legislative competence. Learned counsel submitted that Sub-section (5) of Section 21 provides that whenever any person raises, without any lawful authority, any mineral from any land, the State Government may recover from such person the mineral so raised, or, where such mineral has already been disposed of, the price thereof, and may also recover from such person, rent, royalty or tax, as the case may be, for the period during which the land was occupied by such person without any lawful authority and thus, independent of provisions of Rule 48, the recovery sought to be effected cannot be termed as without authority of law.

Decision: The High Court has stated that the recovery of the price of the mineral has no element of penalty involved and the recovery of the mineral or its price is not a penal action but is merely compensatory, stands settled by the Apex Court and in *Karnataka Rare Earth and Another v. Senior Geologist, Department of Mines & Geology and Another*: (2004) 2 SCC 783. The High Court has further stated that the Rules of 1986 have been framed by the State Government in exercise of the power conferred under Rule 15 of the Act of 1957, for regulating the grant of quarry licences, mining leases and other mineral concessions in respect of the minor mineral and for purposes connected therewith. It is true that Sub-rule (1A) of Rule 15, specifies the matters in respect whereof the State Government may frame the Rules but then, the matters specified under Sub-rule (1A) are not exhaustive rather, without prejudice to the generality of the power conferred upon the State Government under Sub-rule (1) of Rule 15 of the Rules of 1986, which empowers the State Government to make rules for regulating the grant of quarry leases, mining leases or other mineral concessions in respect of the minor mineral and purposes connected therewith. Obviously, the measures to be adopted to curb the unauthorised mining operations and the realisation of the cost of the mineral excavated unauthorisedly, directly relate to regulation of grant of quarry leases, mining leases or other mineral concessions in respect of the minor minerals and thus, the contention sought to be raised by the petitioners that Rule 48 of the Rules which deals with unauthorised mining operation travels beyond the legislative competence of the State Government, is absolutely devoid of any merit.

It is also stated that as per mandate of provisions of Sub-section (5) of Section 21, whenever any person raises without any lawful authority, any mineral from any land, the State Government may recover from such person the mineral so raised or where such mineral has already been disposed of, the price thereof and may also recover from such person rent, royalty or tax, as the case may be, for the period during which the land was occupied by such person without lawful authority. Thus, the provisions of Sub-rule (4) of Rule 48, which makes the provision for recovery of the cost alongwith rent, royalty or tax chargeable of the mineral raised without lawful authority, which has already been dispatched or consumed is also in conformity with the provisions of Sub-section (5) of Section 21 of the Act of 1957. In view of the discussion above, the challenge of the petitioners to the vires of Rule 48 of the Rules of 1986, falls through and the said Rule deserves to be declared constitutionally valid.

The High Court has further stated that in Mishri Khan's case (Writ Petition No.14915/17), the petitioners having failed to avail the remedy available under the Rules of 1986, the demand created has attained finality and the petitioners cannot be permitted to question legality of the consequential proceedings initiated for recovery of the demand in accordance with the provisions of the Rajasthan Land Revenue Act, 1956).

The petitioner-Dashrath Singh (Writ Petition No.10477/16) having already availed the remedy of revision available under the relevant statute questioning the legality of the demand, there is absolutely no reason as to why he should be permitted to invoke the extraordinary jurisdiction of this Court bypassing the statutory remedy already availed.

Thus, the High Court has dismissed the writ petitions for want of merits, without any order as to costs. The High Court has directed that the dismissal of the writ petitions shall not preclude the petitioners from availing the statutory remedy or from pursuing the remedy already availed against the impugned demand.

Petition dismissed.

10. Common Cause, Applicant v. Union of India and others, Respondents, AIR 2020 Supreme Court 3814, Vol. 107, Part 1281, September, 2020.

Subject: All these applications are filed by the applicant for seeking condonation of delay.

