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**Bulletin of Mineral Information Volume - 40, No. 2 April 2022 – September 2022** 



Hkkjrh; [kku C; yjks INDIAN BUREAU OF MINES

### Prepared by

### Mineral Economics Division Indian Bureau of Mines

### Issued by

## Controller General Indian Bureau of Mines Nagpur

### December, 2022

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#### **SECTION-1**

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

#### 1. MINERAL LEGISLATION

#### A. Amendments/Notifications:1.

रजिस्ट्री सं. डी.एल.- 33004/99

REGD. No. D. L.-33004/99



सी.जी.-डी.एल.-अ.-11042022-235040 CG-DL-E-11042022-235040

> असाधारण EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i) PART II—Section 3—Sub-section (i) प्राधिकार से प्रकाशित PUBLISHED BY AUTHORITY

रां. 280] नई दिल्ली, सोमवार, अप्रैल 11, 2022/चैत्र 21, 1944 No. 280] NEW DELIH, MONDAY, APRIL 11, 2022/CHAITRA 21, 1944

## MINISTRY OF MINES NOTIFICATION

New Delhi, the 11th April, 2022.

**G.S.R. 294(E).**—In exercise of the powers conferred by section 18 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules further to amend the Mineral Conservation and Development Rules, 2017, namely:—

- 1. (1) These rules may be called the Mineral Conservation and Development (Amendment) Rules, 2022.
  - (2) They shall come into force on the date of their publication in the Official Gazette.
- In the Mineral Conservation and Development Rules, 2017, in Schedule-I,—

(a) in Form F1 and Form G1, in the table under the sub-heading "@Grades of ROM ore dispatched:", for the rows titled "Iron Ore" and the corresponding entries relating thereto, the following shall respectively be substituted, namely:—

"MINERAL	GRADES	
Iron ore	(a) Below 45% Fe ROM (For Magnetite Ore only)	
	(b) 45% to below 51% Fe ROM	
	(c) 51% to below 55% Fe ROM	
	(d) 55% to below 58% Fe ROM	
	(e) 58% to below 60% Fe ROM	
	(f) 60% to below 62% Fe ROM	
	(g) 62% to below 65% Fe ROM	
	(h) 65% and above Fe ROM";	

(b) in Form F1, Form G1, Form L and Form M,-

(i) in the table under the sub-heading "\*\*Grades of minerals to be reported in the above tables are as given below. (If separate grades are not mentioned below, report the mineral name against grade):", for the rows titled "Iron Ore" and the corresponding entries relating thereto, the following shall be substituted, namely:—

"MINERAL	GRADES					
Iron ore	(i) Lumps:					
	(a) Below 45% Fe (For Magnetite Ore only)					
	(b) 45% to below 51% Fe					
	(c) 51% to below 55% Fe					
	(d) 55% to below 58% Fe					
	(e) 58% to below 60% Fe					
	(f) 60% to below 62% Fe					
	(g) 62% to below 65% Fe					
	(h) 65% and above Fe					
	(ii) Fines:					
	(a) Below 45% Fe (For Magnetite Ore only)					
	(b) 45% to below 51% Fe					
	(c) 51% to below 55% Fe					
	(d) 55% to below 58% Fe					
	(e) 58% to below 60% Fe					
	(f) 60% to below 62% Fe					
	(g) 62% to below 65% Fe					
	(h) 65% and above Fe					
	(iii) Concentrates					
	(iv) Calibrated Lump Ore (CLO)					
	(Quantity already reported in Lumps should not be reported against CLO)					
	(a) Below 62% Fe (CLO any size)					
	(b) 62% to below 65% Fe (5-18 mm size CLO)					
	(c) 62% to below 65% Fe (10-40 mm size CLO)					
	(d) 62% to below 65% Fe (CLO others)					
	(e) 65% and above Fe (5-18 mm size CLO)					
	(f) 65% and above Fe (10-40 mm size CLO)					
	(g) 65% and above Fe (CLO others)".					

[भाग II—खण्ड 3(i)] भारत का राजपत्र : असाधारण

(ii) at the end of the table, the following Note shall be inserted, namely:-

"Note.— Any kind of Hematite Iron Ore below 45% Fe, but above threshold value, shall be included in the grade slab of '45% to below 51% Fe'.".

[F. No. M.VI-16/130/2021-Mines VI]

Dr. VEENA KUMARI DERMAL, Jt. Secy.

**Note :** The Mineral Conservation and Development Rules, 2017 were published in the Gazette of India, Part II, section 3, sub-section (i) *vide* number G.S.R. 169(E), dated the 27<sup>th</sup> February, 2017 and lastly amended *vide* number G.S.R 780(E), dated 3<sup>rd</sup> November, 2021.

2.

रजिस्ट्री सं. डी.एल.- 33004/99

REGD. No. D. L.-33004/99



सी.जी.-डी.एल.-अ.-04062022-236331 CG-DL-E-04062022-236331

#### असाधारण EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i) PART II—Section 3—Sub-section (i) प्राधिकार से प्रकाशित

प्राधिकार से प्रकाशित PUBLISHED BY AUTHORITY

सं. 394] नई दिल्ली, शुक्रवार, जून 3, 2022/ज्येष्ठ 13, 1944 No. 394] NEW DELHI, FRIDAY, JUNE 3, 2022/JYAISHTHA 13, 1944

## MINISTRY OF MINES NOTIFICATION

New Delhi, the 3rd June, 2022

**G.S.R. 415(E).**—In exercise of the powers conferred by section 13 read with the second proviso to clause (b) of sub-section (2) of section 10A of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules, namely:

#### CHAPTER I

#### PRELIMINARY

- 1. Short title and commencement.— (1) These rules may be called the Reimbursement of Exploration Expenditure Rules, 2022.
- (2) They shall come into force on the date of their publication in the Official Gazette.
- Definitions.— (1) In these rules, unless the context otherwise requires,—
  - (a) "Act" means the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957);
  - (b) "Claim" means application submitted by the applicant for reimbursement of exploration expenditure in the Form set forth in the Schedule I;
  - (c) "Claimant" means the applicant of the claim who was the holder of recomnaissance permit or prospecting licence and had acquired a right for obtaining a prospecting licence followed by a mining lease or a mining lease, as the case may be, under clause (b) of sub-section (2) of section 10A of the Act and whose said right had lapsed; and includes the legal representatives, lawful assignee, lawful transferee or successor by the order of a competent court, as the case may be, of such holder of reconnaissance permit or prospecting licence;
  - (d) "date of lapse" means the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2021 (i.e., 28<sup>th</sup> March, 2021), when the right of the holder of reconnaissance permit or prospecting licence for obtaining a prospecting licence followed by a mining lease or a mining lease, as the case may be, under clause (b) of sub-section (2) of section 10A of the Act had lapsed under the second proviso to the said clause.
  - (e) "Form" means Form set forth in the Schedule annexed to these rules.
- (2) The words and expressions used in these rules, but not defined, shall have the same meaning as assigned to them in the Act or the rules made thereunder.
- Applicability.— (1) These rules shall be applicable only to such concession holders or applicants
  who had acquired a right for obtaining a prospecting licence followed by a mining lease or a mining lease,

as the case may be, under clause (b) of sub-section (2) of section 10A of the Act and whose said right has lapsed on the date of lapse.

#### CHAPTER II

#### CLAIM PROCESS

4. Claims for exploration expenditure.— (1) A claimant may submit a claim for reimbursement of expenditure incurred towards reconnaissance or prospecting operations to the State Government in the Form set forth in Schedule I to these rules within a period of one year from the date of commencement of these rules with an intimation to the National Mineral Exploration Trust:

Provided that in cases where the period of permit or licence had not expired before the date of lapse,—

- (a) the claimant may submit the claim within a period of one year from the date of expiry of the period of permit or licence or date of commencement of these rules, whichever is later; or
- (b) the claimant may submit a claim of the expenses incurred by it till the date of lapse after surrendering such permit or licence to the State Government, within the said period of one year from such surrender or date of commencement of these rules, whichever is later.
- (2) The claimant shall enclose with its claim application, the following, namely:—
  - (a) the documents necessary to prove payments or expenditure incurred towards exploration activities undertaken, like bank statements, discharged payment slips, vouchers or invoices with acknowledgement of settlement, or receipts of payment or other such documents; and
  - (b) certificate of chartered accountant to the effect that the claim has been duly verified by him.
- (3) The State Government shall not proceed with the claims submitted after the period specified in sub-rule (1):

Provided that the State Government may allow a further period of one year for filing a claim, if the reasons for delay were beyond the control of the claimant.

- 5. Verification by the State Government.— (1) On receipt of a claim application, the State Government shall verify the following, namely:—
  - (a) claimant was the holder of reconnaissance permit or prospecting licence who had acquired a right for obtaining a prospecting licence followed by a mining lease or a mining lease, as the case may be, under clause (b) of sub-section (2) of section 10A of the Act and whose said right has lapsed on the date of lapse; or is the legal representative, lawful assignee, lawful transferee or successor by the order of a competent court, as the case may be, of such holder of reconnaissance permit or prospecting licence; and
  - (b) claimant, to the satisfaction of the State Government, has-
    - undertaken reconnaissance operations or prospecting operations, as the case may be, to
      establish the existence of mineral contents in such land in accordance with the
      parameters as laid down by the Central Government in this behalf;
    - not committed any breach of the terms and conditions of the reconnaissance permit or the prospecting licence;
    - iii) not become ineligible under the provisions of the Act and rules made thereunder; and
    - iv) not failed to apply for grant of prospecting licence or mining lease, as the case may be, within a period of three months after the expiry of reconnaissance permit or prospecting licence, as the case may be, or within such further period not exceeding six months as may be extended by the State Government:

Provided that in case where the period of permit or licence had not expired before the date of lapse and the claimant has submitted the claim after the expiry of permit or licence under clause (a) of the proviso to sub-rule (1) of rule 4, the condition specified in clause (iv) shall not be applicable:

Provided further that in case where the period of permit or licence had not expired before the date of lapse and the claimant has submitted claim of the expenses incurred by it till the date of lapse under clause (b) of the proviso to sub-rule (1) of rule 4, the State Government shall verify that the conditions specified in clauses (i) to (iii) were complied with by the claimant, as far as practical, till the date of lapse and the condition specified in clause (iv) shall not be applicable.

- (2) After due verification in accordance with sub-rule (1), and on being satisfied that claimant had the right to obtain prospecting licence followed by mining lease or mining lease, as the case may be, before the date of lapse, the State Government may forward the claim to the Reimbursement Assessment Committee along with its annexures and other relevant documents.
- **6. Reimbursement Assessment Committee.** A Reimbursement Assessment Committee shall be formed at the State level comprising of the following members, namely:—
  - (a) Additional Chief Secretary or Principal Secretary or Secretary in-charge of Mining and Geology of the State, as the Chairman;
  - (b) Deputy Director General (State Unit), Geological Survey of India;
  - (c) Regional Controller of Mines, Indian Bureau of Mines, of the area concerned;
  - (d) Representative of Finance Department of the State Government;
  - (e) Director in the Directorate or Department of Mining and Geology of the State Government (by whatever name called), as Member Secretary; and
  - (f) Additional Director, Atomic Mineral Directorate for Exploration and Research to be co-opted in case of atomic minerals.
- 7. Assessment of claim by the Reimbursement Assessment Committee.—(1) On receipt of claim from the State Government under rule 5, the Reimbursement Assessment Committee shall examine the work done by the permit holder or licencee, as the case may be, in accordance with the rules for the time being in force as on the date of lapse.
- (2) The examination shall also include technical evaluation of the work carried out as per the reports submitted by the permit holder or licencee, as the case may be, during the course of reconnaissance or prospecting operations undertaken in accordance with the provisions of the Act and rules framed thereunder; the necessity for carrying out the work so done; reasonability of each item and adherence to applicable extant rules.
- (3) The Reimbursement Assessment Committee shall assess the reimbursement amount based on the actual expenditure incurred by the claimant on the exploration activities and the said reimbursement amount shall not exceed the amount given in the approved schedule of charges of such authorities as specified by the Central Government:

Provided that for special studies not covered under schedule of charges, such as Aero Geophysical Survey or the like, the Reimbursement Assessment Committee may recommend appropriate reimbursement based on similar work undertaken by the Geological Survey of India or the Mineral Exploration Corporation Limited or any other Government agency.

- (4) The Reimbursement Assessment Committee may seek clarification or additional information from the claimant regarding its claim, if required and shall give the claimant a reasonable opportunity of being heard in case the amount claimed is reduced or rejected by the Committee in its assessment.
- (5) Simple interest shall be added in the amount assessed by the Committee at the rate of six per cent. per annum from the date of submission of application for prospecting licence or mining lease, as the case may be, till date of commencement of these rules.
- (6) The Reimbursement Assessment Committee shall forward to the State Government its assessment report specifying the reimbursement amount payable to the Claimant as assessed by it including the interest calculated under sub-section (5).

#### CHAPTER III

#### PAYMENT OF REIMBURSEMENT AND RECOUPMENT

- **8. Reimbursement.** (1) On receipt of assessment report from the Reimbursement Assessment Committee, the State Government shall forward the report along with its recommendations on the same to the National Mineral Exploration Trust established under section 9C of the Act.
- (2) The entire process of verification of the claim by State Government under rule 5, assessment by Reimbursement Assessment Committee under rule 7 and forwarding of approved assessment report by the State Government to the Trust under sub-rule (1) shall be completed within a period of three months from the date of receipt of the claim under rule 4.
- (3) The Technical-cum-Cost Committee of the National Mineral Exploration Trust shall verify whether reimbursement amount assessed by the Reimbursement Assessment Committee is in accordance with subrule (3) of rule 7 and finalise the reimbursement amount payable with such modification as may be required:

Provided that the eligibility of the claimant as verified by the State Government under rule 5 shall be final.

- (4) The National Mineral Exploration Trust may, after such verification, release the finalised amount to be reimbursed along with the interest calculated in accordance with sub-rule (5) of rule 7, in favour of the Director in the Directorate or Department of Mining and Geology of the State Government (by whatever name called) of the State Government within three months from the receipt of assessment report from the State Government, subject to availability of fund with the Trust.
- (5) The Director in the Directorate or Department of Mining and Geology of the State Government (by whatever name called) shall further release the finalised amount to the claimant within one month from the receipt of the amount from the National Mineral Exploration Trust.
- **9. Recoupment.** (1) Notwithstanding the pendency of any claim in respect of any area, the State Government shall process for grant of mineral concessions in respect of such area in accordance with clause (d) of sub-section (2) of section 10A of the Act and the rules framed thereunder.
- (2) In case of auction of composite licence or mining lease in respect of the area covered under clause (b) of sub-section (2) of section 10 of the Act where—
  - (i) notice inviting tender is issued after the date of commencement of these rules; and
  - (ii) notice inviting tender has been issued but the last date of submission of bids is falling after the date of commencement of these rules,

the following conditions shall be considered part of the auction conditions specified in the tender document, namely:—

- (a) the preferred bidder shall deposit the amount reimbursed or to be reimbursed towards exploration expenditure along with the first instalment of upfront payment or, as the case may be, performance security to the State Government, if the amount has been finalised by the Technical-cum-Cost Committee of the National Mineral Exploration Trust; or
- (b) the preferred bidder shall give an undertaking, in writing, to the State Government to deposit the amount to be reimbursed towards exploration expenditure with the State Government within one month of its finalisation by the Technical-cum-Cost Committee of the National Mineral Exploration Trust, if the amount is yet to be finalised;
- (c) the preferred bidder shall also give an undertaking, in writing, to furnish such additional amount to be reimbursed towards exploration expenditure, which may be modified or amended by the Revisionary Authority; and
- (3) In case of non-compliance of the conditions specified in sub-rule (2), the State Government shall take action for forfeiture of first instalment of upfront payment or performance security, as the case may be, and any other action in accordance with the Mineral (Auction) Rules, 2015:

Provided that in respect of the atomic minerals where grade of such mineral is equal to or above the threshold value as specified by the Central Government in Schedule A of the Atomic Minerals Concession Rules, 2016, the conditions mentioned in sub-rule (2) shall be specified as pre-conditions for grant of mineral concession.

- (4) On receipt of the amount reimbursed or to be reimbursed towards exploration expenditure from the preferred bidder as specified in sub-rule (2), the State Government shall deposit the same in the National Mineral Exploration Trust Fund, before signing the lease deed or within one month of its receipt, whichever is later.
- (5) In case where auction has concluded or the last date of submission of bids is over before the date of commencement of these rules, the State Government shall deposit the amount reimbursed or to be reimbursed towards exploration expenditure under these rules in the National Mineral Exploration Trust Fund from the applicable amount (auction premium) deposited by the lessee under sub-rule (2) of rule 13 of the Mineral (Auction) Rules, 2015.
- (6) The National Mineral Exploration Trust may request for additional grants from the Central Government in the Ministry of Mines for disbursal of reimbursement under these rules.
- (7) The State Government shall hand over to the preferred bidder the reports along with other proofs of exploration like preserved core, litho graphs, core photographs, drill log-book and the like, if available or any geological study report of the area and other such documents submitted by the claimant.
- 10. **Revision.** Any person aggrieved by an assessment, verification or order made by the State Government or any authority thereunder, or the Reimbursement Assessment Committee or the Technical-cum-Cost Committee of the National Mineral Exploration Trust may apply to the Revisionary Authority of the Central Government for revision of the same under section 30 of the Act.

### SCHEDULE I Form for Submission of Claim

[See rule 4(1)]

	PA	RT-A
	GENERAL II	NFORMATION
Sl. No.	Item Detail	Particulars
(1)	(2)	(3)
1	Type of Mineral Concession: Reconnaissance Permit / Prospecting Licence	
	Name of Holder of the Mineral Concession	
	Legal Status of Claimant (Power of Attorney/Affidavit/Registered Deed)	
	(a) Postal Address:	
2A	(b) Telephone Number (Office):	
	(c) Fax Number (Office):	
	(d) Mobile No.:	
	(e)Telephone Number (Residence):	
	(f) E-Mail Id:	
2B	Entity Details	
	Name	

Pan Number	
ITR Details	
(For the period of exploration)	
Aadhar Number	
GST/ Service Tax Number	
TIN Number	
Address	
Bank details	
Details of Mineral Concession	
(a) State:	
(b) District (s):	
(c) Taluka (s):	
(d) Village (s):	
Block Name	
Area in Ha.	
Survey of India Toposheet Number	
(s):	
Minerals	
Block Location (Lat Long of all	a) Lat Long; b) Lat Long;
corner points a, b, c, d etc)	c) Lat Long; d) Lat Long; e) Lat, Long
Administrative Details	
Date of issue of order for grant or issue of Letter of Intent	
Date of execution of the Reconnaissance Permit/ Prospecting Licence	
Period of the Reconnaissance	From:
Permit/Prospecting Licence	То:
Date of Renewal of the Reconnaissance	From:
Permit / Prospecting Licence if any and period	То:
Date of Final Reconnaissance Permit / Prospecting Licence Report Submission	
Resource Estimated with Grade & Tonnage	
Category of Resource (as per UNFC)	
Recommendation by Agency	
Whether an application for Grant of Prospecting Licence or mining lease to	
	ITR Details (For the period of exploration)  Aadhar Number  GST/ Service Tax Number  TIN Number  Address  Bank details  Details of Mineral Concession (a) State: (b) District (s): (c) Taluka (s): (d) Village (s):  Block Name  Area in Ha.  Survey of India Toposheet Number (s):  Minerals  Block Location (Lat Long of all corner points a, b, c, d etc)  Administrative Details  Date of issue of order for grant or issue of Letter of Intent  Date of execution of the Reconnaissance Permit/Prospecting Licence  Period of the Reconnaissance Permit/Prospecting Licence if any and period  Date of Final Reconnaissance Permit / Prospecting Licence Report Submission  Resource Estimated with Grade & Tonnage  Category of Resource (as per UNFC) Recommendation by Agency Whether an application for Grant of

Prospecting Licence, as the case may be, has been submitted before the 12th January, 2015 {Compliance of sub clause (i) of Section 10A(2)(b)}  Remarks	
Printed on	
Printed by	
Prepared By :	Checked By: Approved By:
	NAME & SIGNATURE

*Note*: Provide separate Part-A for the reconnaissance operations conducted under reconnaissance permit and prospecting operations conducted under prospecting licence.

# PART-B DETAILS OF EXPLORATION ACTIVITIES

Sr. No.	Activity	Unit	Proposed	Achieved	Unit Cost	Actual Expenditure incurred along with documentary proof	Reference/ Page No in RP/ PL* Report	Remarks
1	Areogeophysical Studies							
	(a) Aero Gravity							
	(b) Aero Magnetic							
	(c) Aero Magnetic (High							
	Resolution)							
	(d) Aero Electromagnetic (AEM)							
2	Remote Sensing Studies							
	(a)							
	(b)							
	(c)							
	(d)							
3	Seismic Surveys							
4	2D Seismic Reflection survey							
5	3D Seismic Reflection Survey							
6	DSRS Surveys							
7	GPR Surveys							
8	Topographical Survey	Scale:						

Sr. No.	Activity	Unit	Proposed	Achieved	Unit Cost	Actual Expenditure incurred along with documentary proof	Reference/ Page No in RP/ PL* Report	Remarks
		Area Covered (Sq Km/Hectar e)						
9	Geological Mapping	Area Covered (Sq Km/Hectar e)						
10	Surface/ Geochemical Sampling	Area Covered (Sq Km/Hectar e)						
	(a) Bed Rock							
	(b) Soil							
	(c) Stream Sediment							
	(d) Channel Sample							
	(e) Any Others							
11	Pitting	Nos:						
		Excavation: CBM						
		Samples						
12	Trenching	Nos: Excavation: CBM						
		Samples						
13	Surface Geophysical Works							
	Type of Survey							
	(a) Gravity Method							
	(b) Magnetic Method							
	(c) Self-Potential Method							
	(d) Induced Polarization Method							
	(e) Electrical Resistivity Method							
	(f) Resistivity Profiling/Imaging							
	(g) Electro Magnetic Survey							
	(h) Magneto-Telluric (MT) Surveys							
	(I) Any Other							
14	Drilling							

						Actual		
Sr. No.	Activity	Unit	Proposed	Achieved	Unit Cost	Actual Expenditure incurred along with documentary proof	Reference/ Page No in RP/ PL* Report	Remarks
	(a) Core	Mt.						
	(b) Non Core	Mt.						
15	Geophysical Logging							
	(a) Base Log							
	(b) SP							
	(c) Resistivity							
	(d) Dual Density							
	(e) Gamma-Gamma							
	(f) Neutron							
	(g) Caliper							
	(h) Natural Gamma							
	(i) SPR							
	(j) Focused Resistivity							
	(k) Sonic							
	(l) Temperature & Fluid							
	Conductivity							
	(m) Deviation							
	(n) HR Acoustic Televiewer							
	(In							
	Borehole)							
	(o) Spectral Gamma (In Borehole)							
	( p) I.P. (In Borehole)							
	(q) Magnetic Susceptibility (In							
	Borehole)							
	(r) Shallow Hole Temperature							
	(s) Borehole Geophysical Logging							
16	Chemical Analysis							
	(a) Wet Chemical Analysis							
	(b) AAS method							
	(c) ICP-MS/OES method							
	(d) XRF technique							
	(e) Any other method							
17	Petrological Studies	-						
	(a) Thin section of rock							
	(b) Polished Section							
	(c) Heavy mineral separation							
	by							

Sr. No.	Activity	Unit	Proposed	Achieved	Unit Cost	Actual Expenditure incurred along with documentary proof	Reference/ Page No in RP/PL* Report	Remarks
	liquid							
	(d) Separation of heavy minerals							
	from stream sediment samples							
	(e) Mineralogical studies of Beach Sand Minerals (BSM) sample							
	(f) Any other							
18	EPMA / SEM Studies							
19	XRD Analysis for Identification of Minerals							
20	Sample for Beneficiation Study	Nos						
21	Geotechnical Studies							
22	Report Preparation							
23	Resources Established if any with quantity, grade & category							
24	In case of application was made for grant of mining lease then resources established under G2 Level and whether a pre- feasibility study report establishing reserves have been submitted to the State Government or not.							
25	Any other that the holder may wish to specify							
	Prepared By:			Checked By:			Approved By :	

**Note**: Provide separate Part-B for the reconnaissance operations conducted under reconnaissance permit and prospecting operations conducted under prospecting licence.