Facts: In all these applications the applicant has sought condonation of delay in making the payment pursuant to the order passed by the Supreme Court in WP(C)No.114/2014. Further in I.A.Nos.168557/2019 and 168569/2019, the applicant has also sought issuance of direction to the State of Odisha to conduct joint verification of the undisposed stock and allow sale of the same so as to enable the applicant company to realise the amount. In IA.Nos.168564/2019 and 168578/2019, the applicant has sought permission to resume regular mining operations in view of payment of the entire amount demanded. The applications pertain to the mining lease in favour of the applicant company in respect of Roida Bhadrasahi Iron Ore and Bhadrasahi Iron & Manganese respectively.

This Court while disposing of WP(C) No.114 of 2014 through the Order dated 02.08.2017 had directed that the applicant company shall pay compensation on or before 31.12.2017. Since there is delay in payment, condonation of the same is sought and further relief as indicated above is prayed.

Decision: The Supreme Court has stated that the State of Odisha in its reply to the applications has stated that the compensation amount as ordered by this Court under Section 21(5) of the M.M.D.R. Act, 1957 has been fully paid by the applicant company along with interest in respect of all the mining leases held by the Applicant OMDC. In that view, since the interest is stated to have been paid for the period of delay, the Court finds it expedient to condone the delay. Further since the compensation amount along with interest has been paid as directed by this Court and the receipt of the same is acknowledged by the State of Odisha, the Court also considered it appropriate to grant the further relief sought in the applications. At this point the Court also took note of the submission of the learned Solicitor General that in similar circumstances, through the Order dated 29.01.2020 identical prayers as made in IA.Nos.62602/2019 and 62606/2019 were allowed by this Court and the instant applications were ordered to be listed after a week so as to enable the learned counsel for the State of Odisha to ascertain whether the payment has in fact been made by the applicant company. As noted, the payment made by the Applicant was indeed acknowledged by the State of Odisha.

Accordingly, the Supreme Court disposed of the above applications and passed the following order:

- (i) The delay in payment of the compensation along with interest is condoned;
- (ii) The Applicant OMDC be permitted to resume mining operations subject to all necessary clearances required in accordance with law being obtained;
- (iii) The Competent Officers of the State of Odisha shall also conduct a joint verification of the undisposed stock and allow sale of the same by the Applicant OMDC on following due procedure..

Order accordingly.

SECTION -2
Trend in Mining, Prospecting and Reconnaissance

2.1 TREND IN MINING

A. Mining Leases Granted

During the period under review, the information pertaining to the grant of 05 mining leases covering an area of about 606.411 hectares was received. Of these, Iron ore and Iron & Manganese ore accounted for 02 mining leases each followed by 01 mining lease for Limestone.

Reviewing areawise, mining leases granted for Iron & Manganese ore covered over an area of 325.991 ha, followed by Limestone 143.24 ha and Iron ore covered over an area of 137.18 ha.

Reviewing Statewise, number of mining leases and area granted in Karnataka 03 leases with 244.69 ha, Odisha 01 with 218.481 ha and Madhya Pradesh 01 with 143.24 ha.

The mineralwise number of mining leases granted together with lease area and details of mining lease granted are given in Tables 1 A & 1 B, respectively

**Table – 1 A: Details of Mining Leases Granted
(By Minerals)**

Mineral	No. of Mining Leases Granted	Area in ha
Iron ore	02	137.18
Iron & Manganese ore	02	325.991
Limestone	01	143.24
Total	05	606.411

Table – 1 B: Details of Mining Leases Granted

Mineral	State/ District	Village	Area in ha	Date of Grant	Period in years	Name & Address
Iron ore	Karnataka Ballari	Ramghad	43.58	30.07.2020	-	JSW Steel Limited, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Iron ore	Karnataka Chitradurga	Bedarabomma nahalli, Hirekandavadi and other villages	93.60	30.07.2020	-	JSW Steel Limited, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Iron & Manganese ore	Odisha Sundergarh	Kolmong	218.481 (As per DGPS)	01.07.2020	50	Yazdani Steel & Power Ltd., Jakhapur, Lajpur Road, Kalinga Nagar, Lajpur-755026
Iron & Manganese ore	Karnataka Ballari	Narayanpura	107.51	30.07.2020	-	JSW Steel Limited, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Limestone	Madhya Pradesh Katni	Jamuwani khurd & Padrehi	143.24	22.05.2020	50	Sanghi Infrastructure MP Limited, Katariya Orchid, S.G. Road, Makraba, Ahmadabad