PART-C					
	COMPLIANCE DETAILS				
1. Compliance of Sub Clause (ii) of Section 10A (2) (b) (i.e. the permit holder or licencee has not committed any breach of the terms and conditions of the Reconnaissance Permit or the Prospecting Licence)					
(a) Compliance of Provisions of Rule 7 of Mineral Concession Rules, 1960 (Applicable for Reconnaissance Permit Holders)					
Sub-Rule / Clause	Conditions	Compliance	Remarks		

7 (i)	Periodic Relinquishment of area after the completion of two years and after the completion of three years	
7 (ii)	Adherence to minimum expenditure commitment and specific physical targets specified in the grant order	
7 (iii)	Making available all data to the State Government, GSI & IBM	
7 (v)	Maintenance of accounts by the Reconnaissance Permit holder	
7 (vi)	Submission of six monthly report to the state Government (within three month of the close of the period to which it relates)	
7 (xi)	Payment of permit fees each year	
7 (2)	Reconnaissance Permit may contain such other conditions as may be imposed by the Central Government	
7 (3)	State Government may with the approval of the Central Government may impose conditions in the permit as it may think necessary in the interest of mineral development	

## (b) Compliance of Provisions of Rule 14, 16 & 18 of Mineral Concession Rules, 1960 (Applicable for Prospecting Licence Holders)

Rule/Sub-Rule/ Clause	Conditions	Compliance	Remarks
14(1)(i)	Payment of Prospecting Fee each year or part of the year		
16(1)	Submission of six monthly report to the State Government (within three month of the close of the period to which it relates)		
16(2)	Submission of full report to the State Government (within three month of the expiry or abandonment or termination of		

	the licence)	
18	Maintenance of accounts by the Prospecting Licence holder	

## (c) Compliance of Provisions MCDR, 1988: Applicable to both Reconnaissance Permit and Prospecting Licence Holders

Rule and Provision	Due Date of Submission as per Rule	Date of Receipt in IBM	Remark
Rule 3A / 4: Scheme of Reconnaissance / Scheme of Prospecting	Within 60 days from the date of execution.		
Rule 3B/5: Modification in Scheme of Reconnaissance / Modification in Scheme of Prospecting	As per requirement		
Rule 3D/7: Notice of Commencement of Reconnaissance / Prospecting Operations	Within 15 days from the date of commencement of reconnaissance operations		
Rule 3E/8: First Year Report	Within 30 days after expiry of every year from the date of execution		
Rule 3E/8: Second Year Report	Within 30 days after expiry of every year from the date of execution		
Rule 3E/8: Third Year Report	Within 30 days after expiry of every year from the date of execution		

2. Compliance of Sub-Clause (iii) of Section 10A (2)(b) (i.e. the permit holder or licencee has not become ineligible under the provisions of this Act)

To submit an Affidavit in Compliance of Section 5(1) of the Act.

3. Compliance of Sub-Clause (iv) of Section 10A (2)(b) (i.e. the permit holder or licencee has not failed to apply for grant of prospecting licence or mining lease, as the case may be, within a period of three months after the expiry of reconnaissance permit or prospecting licence, as the case may be, or within such further period not exceeding six months as may be extended by the State Government)

To submit an affida	avit in compliance of Section 5 (1	) of the Act.	
Prepared By:	Checked By:		Approved By :

## PART-D DETAILS OF ANNEXURES

Sl. No.	Item	Available (Yes/No)	Annexure No
1	Reconnaissance Permit Application		
2	Allocation Letter / Letter of Intent		
3	Reconnaissance Permit Deed / Agreement with State Govt		
4	Progressive Half Yearly Reports		
5	Final Reconnaissance Permit Report		
6	Prospecting Licence Application		
7	Prospecting Licence Exploration Scheme		
8	Allocation Letter / Letter of Intent		
9	Prospecting Licence Deed / Agreement with State Govt		
10	Progressive Reports		
11	Final Prospecting Licence / Geological Report		
12	Application for Mining Lease		
13	Application of Converting Reconnaissance Permit to Prospecting Licence / Prospecting Licence to Mining Lease		
14	Payment Receipt of Permit Fee each year		
15	ITR Details (For the period of exploration)		
16	Self-Certification of Claimant for Qualifying under Section 10A (2)(b) of the MMDR Act, 1957		
Prepared	By: Check	ked By :	Approved By :

[F. No. M.VI-16/51/2021-Mines VI]

Dr. VEENA KUMARI DERMAL, Jt. Secy.

# 1. Sri Ranjan Kumar Pattnaik, Petitioner v. State of Odisha and Others, Respondents, AIR 2022, Odisha 49, Vol. 109, Part 1300, April, 2022

**Subject:** Challenging the cancellation of quarry lease

**Facts:** An auction notice for grant of the aforementioned lease was published on 8<sup>th</sup> January, 2018. Clause-5 of the auction notice stated that the bidder should submit a solvency certificate from the Revenue Officer which amount should not be less than the royalty and the additional charges fixed for the source. The bidder was also required to furnish the details of the movable properties. The auction notice itself referred to the Orissa Minor Minerals Concession Rules, 2016 (OMMC Rules, 2016) and the requirement of having to fill up Form-M thereunder.

The Petitioner participated in the tender process and submitted his application along with a solvency certificate dated 7<sup>th</sup> December, 2017 issued by the Tahasildar, Narasinghpur. It later transpired that the above solvency certificate was issued on the basis of an order passed by the Sub-Collector, Athgarh on 6<sup>th</sup> December, 2017. That order referred to the land standing in the name of "Gurukrupa Charitable Trust" of which the present Petitioner was the Chairman. The order specifically stated that the solvency certificate might be issued "in favour of Gurukrupa Charitable Trust, Chairman of Village Kendupali instead of Ranjan Kumar Pattnaik, S/o-Late Dhruba Charan Behera of Village Kendupali on production of original documents for verification."

Despite the above order requiring the solvency certificate to be issued in favour of the Trust, it was in fact issued in favour of the present Petitioner on 7<sup>th</sup> December, 2017 and it is this solvency certificate that was enclosed with the Petitioner's bid. When bids were opened, the highest bid was of one Sukanti Sahoo. The Petitioner was the second highest bidder. Opposite Party No.5, Debidutta Mohanty, was the third highest bidder. It is an admitted position that Sukanti Sahoo was issued a show cause notice dated 19<sup>th</sup> February, 2018 stating that in respect of the Naranpur sand quarry under Baranga Tahasil, she had unauthorizedly excavated sand beyond the permissible limit, i.e., beyond the boundary of the sairat encroaching upon the Cuttack Sadar Tahasil area. It is stated that, admitting the said conduct, Sukanti Sahoo deposited Rs 10 lakh out of the demand raised based on the joint enquiry conducted on 17<sup>th</sup> April, 2018. A subsequent notice was issued on 6<sup>th</sup> July, 2018 asking Sukanti Sahoo to deposit the residual default amount of Rs 32,18,750/- . Reminders were sent on 3<sup>rd</sup> April, 2019 and 9<sup>th</sup> April, 2019. A further demand was raised on 16<sup>th</sup> April, 2019 noting that she was a defaulter regarding deposit of penalty for extraction of excess sand quantity. With the failure of Sukanti Sahoo to deposit the entire

demand within the stipulated time, a letter dated 7<sup>th</sup> May, 2019 was issued to her by the Tahasildar, Sadar, Cuttack cancelling her selection as the highest bidder.

Since the Petitioner was the second highest bidder, a letter dated 8<sup>th</sup> May, 2019 was issued to him asking him to communicate his willingness to operate the sand sairat @ Rs 142 per cubic meter which was the rate quoted by the highest bidder. On the same date, the Petitioner is stated to have submitted his willingness. He was then asked by a letter dated 9<sup>th</sup> May, 2019 to execute a lease deed. The Petitioner then deposited Rs 26,28,450/- and complied with the requirements. It is stated that the environment clearance issued by the State Environment Impact Assessment Authority (SEIAA) was also transferred in the name of the Petitioner by a letter dated 31<sup>st</sup> May, 2019 of the SEIAA.

Meanwhile, Sukanti Sahoo filed writ petition, i.e., W.P.( C) No.9023 of 2019 in this Court questioning the cancellation of her bid and the selection of the present Petitioner. While issuing notice in the said writ petition, the Court directed by an Order dated 15<sup>th</sup> May, 2019 that status quo should be maintained by the parties. On 15<sup>th</sup> October, 2019, after hearing the present Petitioner, who had filed an intervention application in the said writ petition, the Court vacated the interim order and disposed of the application filed by the present Petitioner for that relief.

The present Petitioner thereafter filed W.P.(C) No.22660 of 2019 in this Court for a direction to the competent authority, i.e., the Tahasildar, Sadar, for execution of the lease deed in his favour. Thereafter on 1<sup>st</sup> January, 2020, a lease deed was executed in favour of the present Petitioner in respect of the aforementioned sand sairat.

A second petition was filed by Sukanti Sahoo being W.P.(C) No.951 of 2020 in which while issuing notice the Court on 14<sup>th</sup> January, 2020 stayed the operation of the lease deed executed in favour of the Petitioner. The Petitioner then applied for vacation of the said stay. On 11<sup>th</sup> January, 2021, the Court by a detailed order vacated the interim order dated 14<sup>th</sup> January, 2020 clarifying that the operation of the lease by the present Petitioner would be subject to the final outcome of the said writ petition i.e. W.P.(C) No.951 of 2020 and two other petitions pending i.e. W.P.(C) Nos.9023 and 22660 of 2019.

On 22nd March 2021, in W.P. (C) No. 951 of 2020 the Court noted that the Order dated 7<sup>th</sup> May, 2019 passed by the Tahasildar cancelling Sukanti Sahoo's bid was an appealable order and accordingly disposed of the petition relegating Sukanti Sahoo to the remedy of an appeal. It is stated that the appeal filed by Sukanti Sahoo before the Sub-Collector, as a result thereof, is

still pending. On the same day, W.P.(C) Nos.9023 and 22660 of 2019 were disposed of by this Court as having been rendered infructuous.

Opposite Party No.5, Debidutta Mohanty filed the writ petition, i.e., W.P.(C) No.3326 of 2021 in the Court questioning the solvency certificate issued in favour of the present Petitioner. The said petition was disposed of by the Court on 4<sup>th</sup> February, 2021 directing the Collector, Cuttack, to consider the representation of Opposite Party No.5. While the matter was pending with the Collector, Opposite Party No.5 filed W.P.(C) No.14241 of 2021 which came to be disposed of on 19<sup>th</sup> April, 2021. In the said order, it was noted that on 8<sup>th</sup> March 2021, the Tahasildar, Narasinghpur, had cancelled the solvency certificate produced by the present Petitioner with his bid and that against the said cancellation order, an appeal had been filed before the Collector. A direction was issued to the Collector to also dispose of the representation of Opposite Party No.5 not later than 12<sup>th</sup> May, 2021.

Petitioner had filed an application for issuing of a solvency certificate in his own name, but since he was the Chairman of Guru Krupa Charitable Trust the solvency certificate that had to be issued in the name of the Trust was issued in his name. It was stated therein that notice had been issued to the party and necessary steps had been taken for correction of the said certificate.

Subsequently, another letter was sent by the Tahasildar on 8<sup>th</sup> March, 2021 to the Collector, Cuttack, stating that the earlier solvency certificate issued in favour of the present Petitioner stood cancelled and another certificate was asked to be issued in favour of the 'Guru Krupa Charitable Trust, Chairman of Village Kendupali.'

On 24<sup>th</sup> March, 2021, pursuant to the order passed by the the Court on 4<sup>th</sup> February, 2021 in W.P.(C) No.3326 of 2021, the representation of Opposite Party No.5 was taken up by the Collector. The Collector noted in his order the allegation of Opposite Party No.5 that the solvency certificate submitted by the present Petitioner "has been forged many times earlier" and that the lease executed in favour of the present Petitioner should be cancelled and further that Debidutta Mohanty being the second highest bidder, the lease deed of Subhadrapur sand sairat should be executed in his favour.

The Collector in his Order dated 24<sup>th</sup> March, 2021 noted that contrary to the Order of the Sub-Collector dated 6<sup>th</sup> December, 2017 where the solvency certificate had been asked to be issued in favour of the 'Gurukrupa Charitable Trust Chairman of Village Kendupali,' it was issued in favour of the present Petitioner. The Collector accordingly concluded that the said solvency certificate "has not been issued following the stipulated provisions of law and hence

utilisation of the same by Sri Pattnaik in auction of the sairat in the Kathajodi River in Mouza-Subhadrapur is illegal". Accordingly, the said lease in favour of the present Petitioner was cancelled. It is against the said order of the Collector, that the recent petition has been filed.

The learned counsel for the Petitioner pointed out that the procedure for cancellation of a lease is provided under Rule 51 (7) of the OMMC Rules, 2016. It is submitted that in terms of Schedule IV to the OMMC Rules, 2016, the Competent Authority in regard to minor minerals other than specified minor minerals in a quarry lease within a village boundary is the 'Tahasildar'. His contention, therefore, is that in the present case the lease deed could not have been cancelled by the Collector. Accordingly, on that short ground, it is contended that the impugned order should be set aside.

It is further submitted that in any event, the Petitioner has rectified the defect of not furnishing a solvency certificate in his own name. He does not dispute that the earlier solvency certificate should have been issued in the name of the Trust of which he was the Chairman. He pointed out that on 29<sup>th</sup> January, 2021 itself, he had written to the Tahasildar for substituting the solvency certificate submitted with the bid with another issued in his own name and, therefore, even this defect stood cured. It is submitted that without taking note of this, the Collector has exceeded his jurisdiction and cancelled the lease. It is submitted that Opposite Party No.5 being the third highest bidder, it did not have the locus standi to question the lease executed in favour of the Petitioner. Till such time the lease was actually cancelled, the question of Opposite Party No.5 having any right to ask that the lease should be executed in his favour did not arise.