B. Mining Leases Executed

**Table – 2 A : Details of Mining Leases Executed
(By Minerals)**

Mineral	No.of Mining Leases Executed	Area in ha
Iron and Manganese	01	107.51
Iron Ore	03	193.18

Table – 2 B : Details of Mining Leases Executed

Mineral	State/District	Village	Area in ha	Date of Execution/Registration	Period in Years	Name & Address
Iron and Manganese ores	Karnataka Ballari	Narayanpura	107.51	30.07.2020	50	JSW Steel Limited, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Iron ore	Karnataka Ballari	Jaisingpura	56.00	11.08.2020	-	MSPL Limited, Baldota Bhavan, 117, Maharshi Karve Road, Mumbai-400020
Iron ore	Karnataka Chitradurga	Bedarabomma nahalli, Hirekandavadi and other villages	93.60	30.07.2020	50	JSW Steel Limited, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Iron ore	Karnataka Ballari	Ramghad	43.58	30.07.2020	50	JSW Steel Limited, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai-400051

C. Mining Lease Period Extended

During the period under review, the information pertaining to the extension of mining lease period for 18 Mining Leases covering an area of about 1,929.136 hectares was received. Of these, Bauxite accounted for 10 mining leases followed by Limestone 04 leases, Iron ore 03 leases and Iron & Manganese ore only one lease.

Reviewing areawise, Iron Ore accounted for 821.65 ha followed by Limestone with 649.166 ha, Bauxite 442.77 ha and Iron & Manganese ore 15.55 ha.

Reviewing Statewise, number of mining leases for which period was extended in Gujarat State were 13 with an area about 478.46 ha, 4 leases in Karnataka over an area of 837.20 ha and 1 lease in Andhra Pradesh over an area of 613.476 ha.

The mineralwise number of mining lease period extended together with lease area and details of mining leases extended are furnished in Tables 3A & 3B.

**Table – 3A: Details of Mining Leases Period Extended
(By Minerals)**

Mineral	No of Mining Leases Extended	Area in ha
Bauxite	10	442.77
Iron Ore	03	821.65
Iron & Manganese ore	01	15.55
Limestone	04	649.166
Total	18	1929.136

Table – 3 B : Details of Mining Leases Period Extended

S. No.	Mineral	State/ District	Village	Area in ha	Date of Extension	Date up to which lease period extended	Name & Address
1.	Bauxite	Gujarat Kuchchh	Moti Balachhod and Naredi	62.36	13.03.2020	31.03.2030	Gujarat Mineral Development Corporation Ltd, Khanij Bhavan, Vastrapur, Ahmedabad
2.	Bauxite	Gujarat Kuchchh	Wandh	08.09	13.03.2020	31.03.2030	Gujarat Mineral Development Corporation Ltd, Khanij Bhavan, Vastrapur, Ahmedabad
3.	Bauxite	Gujarat Kuchchh	Nana Mota Ratadiya & Nagrecha	204.07	13.3.2020	31.03.2030	Gujarat Mineral Development Corporation Ltd, Khanij Bhavan, Vastrapur, Ahmedabad
4.	Bauxite	Gujarat Kheda	Dakor	05.09	21.03.2020	06.02.2027	Pushpaben Hiralal Joshi C/o Shri Janakkumar Kantilal Sadhu, Alkapuri Society, Dakor, Ta. Thasara, Dist. Kheda.
5.	Bauxite	Gujarat Kheda	Dakor	04.02	21. 03.2020	18.03.2029	Pushpaben Hiralal Joshi C/o Shri Janakkumar Kantilal Sadhu, Alkapuri Society, Dakor, Ta. Thasara, Dist. Kheda.
6.	Bauxite	Gujarat Kheda	Amrutpura	06.00	20.03.2020	16.03.2037	Janakkumar Kantilal Sadhu, Alkapuri Society, Dakor, Ta.Thasara, Dist. Kheda.
7.	Bauxite	Gujarat Kheda	Taiyabpura	7.83	20.03.2020	29.06.2036	Janakkumar Kantilal Sadhu, Alkapuri Society, Dakor, Ta.Thasara, Dist. Kheda.