The learned AGA, pointed out that the bid submitted by the Petitioner was not accompanied by a solvency certificate which was correctly issued in his name. It transpired that it was wrongly issued in his name when in fact it should have been issued in the name of the Trust. Therefore, the lease deed was liable to be cancelled on that ground.

The learned counsel appearing for Opposite Party No. 5, maintains that the bid submitted by the Petitioner was ab initio void and could never have been accepted since it was not accompanied by a valid solvency certificate in the name of the Petitioner. The document that was enclosed as a solvency certificate was in fact not correctly issued and was contrary to the express order of the Sub-Collector. According to her, if the bid was ab initio illegal then Opposite Party No.5 would be automatically become the second highest bidder and would therefore have the locus standi to ask the lease to be granted in his favour.

The learned counsel for the Intervener, sought to advance the submission that Rule 51 (7) only talks of "breach of any condition of the lease deed" whereas according to him it was Rule 27 (4) (iv) that was breached and, therefore, Rule 51 (7) of the OMMC Rules, 2016 may not strictly apply to the facts of the present case. Although he did not dispute that the appeal filed by the Petitioner against the Order dated 7<sup>th</sup> May, 2019 of the Tahasildar is pending before the Sub-Collector, his ground for challenging the grant of the lease in favour of the Petitioner was no different from the ground urged by Opposite Party No.5. He also referred to Rule 59, which states that any mining lease or quarry lease granted, renewed or acquired in contravention of the provisions of the Act or any rules or orders made thereunder shall be void and of no effect.

**Decision:** The High Court has stated that in terms of Rule 51 (7) where there is a defect on account of the breach of the condition of the lease, 60 days' time has to be given to the lease holder to cure the defect. With the lease already having been executed in favour of the Petitioner in the present case, the procedure for cancellation has undoubtedly to be only in accordance with Rule 51 (7) of the OMMC Rules, 2016 and not otherwise. If that procedure had been followed, and 60 days' time was given to the Petitioner, it was possible that he would have cured the defect within that time period. As it transpires the Petitioner on his own has in fact cured the defect and substituted the solvency certificate submitted by him in the first instance with another solvency certificate dated 27th January, 2021 which was again issued in his own name. In that event, the question of cancellation of lease deed would not have been arisen. This is yet another ground in which the Court finds the impugned Order dated 24th March, 2021 to be unsustainable in law. For the aforementioned reasons, the High Court set aside the impugned Order dated 24th March, 2021 of the Collector, Cuttack, and as a result, the lease in favour of the present Petitioner stands revived. It is clarified that the Court has expressed no opinion on the merits of the pending appeal of the Intervener Sukanti Sahoo pending before the Sub-Collector, which would be decided in accordance with law.

The High Court has allowed the writ petition without any order as to costs.

Petition Allowed.

# 2. Ramakishan Prajapat, Petitioner v. State of Rajasthan and Others, Respondents, AIR 2022, Rajasthan 78, Vol. 109, Part 1300, April, 2022.

**Subject:** Appeal filed against the Order dated 11.01.2002 for cancellation of mining lease.

Facts: Shri Ramakishan Prajapat (the erstwhile mining lease holder-since deceased) through his legal representations filed Single Bench Writ Petition No.14777/2018 for assailing the Order dated 26.06.2018 passed by the Joint Secretary, Department of Mines whereby, the appeal preferred by Shri Ramakishan questioning the legality of the Order dated 11.01.2002 passed by the Superintending Mining Engineer, Jodhpur cancelling the mining lease granted to Shri Ramakishan Prajapat. Shri Ramakishan Prajapat was granted a mining lease of limestone mineral at the Village Hemdai, Tehsil Jaitaran, District Pali over an area admeasuring 5 Hectares comprising Khasra No.1633 for a period of twenty years w.e.f. 04.11.1999. Shri Ramakishan Prajapat failed to deposit the dead rent to the tune of Rs 37,300/- for the period from 04.11.2000 to 03.05.2001 and thus, the Assistant Mining Engineer, Sojat City recommended cancellation of the mining lease. The Superintending Engineer accepted the recommendation and cancelled the mining lease granted in favour of the original lessee Shri Ramakishan Prajapat by Order dated 11.01.2002. The security amount was forfeited and the mining area was taken possession of by the State Government. Aggrieved thereby, Shri Ramakishan Prajapat preferred an appeal before the Additional Director (Mines), Jodhpur Zone, Jodhpur under Rule 43(1) of the Rajasthan Minor Mineral Concession Rules, 1986 (hereinafter referred to as 'the Rules of 1986') which was dismissed by the appellate authority vide Order dated 19.04.2006. After lapse of about 6 years, Shri Ramakishan Prajapat deposited the outstanding dues to the tune of Rs 90,687/- and preferred yet another appeal before the Additional Director (Mines) which was withdrawn on 16.07.2013. Parallally, Shri Prajapat also preferred a second appeal before the Joint Secretary (Mines) against the Order dated 19.04.2006 by invoking the procedure provided under Section 43(2) of the Rules of 1986. The said appeal was accompanied by an application under Section 5 of the Limitation Act. The second appeal preferred by Shri Ramakishan Prajapat was dismissed by the appellate authority vide Order dated 26.06.2008 as being barred by limitation and so also on merits. Shri Ramakishan Prajapat passed away and thus, for challenging the impugned orders, his legal representatives preferred the Single Bench Writ Petition No.14777/2018 which has been dismissed by Order dated 04.12.2018 which is assailed in this intra court appeal filed by the LRs of Shri Ramkishan Prajapat.

The learned counsel for the appellants contended that the second appellate authority was absolutely unjustified in dismissing the appeal of the appellants. The lease cancellation Order dated 11.01.2002 was never conveyed to the lease holder. The delay in depositing the dead rent was unintentional and it was deposited along with the penalty amount on 21.06.2012 after which, inadvertently, a first appeal was again preferred before the first appellate authority which was withdrawn on realising the mistake and the second appeal was preferred to the State Government supported by an application under Section 5 of the Limitation Act seeking

condonation of delay for bonafide reason. The dismissal of the appeal as being barred by limitation was totally unjustified as the appellate order was passed ignoring the factum of the deposit of the dead rent albeit with some delay.

The learned AAG for the respondents pointed out that the plea that the order of cancellation of the mining lease was not conveyed to the lease holder, is totally false because an appeal was actually preferred by the mining lease holder against the Order dated 11.01.2002 before the Additional Director (Mines), Jodhpur Zone, which was dismissed on 19.04.2006. This order was not challenged within limitation and thus, the same attained finality. Deposit of the dead rent amount after significant delay would not entitle the lease holder or his legal representatives to get the lease restored because non-deposit of the dead rent entails the automatic consequence of cancellation of the mining lease.

**Decision**: The High Court has stated that once the mining lease was allotted in favour of Shri Ramakishan Prajapat, it was mandatory to deposit the dead rent but he failed to do so. Cancellation of the mining lease was an automatic consequence of non-deposition of the dead rent. The mining lease was cancelled by Order dated 11.01.2002 after following the due process of law. The appeal preferred against the Order dated 11.01.2002 was dismissed way back on 19.04.2006 and thus, attempt of the mining lease holder to deposit the dead rent and the penalty etc. in the year 2012 was nothing short of an exercise in futility because the procedure does not permit extension of time for deposit of dead rent that too by a period of almost one decade. The second appeal preferred by Shri Ramakishan Prajapat was hopelessly time barred and no justification whatsoever was offered for this gross and unexplained delay in filing of the same.

Thus, the High Court has dismissed the intra court appeal for lack of merit, without any order as to costs.

Appeal dismissed.

# 3. M/S. Haryana Mining Company, Appellant v. State of Haryana and Others, Respondents, AIR 2022 Supreme Court 2254, Vol. 109, Part 1302, June, 2022.

**Subject:** Appeal filed against the judgment dated 06.09.2021, dismissing the writ petition filed by the Appellant, which sought to challenge the Order dated 10.01.2020 whereby the mining lease granted to it was terminated by the Director General, Mines and Geology, Haryana, and the Order dated 11.08.2021 by which the appeal filed against the Termination Order was dismissed by the Appellate Authority.

Facts: The Appellant participated in an e-auction conducted by the State Government for grant of mining lease of "stone along with associated minor minerals" in an area of 6.70 hectares, falling in Khasra No. 7, Village Garhi, District Mahendargarh. The bid of the Appellant was accepted and a Letter of Intent dated 24.07.2015 was issued to the Appellant. Pursuant to this, a lease deed was executed between the Appellant and the State Government on 11.04.2016. The Appellant commenced mining operations on 15.06.2016, after the mining area was demarcated on 11.05.2016. Demarcation of the mining area was further conducted on 23.02.2017 and 21.08.2018. On 17.12.2018, another demarcation of the mining area was done in view of certain complaints against the Appellant of illegal mining conducted by exceeding the permitted area of mining. Thereafter, a complaint was preferred by the Sarpanch of Village Khudana, adjoining Village Garhi, by way of resolution dated 08.01.2019, alleging illegal mining being carried out by the Appellant on a hillock next to the mining area leased to the Appellant. On 04.02.2019, the District Mining Officer submitted a letter to the Director, Mines and Geology, bringing to his notice the earlier complaint filed against the Appellant in October, 2018 and the subsequent complaints preferred by the Sarpanch of Village Khudana on 08.01.2019 and 25.01.2019, alleging illegal mining by the Appellant beyond the leased area. An enquiry was conducted by the Additional Deputy Commissioner-cum-Nodal Officer, District Illegal Mining Observation Team, Narnaul. A report was submitted by the said team on 25.02.2019 (hereinafter, the "ADC Report"), in which it was observed that illegal mining was found to have taken place in Khasra Nos. 366-367 in the Aravali Forest area. However, it could not be proved as to who committed the said excavation.

On 13.03.2019, the Director, Mines and Geology issued a notice directing the Appellant to show cause as to why the mining lease not be terminated prematurely for having breached the terms and conditions of the lease. On 27.03.2019, a reply was submitted by the Appellant to the said show cause notice denying the allegations. The mining operations of the Appellant were suspended by the Assistant Mining Engineer on 13.12.2019, even before a decision was taken

pursuant to the said show cause notice, on account of non-payment of dead rent and other sums. A fresh demarcation was conducted by a team led by the Mining Officer, Narnaul, on 15.11.2019, who observed in his report that there was some mining outside the leased area. He also recorded the statements of the villagers and representatives of the Appellant present during the demarcation, who stated that this mining had been done by earlier contractors.

By an Order dated 10.01.2020, the Director General, Mines and Geology, terminated the mining lease of the Appellant, aggrieved by which an appeal was filed. The Appellate Authority dismissed the appeal on 07.05.2021. Challenging the Order of the Appellate Authority, the Appellant filed a writ petition before the Punjab & Haryana High Court, which was disposed of on 03.08.2021 setting aside the Order of the Appellate Authority dated 07.05.2021 and directing the Appellate Authority to decide the matter afresh, after affording an opportunity of hearing to the Appellant. Later, by Order dated 11.08.2021, the appeal filed by the Appellant was dismissed. Challenging the Termination Order and the Appellate Order, the Appellant filed a writ petition in the Punjab and Haryana High Court, which was dismissed by the impugned Order dated 06.09.2021. Hence, this Appeal.

Learned Senior Counsel for the Appellant, submitted that the reports placed on record were totally inconclusive and there are no findings recorded in any demarcation report that the Appellant was responsible for any illegal mining outside the leased area. The learned Senior Counsel submitted that the High Court committed a serious error in not allowing the writ petition, in spite of absence of any evidence of illegal mining on the part of the Appellant.

Learned Counsel for the Respondent contended that there were several complaints preferred by villagers pertaining to illegal mining by the Appellant outside the leased area. The report dated 04.02.2019 of the Mining Officer, Narnaul would show that the Appellant is guilty of illegal mining.

**Decision:** The Supreme Court has stated that the Court has referred to the demarcation report dated 17.12.2018 and the report of the Mining Officer dated 04.02.2019, on the basis of which no conclusion can be reached about the Appellant indulging in any illegal mining operations. The Termination Order and the Appellate Order are arbitrary and suffer from the vice of unreasonableness. Relevant material has not been taken into consideration before the Termination Order was passed. There is no mention of the DFO's report dated 15.10.2019, which considered the reports relied on by the Director General, Mines and Geology and absolved the Appellant of indulging in any illegal mining activity on the ground that no evidence was

found against the Appellant. There is no other material against the Appellant in support of the allegation that the Appellant was engaged in illegal mining in the area adjacent to the leased site. The Court took the view that the High Court committee an error in dismissing the writ petition without examining as to whether there was an iota of evidence to justify the Termination Order. The Court stated that constitutional courts, in exercise of their power of judicial review, would not examine sufficiency of evidence. At the same time, it is well-settled that interference is warranted if it is found that the weight of the evidence was opposed to the conclusion recorded or there was no evidence at all, thereby rendering the conclusion ex facie erroneous or perverse. Accordingly, the Supreme Court has set aside the Order dated 10.01.2020 passed by the Director General, Mines and Geology, Haryana, the Order dated 11.08.2021 passed by the Appellate Authority and the impugned judgment of the High Court dated 06.09.2021.