Contd....

Table – 3 B (Contd.)

8.	Bauxite	Gujarat Kheda	Taiyabpura	01.00	21.03.2020	27.01.2041	Janakkumar Kantilal Sadhu, Alkapuri Society, Dakor, Ta.Thasara, Dist. Kheda.
9.	Bauxite	Gujarat Kuchchh	Wandh	73.38	19.03.2020	11.06.2037	Gujarat Mineral Development Corporation Ltd, Khanij Bhavan, Vastrapur, Ahmedabad
10.	Bauxite	Gujarat Kuchchh	Nana Goniyasar	70.93	19.03.2020	11.06.2037	Gujarat Mineral Development Corporation Ltd, Khanij Bhavan, Vastrapur, Ahmedabad
11.	Iron ore	Karnataka Ballari	NEB Range	136.94 (as per CEC)	09.07.2020	26.12.2035	KSMCL, TTMC 'A' Block, 5 th Floor, BMTC Building, K.H. Road, Shanthinagar, Bengaluru-560 027
12.	Iron ore	Karnataka Ballari	Kallahalli	44.91 (as per CEC)	10.03.2020	31.03.2020	R Charu Chandra, Dr, Nagan Gowda, Garden Station Road, Hospet, District-Ballari, Karnataka
13.	Iron ore	Karnataka Ballari	Kumaraswamy range	639.80	20.03.2020	17.10.2000	National Mineral Development Corporation, 10-03-311/A, Khanjia Bhavan, Castle Hills, Masab Tank, Hyderabad
14.	Iron & Manganese ore	Karnataka Tumakuru	Karekurchi	15.55	07.05.2020	12.01.2037	Karnataka Limpo Cement Industry, #01, Ahobilam, 3 rd Main, 3 rd Cross, Amarjyothi Layout, RMV II Stage, Bengaluru - 560 094
15.	Limestone	Gujarat Porbandar	Ranavav	08.18	18.03.2020	18.10.2023	Premji Lidadhar Kharva, 2 Kadiya Plot, Porobandar, Dist-Porobandar-360575
16.	Limestone	Gujarat Porbandar	Zingaraka	24.28	02.07.2020	07.06.2038	Saurashrta Chemicals (Division of Nirma Limited), Birlasagar, Porobandar- 360576 Gujarat.
17.	Limestone	Gujarat Porbandar	Aniyari	3.23	06.03.2020	24.10.2032	Keshavala Harbham Bhara Nageshvar Park , National Highway Road, At.&Po-Ranavav, Ta- Ranavav Dist- Porobandar- 360576 Gujarat
18.	Limestone	Andhra Pradesh Guntur	Tangeda, Dachepalli	613.476	08.06.2020	10.08.2059	Saraswathi Power and Industries Pvt. Ltd, Plot No. 268/S/98, Sagar Society, Road No-2, Banjarahills, Hyderabad-34

D. Mining Leases Executed after Grant of Extension of Mining Lease Period

Table – 4: Details of Mining Leases Executed after Grant of Extension of Mining Lease Period

Mineral	State/ District	Village	Area in ha	Date of Execution/ Registration	Date up to which lease period extended	Name & Address
No such information is received during the period.						

E. Mining Leases Renewed/ Revived/Restored

Table – 5: Details of Mining Leases Renewed/Revived/Restored

Mineral	State/District	Village	Area in ha	Date of Renewal	Period in Years (From date of Execution/ Registration)	Name & Address
No such information is received during the period.						

F. Mining Leases Revoked

Table – 6: Details of Mining leases Revoked

Mineral	State/ District	Village	Area in ha	Date of Revoke	Name & Address
No such information is received during the period.					

G. Mining Leases Determined

**Table – 7: Details of Mining Leases Determined
(By Minerals)**

Mineral	State / District	No. of Mining Leases Determined	Area in ha
No such information is received during the period.			

H. Mining Leases Surrendered

Table – 8: Details of Mining Leases Surrendered

Mineral	State / District	Village	Area in ha	Date of Surrender	Name & Address
No such information is received during the period.					