Appeal allowed.

# 4. M/s Balaji Enterprises, Koderma, Petitioner v. State of Jharkhand, and Others, Respondents, AIR 2022, Jharkhand 86, Vol. 109, Part 1302, June, 2022.

**Subject:** Writ Petition for quashing the Order dated 01.10.2019 whereby the Environmental Clearance (EC) granted to the petitioner for stone mining over the land of an area of 11.04 i.e. Acres has been withdrawn/cancelled on the ground that the same was obtained by submitting a forged document.

**Facts:** The petitioner had applied for getting lease of stone mining over the said land whereupon the Respondent No.4 vide letter No. 1991/M dated 27.06.2013, asked the Respondent No.6 about the distance of the said land from the notified forest boundary. The Respondent No.6 vide letter No. 3069 dated 24.10.2013, informed the Respondent No.4 that the said land was out of the notified forest area and the distance of the proposed site was more than 400 meters from the forest boundary. Thereafter, the petitioner was given consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 and under Section 21 of Air (Prevention & Control of Pollution) Act, 1981. The State Level Environment Impact Assessment Authority (SEIAA), Jharkhan, vide letter dated 09.09.2015, granted EC to the project of the petitioner. Thereafter, the petitioner was granted mining lease by the Respondent No.2 for a period of 10 years from 15.10.2015 to 14.10.2025 through registered sale deed dated 03.11.2015 following which the petitioner commenced operation of stone mining. In the meantime, the Respondent No.8 vide letter No. 318 dated 19.07.2019, issued a show cause notice to the petitioner for furnishing forged letter No. 3069 dated 24.10.2013 which was purported to have been issued by the Respondent No.6. The petitioner submitted reply to the same vide letter dated 28.07.2019 stating that it had no role in issuance of the said letter, rather the same was issued from the office of the Respondent No.6 on the request of the respondent No.4 which would be evident from the

dispatch register of the said office. However, the Respondent No.8 vide impugned Letter No. 499 dated 01.10.2019 has withdrawn the EC granted to the petitioner. Hence, the present writ petition.

The Learned Counsel for the petitioner submitted that one Kumar Roshan, Advocate, Civil Court, Koderma had filed an application under the Right to Information Act, 2005 in the office of the Respondent No.6 for furnishing details of the letter issued to the Respondent No.4 concerning the stone mines of the petitioner whereupon photo copy of the relevant portion of the dispatch register along with the reply of the said application was provided, which shows that letter No. 3069 was properly issued in favour of the Respondent No.4. It is further submitted that no minimum distance from the forest area has been fixed for mining of stones, rather a minimum distance of 250 meters is required for issuance of Consent to Operate by the Jharkhand State Pollution Control Board (JSPCB) for operating stone crusher units. The respondents are completely misconceived in alleging that the said letter was fraudulently issued at the instance of the petitioner, rather the same was an internal communication between the Mining Department and the Forest Department. As per letter No. 4175 dated 20.08.1997, issued by the Principal Chief Conservator of Forest, Bihar, the mining work should not be done within 7.5 meters from the forest area whereas the distance of the mining area of the petitioner is more than the said limit.

The Learned Counsel for the Respondent-SEIAA submitted that the EC was granted to the petitioner on the basis of the documents submitted by it which included Letter No. 3069 dated 24.10.2013 issued by the Respondent No.6 regarding the distance between the proposed mining area and the notified forest boundary. It is further submitted that the Respondent No.6 vide letter No. 2305 dated 09.07.2019 informed the Respondent No.8 that the said project proponent had obtained the EC on the basis of a forged letter of the then Divisional Forest Officer, East Forest Division, Hazaribagh, regarding the distance of the project site from the notified forest area and, hence, the same should be withdrawn with immediate effect.

The Learned Counsel for the State-respondents submitted that the respondent No.8 had withdrawn the EC granted in favour of the petitioner vide Letter No. 499 dated 01.10.2019 on the request of the complaint of the Respondent No.6 and the said fact was communicated to the respondent No.4. It is further submitted that the Respondent No.4 had issued letter No. 932/M dated 16.10.2019 to the petitioner to immediately stop mining operation including dispatch of the minerals from the leasehold area and to file show cause reply. Rule 5 of the Jharkhand Minor Mineral Concession Rules, 2004 makes it mandatory for the project proponent to obtain EC for mining lease and since the EC of the petitioner has been cancelled, it has been stopped from carrying on mining operation.

The Learned counsel for the State submitted that the Respondent No.4 vide letter dated 11.05.2012, had requested the Circle Officer, Bagodar to submit enquiry report on various points in order to invite applications for granting mining lease for the land in question whereupon the report sent from the office of the Circle Officer, Bagodar vide letter No. 312 dated 23.05.2012, was received in the office of the Respondent No.4 on 23.08.2015 stating that as per Survey Khatian, the said land was of 'Gairmajarua Khas Khata' and the nature of the same was recorded as 'Gairmajurua Tanr'. It was also mentioned in the said report that the land in question was

beyond the Notified Schedule Area and not under the category of forest land. The said land was 'Parti Tand' and it was not recorded as 'Jungle Jhar' in Survey Khatian. The Respondent No.4 accepted the said enquiry report without raising any question regarding inordinate delay in dispatching the same. Apart from the said letter, no other evidenc, such as, note sheet and office copy of the said letter was found in the office of the Circle Officer Bagodar. The Respondent No.4 had also written to the Respondent No.6 for submitting enquiry report regarding the distance of the said land from the notified forest area as well as the nature of the same. In response to the said letter, a report containing false fact regarding the distance of the said land from the notified forest area was prepared in connivance with the staff of the office of the Respondent No.6 showing genuine dispatch No. 3069 dated 24.10.2013, but with forged signature of the respondent No.6. It was stated in the said report that the distance of the mining area from the forest area was 400 meters whereas the actual distance of the leased land from the forest area was only 96 meters. Apart from receipt of the said letter, no other document, such as, note sheet and office copy of the said letter was found in the office of the Respondent No.6. The petitioner was able to obtain the EC on the basis of the said forged document. The Respondent No.6 vide letter No. 2305 dated 09.07.2019, also requested the Respondent No.8 to cancel the EC of the petitioner and consequently the impugned Order dated 01.10.2019 has been passed. As per the guidelines of the Jharkhand State Pollution Control Board contained in Notification No. B-12 dated 07.12.2015, a minimum distance of 250 meters from the notified and demarcated forest/forest land is required for stone mining. The date of application for granting mining lease to the petitioner was 27.08.2013, however, the respondent No.4 had sought enquiry report from the Circle Officer, Bagodar and the Respondent No.6 much prior to the mining lease application submitted by the petitioner and thus the whole process of granting mining lease to the petitioner was illegal.

**Decision:.** The High Court has stated that the EC granted to the petitioner for running its project wherein under Clause 8 of the specific condition, it has been provided that no mining shall be undertaken in the forest area without obtaining requisite prior forest clearance and minimum distance shall be maintained from Reserved/Protected Forest as stipulated in SEIAA Guidelines.

The High Court has further stated that, the counter affidavit filed on behalf of Respondent No.8, which is a copy of the decision taken by SEIAA, Jharkhand, in its meeting dated 07.05.2013, provides a standard for grant of EC to the mining operation of minor mineral within area of less than 5 Hectares of land. In the said meeting, it was resolved under Clause 5(7) that the distance for establishment of minor minerals project shall not be less than 250 meters from the Reserved/Protected Forest.

The High Court has stated that the issue involved in the present case is with regard to cancellation of the EC by SEIAA, which has already made the guidelines for grant of the same specifically fixing the minimum distance between the proposed land for mining operation and the forest boundary as 250 meters.

Thus, the High Court has found out that there is no infirmity in the impugned decision of the Respondent No.8 withdrawing the EC granted to the petitioner for stone mining over the said land. The High Court has dismissed the Writ Petition for want of Merit.

## 5. M/s Aditya Multicom Private Limited, Kolkata, Petitioner v. The State of Bihar and Others, Respondents, AIR, 2022 Patna 87, Vol. 109, Part 1302, June, 2022.

**Subject:** Challenging the cancellation of K-Licence.

Facts: The State of Bihar had notified in the official gazette a New Sand Policy, 2013 vide memo No. 2214 dated 27.8.2013, in pursuance to the judgment rendered by the Hon'ble Supreme Court in the case of Deepak Kumar v. The State of Haryana, reported in (2012) 4 SCC 629, where after notification No. 2887 dated 22.07.2014 was issued by the Department of Mines & Geology, Government of Bihar, by which criteria and procedure was laid down for settlement of sand mines for the period 1.1.2015 to 31.12.2019. Accordingly, the Respondent State Government had amended the Bihar Minor Mineral Concession Rules, 1972 w.e.f. 11.08.2014 so as to bring it in consonance with the New Sand Policy, 2013. Thereafter, the Department of Mines & Geology, Government of Bihar had taken steps for initiating dt.09-03-2022 the process of settlement of sand Ghats in various Districts of Bihar and an advertisement was published on behalf of the Department of Mines & Geology, Government of Bihar for settlement of sand Ghats by auction, for the District of Patna, Bhojpur and Saran as one unit, Rohtas and Aurangabad as one unit, Jamui and Lakhisarai as one unit and other districts as individual units, for a period of five years, i.e., from 2015 to 2019.

The petitioner had also participated in the auction process and was declared as the highest bidder as far as the districts of Rohtas and Aurangabad were concerned. Pursuant to the issuance of the work order, an agreement was also executed in between the parties on 21.4.2015/24.7.2015. After completion of the requisite formalities, the petitioner had engaged in extracting and removal of sand from the sand Ghats in question for a period of five years and the period of settlement / agreement had then come to an end on 31.12.2019.

It is further the case of the petitioner that all of a sudden, the State Government unilaterally framed the Bihar Mining Policy-2019, which was notified vide Notification dated 14.08.2019 and then the State Government notified the Bihar Minerals (Concession, Prevention of Illegal Mining, Transportation & Storage) Rules, 2019 (hereinafter referred to as the "Rules, 2019"), which was published in the Bihar Gazette on 17.09.2019. Thereafter, the Respondents had published notice inviting e-auction for the purposes of settlement of sand Ghats in various districts of Bihar in accordance with the provisions contained in the Bihar State Sand Policy 2019 and the Rules, 2019 for a period of five years, starting from the year 2020. However, it appears that the said process was interdicted on account of a judicial pronouncement by the National Green Tribunal, Delhi, hence, the State Government invoked the provision contained in Rule 77(2) of the Rules, 2019.

It is further the case of the petitioner that prior to finalisation of the aforesaid auction and consequent settlement of Ghats for a period of five years starting from the year 2020, the Respondents came out with a resolution dated 27.12.2019, whereby and where under, in exercise of powers conferred under Rule 77(2) of the Rules, 2019, the settlement period of the existing settless of sand Ghats in the State of Bihar, which was to come to an end on 31.12.2019, was

extended till 31.10.2020 or till the new settlees obtain environment clearance, whichever is earlier, upon 50% increase in the settlement amount over the year 2019. Thereafter, the Respondent State vide various notifications has been extending the settlement period of the sand Ghats of the existing settlees, which was again extended till 31.12.2020, then till 31.03.2021 and finally till 30.09.2021, however, upon increase in the settlement amount, as stipulated in the various notifications issued by the State Government from time to time. It is stated that vide Notification dated 31.03.2021, the settlement period of the sand Ghats of the existing settlees was extended by the Respondent State from 01.04.2021 to 30.09.2021, upon 50% increase in the settlement amount over and above the settlement amount of the year 2020.

Learned Counsel for the petitioner submitted that the State Government had come out with a resolution dated 16.12.2020, whereby and where under the use of trucks with 14 or more wheels for transport of sand and stone chips was prohibited, resulting in huge loss being suffered by the petitioner apart from the fact that rampant illegal mining was prevailing in the District of Rohtas and Aurangabad, hence, the petitioner was reluctant to accept the offer of extension of settlement for the period 01.04.2021 to 30.09.2021, but it was pressurised by the Department and finally the petitioner had communicated its conditional acceptance to the Department, vide letter dated 31.3.2021, wherein it had categorically stated that in case use of trucks with 14 wheels or more, for transport of sand, is not allowed, it shall be constrained to reconsider the entire matter and take appropriate decision, including but not limiting to surrender of its settlement for the remaining extended period, without any liability to pay the royalty for the remaining extended period. The petitioner, in terms of the extension granted to it vide Notification dated 31.03.2021, was required to deposit its first installment of royalty amount, totaling to a sum of Rs 25,47,72,242/- (in the first case) on or before 31.03.2021, which the petitioner had deposited by 05.04.2021, i.e., after a delay of only five days. Thereafter, the petitioner was directed to deposit the interest on delayed payment, which was also deposited by the petitioner. Subsequently, the petitioner, by its letter dated 20.04.2021, sent to the District Magistrate, had surrendered its settlement of sand Ghats in the District of Rohtas and Aurangabad, however, the same was rejected by the Collector vide letter dated 27/29.04.2021 on the ground that the petitioner had failed to comply with the provisions contained in Rule 50 (1) of the Rules, 2019, hence, the petitioner was directed to deposit the second installment of royalty amount. The petitioner had then replied vide its letter dated 29.04.2021 clarifying that Rule 50(1) of the Rules, 2019 is not applicable to the petitioner and the petitioner shall cease its mining activity w.e.f. 01.05.2021.