I. Mining Leases Terminated

Table – 9: Details of Mining Leases Terminated

Mineral	State / District	Village	Area in ha	Date on which Lease Terminated	Name & Address
No such information is received during the period.					

J. Mining Leases Transferred

Table – 10A: Details of Mining Leases Transferred

Mineral	State / District	Village	Area in ha	Name and Address		Valid up to year	Date of Transfer of Deed
				Transferor	Transferee		
No such information is received during the period							

Table – 10B: Details of Transferred Mining Leases Executed / Registered

Mineral	State / District	Village	Area in ha	Name and Address		Period (in Yrs)/ Dt of expiry.	Date of Execution/ Registration of Transfer Deed
				Transferor	Transferee		
No such information is received during the period.							

K. Mines Opened

Table – 11: Details of Mines Opened

Mineral	State/District	Name of Mine	Village	Date of Opening	Area in ha	Name & Address
No such information is received during the period.						

L. Mines Temporarily Discontinued**Table – 12: Details of Mines Temporarily Discontinued**

Mineral	State/ District	Name of Mine	Village	Date of Disconti- nuance	Reason	Area in ha	Name & Address
No such information is received during the period.							

M. Mines Reopened**Table – 13: Details of Mines Reopened**

Mineral	State / District	Name of Mine	Village	Date of Reopening	Area in ha	Name & Address
No such information is received during the period.						

N. Mines Abandoned**Table – 14: Details of Mines Abandoned**

Mineral	State / District	Name of Mine	Village	Date of Abandonment	Reason	Area in ha	Name & Address
No such information is received during the period.							

2.2 TREND IN PROSPECTING

A. Composite Licences Granted

**Table – 15 : Composite Licences Granted
(By Minerals)**

Mineral	State / District	Village	Area in ha	Date on which Licences Granted	Period in Years	Name & Address
No such information is received during the period.						

B. Prospecting Licences Granted

**Table – 16 : Prospecting Licences Granted
(By Minerals)**

Mineral	State / District	Village	Area in ha	Date on which Licences Granted	Period in Years	Name & Address
No such information is received during the period.						

C. Prospecting Licences Executed

Table – 17 : Details of Prospecting Licences Executed

Village	Mineral	State / District	Area in ha	Date of Execution	Period in Years	Name & Address
No such information is received during the period.						

D. Prospecting Licences Renewed

Table –18 : Mineralwise Details of Prospecting Licences Renewed

Mineral	No. of Mining Leases Renewed	Area in sq. km
No such information is received during the period.		

E. Prospecting Licences Revoked

Table – 19: Details of Prospecting Licences Revoked

Mineral	State/District	Village	Area in ha	Date of Revoke	Name & Address
No such information is received during the period.					

TREND IN RECONNAISSANCE PERMITS (R.P.)

Table – 20: Details of Reconnaissance Permits

Mineral	State/District	Area in sq. km	Date of Approval of Grant	Name & Address
No such information is received during the period.				

Section-3

Highlights

A. DOMESTIC

KARNATAKA: 8 MILLION TONNES OF SEIZED IRON ORE TO BE AUCTIONED

Eight million tonnes of iron ore seized from illegal mines and stockyards in Ballari, Chitradurga and Tumakuru will be auctioned by the State Government after obtaining legal opinion from the Advocate General. The ore was seized from “C” category mines and stockyards before 2016 and was not auctioned earlier due to some technical reasons. During a review meeting with the officers from the Mines and Geology Department, the CM directed to seek legal opinion and initiate the auctioning process at the earliest. The CM told them to conduct survey using drones to identify illegal stone quarrying and also take measures to find ore deposits in the forest areas, after getting permission from the Forest Department. Mines Minister said that auctioning of seized iron ore was pending for a long time and not many were aware of its presence at the mines and stockyards. Auctioning will help generate revenue, the minister said adding that the amount will depend on the rate at which the ore will be sold. According to an industry expert, auctioning of eight million tonnes of iron ore can generate around Rs 1,200 crore, but all depends on the quality of the ore.

The New Indian Express - 30th May, 2020.

JHARKHAND IS ALL SET TO AUCTION 250 KG GOLD MINE FOR RS 250 CRORE

Jharkhand, located in the eastern part of India, is one of the richest mineral zones in the world and boasts of 40 percent and 29 percent of India’s mineral and coal reserves respectively. Due to its large mineral reserves, mining and mineral extraction have become the major industries in the State. The value of mineral production (excluding fuel minerals) during 2018-19 (up to February 2019) stood at Rs 2,313 crore (US\$ 330.95 million). The Gold mine in the State which is said to contain 250 kg Gold reserve is all set for auction. Due to coronavirus pandemic, the economic conditions of the State has experienced a downfall. In February this year, Jharkhand already successfully auctioned two small limestone blocks which are prospecting lease-cum-mining lease (PM-cum-ML). The Gold Mine is located at Badidari in East Singhbhum district.

Newsd, New Delhi – 4 June, 2020

—

NINE MINERAL BLOCKS IN ODISHA TO GO UNDER HAMMER NEXT MONTH

The Odisha Government has initiated the process for issue of notice for tender (NIT) of nine Greenfield mineral blocks for auction in July this year. The freehold blocks lined up for auctions are Pureibahal, Chandiposhi, Jhumka-Pathiriposi, Dholtapahad, Unchabali, Gandhalpada, Rengalbeda North-East, Netrabandha Pahar (West) and Kalimati. While Kalimati is a manganese block and Unchabali is a mix of iron ore and manganese, the rest of the blocks are iron ore. However, under the new Central guidelines issued by the Ministry of Mines, the Government will obtain all statutory clearances before putting these new blocks under hammer. The Centre has asked mineral - bearing States to identify at least five new mining projects for auction with pre-embedded clearance on a pilot basis with a view to expediting the sale process as well as operationalisation of the blocks. The Ministry of Mines has released guidelines for the auction of mineral blocks with pre-embedded clearances that will help overcome delay in operationalisation of mines into production after auction.

The New India Express, Bhubaneswar – 15 June, 2020.

INDIAN STEEL USAGE TO FALL DUE TO COVID-19 DISRUPTION

Steel consumption is expected to decline at least 10 per cent for rated Indian steel-makers in the 12 months to March 2021, due to the adverse effect of Coronavirus pandemic on the economy, says a report. According to report, in India, new capacity additions will take a back seat as weak steel consumption will hurt free-cash flow generation in the current year. The agency further noted that consolidation in the Indian Steel Sector that began in 2018 will continue in 2020. The latest report has forecast a negative outlook for the Steel Industry in the Asia Pacific region. According, to report India's economic growth will remain materially lower than in the past, with real GDP contracting 3 percent in 2020. "We assume that economic activity will begin to gradually pick up from July. However, given the possibility for second or third waves of virus infections or deeper economic costs than currently factored in, downside risk to these forecasts are significant," the Agency said. Moody's estimates that lower GDP growth will translate into steel consumption falling at least 10 percent for rated steelmakers in the 12 months to March 2021. This decline is largely driven by plummeting automaker demand, and weakness in construction, infrastructure and shipbuilding.

Minerals & Metals Review Weekly, Mumbai – 3 August, 2020.

IRON ORE EXPORTS TO SEE DECLINE IN NEAR TERM OVER COVID-19 CONCERNS

After witnessing a whopping year-on-year growth of 136 per cent during April-January of FY20, the country's iron ore exports are projected to decline as the Covid-19 induced lockdown takes a toll on port operations and availability of labour. There is hardly any significant production from merchant mines now. We are not getting ample workforce or trucks to move even the accumulated ore. Export orders have evaporated after the outbreak and spread of the virulent Coronavirus disease. Iron ore exports from the country have suffered a jolt owing to ramped down port operations, logistics issues and glaring labour shortage. Demand contraction in importing countries has also hurt export consignments. China has started accepting some iron ore consignments from India as their steel mills have restarted. Besides, falling steel prices could also have prompted companies to purchase lower grade iron ore fines from India to keep their cost under control and preserve margins. India could export more due to increased domestic supply and competitive prices. India's production of iron ore was higher in FY20 as miners ramped up outputs to optimal levels during the last year of operations of their mines which have now been auctioned.