It is the further case of the petitioner that the petitioner, in terms of Rule 39 of the Rules, 2019 had obtained K-Licence which is meant for storage of minor mineral beyond any leasehold area, for which the licencee (petitioner in the present case) is required to maintain a register in Form-H, wherein the source of minor mineral has to be disclosed. It is stated that any sand stored by virtue of K-Licence necessarily has to suffer the incidence of royalty which is paid by the settlee and the transportation of such sand must precede issuance of e-challan. Thus, it is submitted that the entire stock held by the petitioner by virtue of K-Licence has already suffered the incidence of royalty, as such, no further tax is payable to the Government and the only requirement is to disclose the name of the consignee to the Department. It is also the averment of the petitioner that K-Licence has been issued to the petitioner for different places in the district of Rohtas and Aurangabad, which were valid up to 31.12.2021, nonetheless, the respondents did not remove the restriction on selling sand from the stock hold area, compelling

the petitioner to file representation before the learned Collector on 11.05.2021, requesting him to remove the restriction on selling sand from the stock-hold areas as also for directing the Mines Department to remove the restriction on generation of e-challans on the portal http://portal.biharmines.in/ so that sand could be transported from stock-hold areas for which the petitioner has K-Licence. The Collector, in reply to the said representation of the petitioner, vide letter dated 13.05.2021 informed the Director Mines that the physical verification of the stock-hold areas has been completed and therefore, stockiest licence of the petitioner be restored. It is submitted that despite conduct of physical verification of the stock at the stock-hold areas, the respondents did not remove the restriction on selling sand from the stock hold areas and the suspension / blocking of generation of e-challans on the portal http://portal.biharmines.in/ continued, thus the petitioner was not able to sell the sand stocked at the stock- hold areas for which it had already paid royalty to the Government.

The learned counsel for the petitioner has submitted that the stock lying in the stock hold areas has already suffered the incidence of royalty and there is no outstanding, hence, the petitioner cannot be precluded from lifting and selling the sand from the stock hold area of the petitioner. It is further submitted that the K-Licence granted to the petitioner is valid up to 31.12.2021 and moreover, the petitioner has already paid advance royalty till April, 2021, though the petitioner is not conducting any excavation of sand currently. Thus, it is submitted that the ownership of quantum of sand stocked at the stock hold areas equivalent to the royalty already paid by the petitioner, stands transferred to the petitioner, hence, the petitioner is definitely entitled to sell sand from the stock hold area equivalent to the royalty already paid.

The learned counsel for the petitioner has also submitted that no show cause notice has been issued to the petitioner before suspension/blocking of the e-challan. It is also submitted that there is no provision in the Act/ Rules either for cancellation or blocking of generation of echallan. Rule 47 of the Rules, 2019 lays down certain circumstances wherein mining lease may be suspended or cancelled. However, Rule 47(2) of the Rules, 2019 provides that a reasonable opportunity shall be given to the settlee for being heard before such an action is taken. It is further submitted that no discrepancy was found by the Collector in the quantum of sand stocked at the stock-hold area of the petitioner, hence had recommended for restoration of e-challan, nonetheless, the respondents have failed to permit the petitioner to lift/sell the sand from the stock- hold area. It is also the case of the petitioner that K-licence of the petitioner has been cancelled only on account of surrender of settlement by the petitioner, whereas the fact remains that the petitioner cannot be debarred from K-licence, already issued to the petitioner. It is also submitted that cancellation of K-licenses is bad in law and has been done in violation of the principles of natural justice inasmuch as no inspection was ever conducted in presence of the petitioner and moreover, no prior show cause notice has been issued to the petitioner. It is further contended that cancellation of K-licences is completely dehors the Act and Rules since there is no provision for cancellation of K-licence.

The learned counsel for the petitioner has further submitted that K-licences have not been issued to the petitioner in the capacity of a settlee inasmuch as K-licences are issued for storage of sand beyond 300 meters from river bank and sale/ transportation of sand takes place both from secondary loading area and K-licence sites and the login ID and password for K-licence and secondary loading area are separate. It is also submitted that a settlee is free to transfer sand from

secondary loading area to K-licence site and the moment transit challans are generated for transport of sand from secondary loading area, deduction is made from the petitioner's capping limit on the online portal. It is also stated that grant of Settlement and issuance of K-license are neither simultaneous nor co-terminus. In the present case, the K-licences are stated to have been issued prior to the date of last extension and are valid till 31.12.2021, way beyond the extension period which was till 30.09.2021. Moreover, according to the guidelines, K-licence can be granted to other individuals also and in the Districts in question, there are other K-licence holders as well. It is further submitted that issuance of K-licence to the petitioner is not the incidence of petitioner being a settlee whereas relaxation in terms of K-license, viz- a-viz storage capacity and territory of sale, are incidence of petitioner being a settlee and relaxations are given because settlee is paying a huge quantum of royalty. Any other person who obtains a K-licence does so by paying a very small amount. It is stated that relaxations are granted in order to protect the interest of settlees like the petitioner and ensure that they are able to generate sufficient revenue and pay royalty.

The learned counsel for the petitioner has further submitted that Rule 50 (1) of the Rules, 2019 applies only during mineral concession period. According to Rule 16, duration of mineral concession is five years. "Mineral Concession Period" used in Rule 50(1) of the Rules, 2019 means the initial term of five years, which in the present case was from 01.01.2015 to 31.12.2019 hence, Rule 50(1) of the Rules, 2019 does not apply in the circumstances of the present case. It is also contended that since Rule 77 (2) of the Rules, 2019 is a non-obstante clause, the same will override the mechanism of exit option prescribed under Rule 50(1) of the Rules, 2019, hence, the Rules, 2019 shall be restricted to the procedural aspects, however, substantive aspects like procedure of settlement, determination of revenue etc. will not apply to the cases of extension of lease. Admittedly, the outstanding demand against the petitioner is regarding 2<sup>nd</sup>, 3<sup>rd</sup> and 4th installment of the extended period, i.e., 01.04.2021 to 30.09.2021. In this context it is submitted that according to Rule 26(4) of the Rules, 1972 and Rule 51(4) of the Rules, 2019, royalty is payable only for mineral which is extracted, owned or removed, however, since the petitioner has not conducted any mining activity after 01.05.2021, no royalty is payable for this period. Moreover, it is submitted that it is not the contention of the respondents that petitioner has extracted sand in excess of its entitlement after paying the 1st installment. Insofar as the allegation of shortage of sand is concerned, it is submitted that prior to cancellation of Klicence, the Sub-Divisional Officer, Dehri Patna High Court CWJC No.11054 of 2021 dt.09-03-2022 conducted verification vide letter dated 04.05.2021 and balance stock of sand was quantified, however, no allegation of shortage of sand was levelled in the report. Thereafter, the Collector, Rohtas at Sasaram, vide letter dated 21.06.2021, directed to seize the mined sand available in the stock/stores in the District of Rohtas to the tune of 83,45,800 CFT and make the same available to him whereafter, the Collector had recommended for cancellation of K-licence on 02.07.2021 but no allegation of shortage of sand was levelled and then the K-licence of the petitioner was cancelled vide letter dated 07.7.2021. The department had then published an advertisement on 10.07.2021 in which the quantum of sand at the K-licence sites in Rohtas was shown to be 5,75,84,000 CFT. It is thus submitted that since the department did not find any shortage of sand at the K-licence sites till 07.07.2021, and assumed ownership thereof w.e.f. 21.06.2021, it cannot now be said the learned counsel for the Respondents submitted that the respondents have taken action against the petitioner on account of violation of the conditions of settlement and the prevalent rules. It is submitted that the Government has been taking action

against the illegal mining activity, however, in terms of the settlement and the lease deed, it is the duty of the settlees to mark their area and protect the same and in case there is any illegal mining, an FIR can very well be lodged. As far as surrender of leasehold rights by the petitioner w.e.f. 01.05.2021 is concerned, it is stated that the same is totally malafide and against the statutory provisions as also against the terms and conditions of the work order dated 31.03.2021 issued by the Collector, which has been unequivocally accepted by the petitioner. It is stated that the tenure of mining lease was extended till 30.09.2021 with a condition that during the rainy season there would be no mining, however, the petitioner had, prior to the rainy season, surrendered its lease w.e.f. 01.05.2021 with a view to deprive the State Govt. of the settlement amount, which the petitioner was obliged to pay for the entire period of extension. It is stated that the petitioner is under obligation to deposit all the installment amounts, which he had to deposit for the period of extension of lease/ settlement period, which had been duly accepted by it and in case the petitioner had desired to leave the mining activities in between, it was obliged to comply with the provisions of the Rules, 2019. Thus, it is the submission of the Learned Counsel for the Respondents State that a settlee can leave and surrender lease only by giving a 6 months advance notice. It is further submitted that the Collector had informed the petitioner company vide letter dated 27.04.2021, in reply to its irrelevant notice/letter dated 20.04.2021, that there is a clear provision contained in Rule 50 of the Rules, 2019, which speaks about exit option of mineral concession holder, however, since the petitioner's decision to surrender the sand ghats/settlement made in its favour, as contained in its letter dated 20.04.2021, is without either giving any prior notice or paying the outstanding dues of royalty etc., the same was being rejected and the petitioner should deposit the 2<sup>nd</sup> installment amount pertaining to the extended period, failing which it was warned that necessary action would be taken under Rule 47 of the Rules, 2019.

The Learned Counsel for the respondents has further submitted that the petitioner has made a false statement in the writ petition to the effect that it has made payment of royalty of the sand which has been stored/ stocked in the stock hold area inasmuch as there are several demand notices, which have been issued to the petitioner, however, the petitioner has failed to make payment. As far as the second case is concerned, the Collector, Aurangabad had also reported, vide letter dated 08.07.2021, regarding several irregularities having been found during the course of inspection. In the said inspection it was found that there was no sign boards, fencing was not in place, sand had not been covered by tarpaulin, no arrangement had been made for protection of the environment, the monthly return register was not being maintained in the proper format and huge settlement amount to the tune of Rs 95.79 crore was outstanding, as against the petitioner, hence the Collector, Aurangabad had recommended for cancellation of the stock licence/ K-licences of the petitioner. It was also found during the course of inspection held on 25.06.2021 that the petitioner had fraudulently removed/ sold sand stock worth Rs 45.39 crore from its stock- hold area, hence, FIRs bearing Barun P.S. Case No. 176 of 2021 dated 6.7.2021 and Daudnagar P.S. Case No. 374 of 2021 were lodged against the K-licencee, i.e., the petitioner herein. In fact, thereafter, the Deputy Director, Magadh Circle vide memo dated 17.08.2021 had cancelled all the 11K -licences of the petitioner of the second case with immediate effect.

The Learned Counsel for the respondents has further stated, with reference to the first case, that there was a stock of 5,75,84,000 Cft sand when the petitioner was a valid K-licence holder, however, during the course of raid about 1,28,11,306 Cft sand was seized, hence apparently there was/is huge deficiency of sand which shows that the petitioner has fraudulently

used the K- licence to remove/sell sand stock from the stock- hold area. It is also stated that deficiency to the tune of Rs 102.63 crore has been detected as against the petitioner of first case, where-after FIRs have been lodged and a certificate case has also been instituted for recovery of the said amount. It has also been pointed out that the petitioner has failed to deposit the outstanding installment amounts to the tune of Rs. 127.38 crore and it had in fact stored large quantity of sand as a settlee and paid the royalty only for the period upto March, however, subsequent thereto it has failed to pay the due amount of royalty. The learned counsel for the respondents has also referred to the trend of disproportionate transfer of sand from lessee to K-licence during the last three years, i.e., prior to the month of surrendering of lease by the petitioner.

**Decision:** The High Court found out that the Collector, Rohtas, had also conducted inspection of the licensed area, during the course whereof, several irregularities and violations had been noticed, hence, the Collector, Rohtas, had recommended for cancellation of K- licence of the petitioner by writing to the Director, Mines and Geology Department. It is stated that upon inspection it was found that there was no sign boards, fencing was not in place, sand had not been covered by tarpaulin, no arrangement had been made for protection of the environment and in fact the monthly return register was also not found to have been maintained in the proper format. Thus, the In-charge Deputy Director, Mines and Geology, Patna Circle, Patna vide memo dt. 7.7.2021 had cancelled all the 17 K-licences issued in favour of the petitioner's company (as far as the first case is concerned) and directed it to deposit a sum of Rs 127.38 crores.