Business Standard, Bhubaneswar – 17 April, 2020

IRON ORE SURPLUS RISES SHARPLY IN KARNATAKA ON FALLING DEMAND, EXPORT BAN

Karnataka is facing a glut of iron ore due to the restrictions imposed on its export from the State for the last 8 years. The restrictions have left Karnataka's iron ore miners dependent on steel companies in the State and have resulted in a surplus of nearly 5.19 million tonnes of iron ore fines. Supply in the State is higher compared to demand amidst production restrictions and the ban on exporting ore out of the State imposed by the Supreme Court. In 2019, total iron ore exports from other parts of the country were 10.34 MMT of fines and 1.116 MMT of lumps. Eight years ago, the Supreme Court, while hearing a case related to illegal mining and illegal export of iron ore from the State, imposed a ban on export of iron ore from the State and imposed restrictions on production. All these steps were aimed at protecting the environment and State revenue. Sources said, "The restrictions on trade of iron ore in Karnataka are suppressing the growth of the sector and are having significant deleterious effects on the industry and the public exchequer. While the rest of India is exporting iron ore in line with the EXIM policy of the Government.

Business Standard, Bengaluru – 27 June, 2020.

RARE GOOD NEWS FROM A RARE METAL

Reserves of lithium, a rare metal critical to build batteries for electric vehicles, have been discovered in Mandya, 100 km from Bengaluru – a find that should boost local manufacturing of EV batteries. Researchers at the Atomic Minerals Directorate, a unit of India's Atomic Energy Commission, have estimated lithium reserves of 14,100 tonnes in a small patch of land surveyed in the Southern Karnataka district, according to a paper to be published in the forthcoming Issue of Journal Current Science.

The Economic Times, New Delhi – 18 February, 2020.

A \$3 BILLION FUND MAY AID INDIA'S MINING BELT AFTER VIRUS HAVOC

An under-utilised \$3.1 billion fund targeted at the poorest in India's mining belt could prove to be crucial resource in the South Asian nation's fight against the Corona virus. Created under a new law in 2015, the so called District Mineral Foundation funds have nearly 238 billion rupees, after less than 40% of the amount accumulated over the past five years was spent, according to data from the country's Mines Ministry. The funds were created from contributions by miners in addition to royalty payments and were aimed at improving the lives of people in areas affected by mining. That could come to the aid of mining States, malls and offices, and to kick start the economy. As restrictions begin to ease, the State will need the funds to buy protective equipment, strengthen their medical infrastructure and create jobs.

The ET Energy World, New Delhi – 28 May, 2020.

AUCTION OF 11 MINERAL BLOCKS, SALE OF 4 MINES IN ABEYANCE: GOVERNMENT

The Government has put on hold the auction of 11 mineral blocks, including two gold mines, besides keeping in abeyance sale of four blocks. The blocks on hold for auction are in Madhya Pradesh, while the mines kept in abeyance are in Jharkhand, according to a document of the Mines Ministry. However, the Mines Ministry did not specify the reasons for putting the sale of blocks on hold and in abeyance. Among the blocks put on hold for auction, two are gold mines, five limestone, three base metal and one bauxite block, the document said. Of the mines kept in abeyance, two are bauxite blocks and one each of limestone and dolomite. The notice inviting tenders of all 15 blocks was issued in January 2020. One mineral block was auctioned last month, while four more mines were put on sale this month. All the five blocks in Gujarat and Karnataka have reserves of 667.2 million tonnes. The Centre had recently asked States having mineral resources to identify at least five new mining projects for auction with pre-embedded clearance on a pilot basis, with a view to expediting the sale process as well as operationalisation of the blocks.

Press Trust of India, New Delhi – 10 July, 2020.

B. ABROAD

RUSSIA'S GOLD MINE PRODUCTION GROWTH TO OVERTAKE CHINA'S BY 2029: REPORT

A report by Fitch Solutions states that global gold mine production growth is expected to rebound in the coming years underpinned by higher gold prices and mergers between major mining firms. This would be an acceleration from the average growth of just 1.2% over 2016-2019. Putting the spotlight on Russia, Fitch predicts that the Eastern European giant is set to overtake China a decade from now, growing from 11.3moz in 2020 to 15.5moz in 2029. This would represent average annual growth of 3.7% during the period and would see Russia accounting for 11.6% of global output by 2029 compared to 10.6% in 2020. Russia's increase in gold production is being fueled by the ongoing and expanding US sanctions. The rising risk of Russian state banks being frozen out of dealing in dollar-denominated assets all together as bilateral relations remain strained is pushing the Russian central bank to increase its holdings of gold. As long as tensions with the US remain, domestic demand for gold is set to remain.

Mining.com, Canada – 14 June, 2020

CHINA BECAME SECOND-LARGEST PLATINUM CONSUMER IN JUST THREE YEARS

The World Platinum Investment Council (WPIC) says that, although platinum as an investment product in China is still a relative newcomer, it remains one with enormous potential. WPIC says China is the second-largest market for platinum consumption in the world, after Europe. In 2019, the country accounted for 26% of global demand, while platinum investment products were very limited in China just three years ago. In fact, the backdrop of the worldwide economic turmoil caused by Covid-19, purchases of platinum from the Shanghai Gold Exchange grew significantly in the first quarter of this year, rising from an average of 1,71, 000 oz a quarter in 2019 to 4,55, 000 oz, as manufacturers in the jewellery and industrial sectors responded to the low platinum price and increased stock levels. Over the last decade, China has become the biggest gold investment market in the world in terms of exchange trading and physical investment

Mining Weekly, Johannesburg – 25 June,2020

BAUXITE PRODUCTION TO INCREASE RAPIDLY FROM 2021, SAYS FITCH SOLUTIONS

New projects coming on line in key producers Guinea, Indonesia and Australia, as well as a ramp-up in Indian and Indonesian production, will drive rapid production growth of bauxite in 2021, Fitch Solutions Country Risk and Industry Research says. Australia's Bauxite Sector is expected to maintain steady output growth, supported by a solid project pipeline. The country holds 12 of the 29 new projects in Fitch's Key Mines Projects Database, the most of any country. While bauxite accounts for less than 5% of Australian mining

value, the country is global top producer, accounting for an estimated 28.8% of global output as of 2018. The country is expected to remain a top bauxite exporter to China, although it may lose some market share over the coming quarters to returning Indonesian supply. Fitch forecasts that Australian bauxite production growth will average 20.5% year-on-year in 2020, up from 15% in 2019. Fitch notes that Indonesia bauxite production will ramp back up over the coming years, following the relaxation of the mineral ore export ban two years ago. Fitch expects strong levels of exports from the country this year and says it is starting to reclaim its share of bauxite exports to China, supported by closer proximity and lower cost production than Australian or Guinean mines. However, in July 2019, Indonesia announced that it will ban the export of raw mineral ore (including bauxite) from 2022 onwards to bolster the Mineral Processing Industry in the country. This will pose a downward risk to Fitch’s long-term production forecasts over the coming years. Currently, it is forecasting output in the country to increase from 9.4-million tonnes in 2020 to 14.9-million tonnes by 2029.

Mining Weekly, Johannesburg – August, 2020

WESTERN AUSTRALIA INVESTS IN EXPLORATION

The Western Australian State Government on 4th August announced A\$8.2-million in funding for resource exploration in the State, to help drive economic recovery post Covid-19. An additional A\$5-million will be made available to the Exploration and Incentive Scheme (EIS) and A\$15-million in 2020/21, resulting in an extra A\$3-million being available across the next two co-funded drilling rounds. Premier Mark McGowan said that the investment, which forms part of the State’s Recovery Plan, would boost exploration opportunities and provide next generation geosciences information for Western Australia’s resources sector. “My government is committed to supporting Western Australia’s Resources Industry, and ensuring our State rebounds stronger than ever from the effects of Covid-19. “The additional A\$5-million funding will invigorate the industry and allow more exploration companies to participate in the co-funded drilling programme, creation of jobs for Western Australians.”

Mining Weekly, Johannesburg – 4 August, 2020