As far as the second case is concerned, the Collector, Aurangabad had also reported, vide letter dated 08.07.2021, regarding several irregularities having been found during the course of inspection. In the said inspection it was found that there was no sign boards, fencing was not in place, sand had not been covered by tarpaulin, no arrangement had been made for protection of the environment, the monthly return register was not being maintained in the proper format and huge settlement amount to the tune of Rs 95.79 crore was outstanding, as against the petitioner, hence the Collector, Aurangabad had recommended for cancellation of the stock licence/ K-licences of the petitioner. It was also found during the course of inspection held on 25.06.2021 that the petitioner had fraudulently removed/ sold sand stock worth Rs 45.39 crore from its stock- hold area, hence FIRs bearing Barun P.S. Case No. 176 of 2021 dated 6.7.2021 and Daudnagar P.S. Case No. 374 of 2021 were lodged against the K-licencee, i.e., the petitioner herein. In fact, thereafter, the In-charge Deputy Director, Mines and Geology, Magadh Circle, Gaya vide memo dated 17.08.2021 had cancelled all the 11 K-licences of the petitioner of the second case with immediate effect.

The High Court has further referred to Clause 18 of the Bihar Sand Mining Policy, 2019, notified by the respondent State Government vide notification dated 14.08.2019; the conditions prescribed in Memo dated 18.03.2021, whereby and whereunder the K- Licences of the petitioner had been renewed till 31.12.2021, and also referred to the guidelines issued by the Mining and Geology Department, Government of Bihar, Patna vide letter dated 28.01.2019, for the purposes of issuance of K-Licences. And stated that the petitioner has violated the aforesaid guidelines inasmuch as the stock in the stock hold area has been found to be much more than 30,000 Cft. on numerous occasions hence, this in itself is a valid and sufficient ground for cancellation of the K- Licences of the petitioner. The High Court has found out that the stock

lying in the stock-hold area of the petitioner has not suffered the incidence of royalty, especially since the petitioner has failed to pay the outstanding royalty/ settlement amount to the tune of Rs 127.38 Crores and Rs 95.79 crore respectively, hence it does not lie in the mouth of the petitioner to contend that it would still be entitled to sell the sand from the stock- hold area without paying the outstanding royalty/ settlement amount. The High Court has further found out that the Collector, Rohtas, and the Collector, Aurangabad, had conducted inspection of the stock hold area of the petitioner and vide reports dated 15.06.2021, 25.06.2021 and 8.7.2021, it was found that the petitioner had committed several irregularities inasmuch as there was no sign boards, fencing was not in place, sand had not been covered by tarpaulin, no arrangement had been made for protection of the environment, the monthly return register was not being maintained in the proper format and huge settlement amount was outstanding for payment qua the petitioner. It was also found during the course of inspections that the petitioner had fraudulently removed/ sold sand stock worth several crores of rupees from its stock hold area, hence FIRs have also been lodged against the K-licencee i.e. the petitioner herein, both in the district or Rohtas as also in the district of Aurangabad. Thus, this Court found out that the conditions mentioned in the letter/Order by which K-licenses of the petitioner were renewed have definitely been violated, apart from violation of Rule 39 (3) of the Rules 2019, resulting in lodging of FIRs against the petitioner in terms of Rule 39(3) and Rule 56(2) of the Rules, 2019. Hence, considering the aforesaid facts and circumstances of the case, this Court does not find any illegality either in the Order dated 07.07.2021, passed by the In-charge Deputy Director, Mines and Geology, Patna Circle, Patna or the Order dated 17.8.2021, passed by the In-charge Deputy Director, Mines and Geology, Magadh Circle, Gaya, cancelling the K-licences of the petitioner and the same are held to be legal and valid.

Thus, the High Court has dismissed the writ petitions for want of merits, also vacated the interim orders if any.

Petition dismissed.

# 6. Sarda Mines Pvt. Ltd and Another, Petitioner v. State of Odisha and Others, Respondents, AIR 2022, Odisha 123, Vol. 109, Part 1304, August, 2022.

**Subject**: Challenging the issue of renewal/extension of lease deed.

Facts: Two mining leases (Block-A and Block-B) over an area measuring 2590.4 acres and 2340.2 acres respectively in Village Murgabeda and Soyabali of Thakurani Iron Ores Mines in Keonjhar District were granted in favour of late Shri Babu Hiralal Sarda by the then Raja of Keonjhar by a lease deed dated 1st August, 1934. The leases were originally granted for a period of 30 years commencing 1st August, 1934 and expiring on 31st July, 1964. The lease deed had a clause providing for renewal for another period of thirty years. Shri Hiralal Sarda died in 1947, whereafter his son Shri Baijnath Sarda carried on the mining operation. On 4th September 1956, the Mining Lease (Modification of Terms) Rules, 1956 ('1956 Rules') was issued. Under Rule 4 of the 1956 Rules, existing leases were required to be brought in conformity with the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act).

In respect of the mining lease over an area of Ac 2340. 20 dec in Soyabali, the Controller of Mining Leases (CML), Northern Region issued a show cause notice (SCN) dated 28th May, 1957 under Rule 6 of the 1956 Rules inter alia stipulating that the dead rent shall be enhanced to Rs 5/- per acre per annum for iron ore and Rs 10/- per acre per annum for manganese ore; that except for the modifications made by the said SCN, the lease would be subject to the Rules made or deemed to have been under Sections 13 and 16 of the MMDR Act and that the royalty should be payable in accordance with Section 9 of the MMDR Act instead of according to the stipulations in the lease deed.

On 28th May, 1957 the CML issued a show cause notice (SCN) to the erstwhile lessee, Shri Baijnath Sarda, under the 1956 Rules stating that the two leases required modification in respect of the period of royalty and dead rent. The relevant portion of the SCN stated that the lease would be subject to the Mineral Conservation Development Rules, 1955 (MCD Rules, 1955) and if any clause of the lease was inconsistent with any provision of the MCD Rules then the provisions in the lease to the extent of such inconsistency would cease to have effect. Subsequently, on 13<sup>th</sup> August 1958 the CML issued a revised SCN stating that in view of the fact that the MMDR Act had come into effect from 1<sup>st</sup> June, 1958 the earlier SCN issued on 28<sup>th</sup> May, 1957 required amendment.

By order dated 30<sup>th</sup> July, 1959 it was also stipulated that the lessee should pay rent for the surface area used for the purposes of mining, surface rent at such rate not exceeding the land revenue and cesses assessable on the land as specified by the State Government under Rule 11(1)(iv) of the Mineral Concession Rules, 1949 (MC Rules 1949).

On 24<sup>th</sup> September, 1959 the erstwhile lessee Shri Baijnath Sarda, not being satisfied with the aforementioned order of the CML, filed revision applications before the Central Government under Rule 7(1) of the 1956 Rules. By an order dated 10th October, 1962 the Central Government partly allowed the two revision applications by substituting the lease period of 30 years from 1<sup>st</sup> August, 1934 with the period of 20 years and nine months from that date. The renewal was to be regulated according to the law and rules in force.

When no orders were passed by the State Government on the renewal application filed by the lessee within 90 days, it was deemed to be rejected under the relevant provisions of MCR Rules, 1960. Shri Baijnath Sarda thereafter filed a revision application before the Central Government under Section 30 of the MMDR Act, 1957 challenging the deemed rejection of the renewal application.

On 11<sup>th</sup> January, 1963 the revisional authority allowed the revision application and directed the State government to decide the renewal application. Thereafter, by an order dated 29 th April, 1963 the State Government recommended to the Central Government the grant of renewal of both the mining leases, for a period of twenty years. Since no approval was communicated under Rule 63 of the MC Rules, 1960 by the Central Government Shri Baijnath Sarda filed a second revision application on 23<sup>rd</sup> July, 1963.

While the above revision application was pending, the Central Government invoked Sections 17 (2) and (4) of the MMDR Act as it then stood and issued a notification dated

12<sup>th</sup> January, 1965 to reserve the area for which Shri Baijnath Sarda had applied for renewal, in favour of a Public Sector Undertaking (PSU). Acting on the above notification, the Central Government, by an order dated 9<sup>th</sup> February, 1965, rejected the recommendation of the State Government for renewal of the lease applied for by Shri Baijnath Sarda.

Shri Baijnath Sarda then filed OJC Nos.30 of 1965, 123 of 1965 and 124 of 1965 in this Court questioning the Central Government's decision to reject his renewal application as well as the Notification dated 12<sup>th</sup> January, 1965. In terms of the averments made in the said writ petitions, it appeared that Shri Sarda was in continued possession of the mining lease area; paying rents and performing all other acts as a lessee.

By a common Order dated 22<sup>nd</sup> December, 1967 the Court allowed the aforementioned writ petitions thereby quashing the Central Government Notification dated 12th January, 1965 as well as the order dated 9th February, 1965 passed by the Central Government rejecting the renewal application filed by Shri Baijnath Sarda. The Central Government was directed to decide the renewal application afresh after giving Shri Baijnath Sarda an opportunity of being heard.

On 17<sup>th</sup> December, 1968 the revisional authority allowed the revision application filed by Sri Sarda and directed the State Government to grant renewal of the mining leases over an area of Ac 2340. 20 dec in Village Thakurani for a period of 30 years. It is pointed that under Section 8(2) of the MMDR Act, as it stood then, the mining lease in case of iron ore or bauxite could be renewed "for a period not exceeding 30 years".

Shri Baijnath Sarda died on 28<sup>th</sup> July, 1974. The lease came to be operated by his son Shri Kanheya Lal Sarda. On 13<sup>th</sup> December, 1984 the State Government decided to reserve the area for exploitation by PSUs of the State Government under Section 17A (2) of the MMDR Act and a notification to this effect was issued. Being aggrieved by the above notification, Shri K.L. Sarda, the successor-in-interest to Shri Baijnath Sarda filed OJC Nos.2567 of 1984, 1368/1985 and 1369 of 1985. On account of the death of Shri K.L Sarda during the pendency of the said petitions, he was substituted by one of his sons Shri Mohan Lal Sarda as Petitioner by an Order dated 20th March, 1987.

. By an order dated 28<sup>th</sup> June, 1991, the Court allowed the said petitions and directed the State Government to carry out the Order dated 17th December, 1968 passed by the Central Government and further to grant renewal of the mining lease in question for a period of 30 years. Thereafter the State Government filed Misc. Case No.5974 of 1991 in the disposed of writ petition seeking modification of the Order dated 28th June, 1991 in which it was inter alia prayed that the period of renewal should be restricted to 20 years as per Section 8(2) of the MMDR Act, 1957. On 18th December, 1991 this Court modified its earlier Order dated 28th June 1991. The State Government thereafter filed Civil Appeal Nos.39-40 and 41-42 of 1993 in the Supreme Court of India against the Orders dated 28<sup>th</sup> June 1991 and 18th December, 1991 passed by this Court. During pendency of the above civil appeals, it was noticed that OJC No.1803 of 1986 which had to be heard with OJC No.2567 of 1984 had been left out. An order was passed on 21 st August, 1996 by the Supreme Court in the pending civil appeals directing this Court to dispose of OJC No.1803 of 1986 expeditiously.

During pendency of the proceedings in the Court as well as the Supreme Court of India, the Sarda family is stated to have filed a compromise petition along with an interim application for modification of the Orders dated 28<sup>th</sup> June, 1991 and 18th December, 1991 in OJC No.2567 of 1984 and other cases in this Court. While requesting the State Government to renew in terms of the said compromise petition, the Sarda family was to relinquish its claim in respect of Block A. On 22<sup>nd</sup> June, 1998 the State Government filed a reply to the said application stating inter alia that it had no objection to renewing the lease in respect of Thakurani Iron Ore Mines Block B and withdrawal of civil appeals pending before the Supreme Court.

**Decision:** The High Court has upheld the Order dated 20<sup>th</sup> May, 2021 passed by the Opposite Parties rejecting the prayer of the Petitioners for renewal of the mining lease beyond 13th August, 2021. W.P. (C) Nos. 3115 of 2021 and 17905 of 2021 and all applications pending therein are hereby dismissed.

Accordingly, the High Court has issued the following directions:

- (i) The impugned Demand Notice dated 8th February 2021 is hereby set aside.
- (ii) SMPL will be heard afresh on the issue of alleged excess production beyond the permissible limit, on a date to be communicated to it one week in advance, within a period of four weeks from today. All the rights and contentions of the parties vis-a-vis the issue of excess production are kept open to be urged before the authorities.
- (iii) A reasoned order will be passed thereon not later than 7 <sup>th</sup> March, 2022 and communicated to SMPL not later than 11th March, 2022. If the order is adverse to SMPL, it will not be given effect till 21<sup>st</sup> March, 2022. In other words, till 21<sup>st</sup> March, 2022 no coercive action shall be taken against SMPL. Till that date, the interim arrangement put in place by this Court by its order dated 3 <sup>rd</sup> November, 2021 in W.P.(C) No.6905 of 2021 will continue.
- (iv) W.P.(C) No.6905 of 2021 and CONTC No. 3650 of 2021 and all pending applications therein are disposed of in the above terms.

The High Court has ordered that as the restrictions due to resurgence of COVID-19 situation are continuing, learned counsel for the parties may utilise a printout of the order available in the High Court's website, at par with certified copy, subject to attestation by the concerned advocate, in the manner prescribed vide Court's Notice No.4587, dated 25 <sup>th</sup> March, 2020 as modified by Court's Notice No.4798, dated 15<sup>th</sup> April, 2021.

Order accordingly.

7. Garimidi Syam Sunder, Petitioner v. The State of Andhra Pradesh, Respondents, AIR 2022 Andra Pradesh, 139, Vol. 109, Part 1305, September, 2022.

**Subject:** Challenging the rejection of quarry lease application on the grounds of non-submission of differential application fee and deposit-amount and non-submission of properly demarcated sketch duly showing the area applied for.

**Facts**: On 23.04.2016, the petitioner made an application for lease of black granite over an extent of 4.00 hectares to the 3rd respondent by paying prescribed application fee. The 3rd respondent referred his application to the Tahsildar, Chilakaluripeta for issuing NOC and the Tahsildar sought opinion of the Executive Engineer, Irrigation Department, Guntur since the applied area was classified as 'Vaagu' and hence, whether the said land was suitable for quarrying and NOC can be issued. The Executive Engineer vide letter No.EE/ID/GNT/DB/TO/734 dated 05.02.2018 opined that the land was suitable for grant of quarry lease 2 and NOC can be issued. Accordingly, the Tahsildar, Chilakaluripeta issued NOC vide Lr.No.RC.No.562/2017-A dated 03.03.2018 for a period of two years.

While so, a joint inspection and survey over applied area was held on 17.12.2020. It was made known that an extent of Ac.7.61 cents was feasible for quarrying operations and the said area was demarcated and boundaries were fixed. Thereafter, for sometime no further progress was made in the matter. The petitioner made requests on 02.02.2021 and 10.02.2021 to the respondents to process his application at the earliest since his application was the earliest one. He received letter No.375/RTI/2021 dated 16.02.2021 informing that as per the list of applications submitted over the subject area, the petitioner's application was at Sl.No.5 and all the applications received earlier to his application were rejected and the petitioner's application was also recommended for rejection and the application dated 11.08.2020 submitted by 4th respondent was recommended to be considered for grant of mining lease. The 4th respondent application was received 3 years 100 days later to the application of petitioner, but same was proposed to be considered by overlooking the priority of the petitioner's application.

Following said information, the 2nd respondent issued a show cause notice No.854/D7/2021 dated 17.02.2021 to the petitioner calling upon his explanation for not paying the enhanced application fee, deposit- amount and also regarding his submission of defective sketch. The petitioner submitted detailed explanation dated 03.03.2021 stating that the enhanced application fees was claimed under G.O.Ms.No.56, Industries & 3 Commerce (MII) Department dated 30.04.2016 which is prospective in operation but not retrospective in effect and since applications were received prior to the date of said G.O., enhanced application fee need not be paid. Regarding the allegations as to the wrong sketch, he stated that the sketch enclosed was a correct one because the Tahsildar, Chilakaluripeta identified the applied area on ground with reference to the sketch submitted by him and the Executive Engineer, Irrigation Department has also issued NOC for grant of quarry lease of black granite based on the said sketch. Thus, submitting the explanation the petitioner as an abundant caution has paid the differential application fee vide challan dated 03.03.2021 and enclosed to his explanation. A re-drawn sketch as per the Geo-coordinates was also enclosed. However, subsequently there was no reply from the Department. There is no compelling cause to give priority to the 4<sup>th</sup> respondent over the petitioner. The petitioner therefore filed W.P.No.8077/2021 dated 06.04.2021. When the matter came up for hearing on 01.07.2021, counsel for 4<sup>th</sup> respondent informed the Court that the application of petitioner for quarry lease had been rejected vide proceedings No.845/D7/2021 dated 07.04.2021 of 2nd respondent. Hence, the writ petition was taken up on 06.07.2021 and dismissed as infructuous. In the meanwhile, the petitioner on enquiry came to know that his

application was rejected vide proceedings No.845/D7/2021 dated 07.04.2021 on untenable grounds and the lease was proposed to be granted to 4th respondent vide proceedings No.6669/D7/2021 dated 28.04.2021, hence, the writ petition was filed. Learned counsel submitted that the said amendment is only prospective in nature since there was no insinuation in the G.O. that it applies retrospectively. Hence, the G.O.Ms. No.56 will have no effect on the application of the petitioner as same was filed prior to the G.O. came into force. However, to avoid controversy, the petitioner after receiving the show cause notice deposited the differential application fee and paid the deposit-amount. Learned Government Pleader for Mines & Geology while supporting the impugned proceedings argued that the petitioner has not submitted a detailed sketch clearly identifying the area of 4.000 hectares out of Ac. 24.37 cents. Further, he did not pay the amended application fee nor did pay the deposit immediately after G.O.Ms. No.56 was issued. Therefore, his application was rightly rejected by 2<sup>nd</sup> respondent.

Learned counsel would further argue that since the petitioner's application was defective one, his application was rightly rejected under the impugned proceedings and as the 4th respondent's application was perfect in all respects, lease was recommended in her favour. He thus prayed to dismiss the writ petition.

**Point of issues**: Whether the defects pointed out in the proceedings No.845/D7/2021 dated 07.04.2021 by the 2nd respondent are factually and legally sustainable to reject the lease application of the petitioner?

**Decision:** The High Court has stated that so far as the rule making power of the Central Government and the State Governments under the Mines and Minerals (Development and Regulation) Act, 1957 is concerned, the Apex Court in Federation of Indian Mineral Industries (5 supra) has in clear tone held that those sections do not confer any specific power on the respective governments to make any rule with retrospective effect. Since the said decision was rendered by the Full Bench, it has to be followed. Thus, at the outset, the petitioner is not required to pay the enhanced application fee and deposit-amount. However, he paid the said amount after receiving the show cause notice and in the impugned order the 2nd respondent did not consider this late payment as a defect on the part of the petitioner.

The High Court has further stated that the correspondence, copies of which are filed along with material papers, would clearly manifest that the petitioner has filed demarcated sketch. Otherwise his application would have been returned at the threshold. Even otherwise, after receiving the show cause notice, he submitted another demarcated sketch. Therefore, the impugned proceedings of the 2nd respondent rejecting the petitioner's application on the sole ground that the petitioner did not submit demarcated sketch is unsustainable and same is liable to be set aside and so also the proposal of 2nd respondent dated 19 28.04.2021 to grant lease to 4th respondent, a subsequent applicant, in respect of same area applied by the petitioner is also liable to be set aside.

In the result, the High Court has allowed the Writ Petition, without any costs, set aside the proceedings No.854/D7/2021 dated 07.04.2021 of 2nd respondent rejecting the lease application of the petitioner and also his proposal vide notice No.669/D7/2021 dated 28.04.2021 granting lease in favour of 4<sup>th</sup> respondent, and directed that to grant lease in favour of the petitioner as per his lease application in terms of the NOC issued by the Tahsildar, Chilakaluripet

and enter into lease agreement within four (4) weeks from the date of receipt of a copy of this order.

Petition allowed.

#### **SECTION -2**

#### 2.1 TREND IN MINING

#### A. Mining Leases Granted

During the period under review, the information pertaining to the grant of one mining lease covering an area of about 32.05 hectares for iron ore in the state of Karnataka was received.

The number of mining leases granted mineral wise together with lease area and details of mining lease granted are provided 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	01	32.05		
Total	01	32.05		

Table – 1 B: Details of Mining Leases Granted

Mineral	State/ District	Village	Area in ha	Date of Grant	Period in years	Name & Address
Iron	Karnataka/ Ballari	Kallahalli	32.05	18.04.2022	-	M/s Minera Steel & Power Pvt. Ltd. Prsestige-Minera, No.6, 3rd Floor, Main Guard Cross Road, Shivajinagar Bangalore- 560001

#### **B. Mining Lease Period Extended**

During the period under review, the information pertaining to the extension of mining lease period for 16 Mining Leases covering an area of about 1308.77 hectares was received. Of these, Bauxite accounted for 05 mining leases followed by Limestone 04 leases, Manganese ore 03 leases, Limestone & Dolomite 03 leases and Limestone & Shale 01 lease.

Reviewing areawise, limestone & Shale accounted for 897.86 ha followed by Manganese ore with 180.39 ha and Limestone with 177.88 ha, Bauxite with 32.12 ha and Limestone & Dolomite with 20.52 ha.

Reviewing statewise, the number of mining leases for which period was extended in Karnataka was 05 with an area about 920.80 ha, Maharashtra was 02 with an area about 137.04 ha, Telangana was 01 with an area about 130.33 ha, Gujarat was 07 with an area about 77.25 ha and Madhya Pradesh was 1 leases with 43.35.

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

Table – 2A: Details of Mining Leases Period Extended (By Minerals)

Mineral	No of Mining Leases Extended	Area in ha
Bauxite	05	32.12
Limestone	04	177.88
Limestone & Shale	01	897.86
Limestone & Dolomite	03	20.52
Manganese ore	03	180.39
Total	16	1308.77

Table – 2 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/ Sabarakantha	Umed ni Muvadi	02.00	08.08.2022	02.09.2035	Shri Yogesh J Patel, Resi-3, Paneshwar Residency, Vadinath Road, At & PO:- Patan, Dist:- Patan, Gujarat PIN-384 265

2	Bauxite	Gujarat/ Devbhumi dwaraka	Lamba	05.49	26.04.2022	19.06.2031	M/s Saurashtra Calcined Bauxite & Allied Ind. Opp MEM School, District Porbandar Gujarat
3	Bauxite	Gujarat/ Devbhumi dwaraka	Kenedi	01.48	25.04.2022	20.05.2033	M/s Saurashtra Calcined Bauxite & Allied Ind. Opp MEM School, District Porbandar Gujarat
4	Bauxite	Gujarat/ Devbhumi dwaraka	Lamba	10.20	-	19.06.2031	M/s Saurashtra Calcined Bauxite & Allied Ind. Opp MEM School, District Porbandar Gujarat
5	Bauxite	Gujarat/ Devbhumi dwaraka	Hadmatiya	12.95	22.04.2022	31.03.2030	M/s Saurashtra Calcined Bauxite & Allied Ind. Opp MEM School, District Porbandar Gujarat
6	Limestone	Telangana/ Suryapet	Gundlapally	130.33	23.07.2022	15.11.2048	M/s Vishwamber Cements Ltd. 1-11-251/2,VRVS House, Begumpet, Hyderabad-500 016
7	Limestone	Gujarat/ Gir Somnath	Malundha	36.43	25.07.2022	07.08.2025	M/s. R. J. Trivedi & Co, PO:- Sherbaug Gadu, District Junagarh, PIN-362 255
8	Limestone	Karanataka/ Bagalkote	Naganpur	2.42	04.08.2022	02.07.2052	Shri H. G. Sripad, Parimala, 9 <sup>th</sup> Cross Mahantesh Road, Vidyagiri Bijapur-587 102
9	Limestone	Gujarat/ Porbandar	Ishwariya	8.70	19.09.2022	31.03.2030	M/s TATA Chemicals, Gift Tower No.1, Gujarat International Finance, Gandhinagar, Gujarat- 382 355
10	Limestone & Shale	Karnataka/ Kalburgi	Injepalli & Sedam	897.86	18.04.2022	08.12.2032	M/s Kesoram Industries Limited Birla Building, 8 <sup>th</sup> floor, 9/1, R.N Mukherjee Road, Kolkata-700001
11	Limestone & Dolomite	Karanataka/ Bagalkote	Muddapur	10.82	25.08.2022	05.09.2051	Shri Shivaji V Deogiri, Shikhar Khane Road, Choudhary Hospital, Bijapur-586 104

12	Limestone Dolomite	Karanataka/ Bagalkote	Muddapur	04.85	24.05.2022	25.05.2064 (Limestone)	Shri Veerendra R. Mathad,
						25.05.2044	Shree Veerbhadra
						(Dolomite)	Minerals,
							Locapur,
							Bagalkote, 587 122
13	Limestone	Karnataka/	Hebbal	04.85	06.07.2022	30.06.2055	Sri. Kallappa H Sabarad,
	Dolomite	Bagalkote					Hebbal village, Mudhol
							taluk,
							Bagalkote
14	Manganese	Maharashtra/	Kandri	83.06	11.05.2022	29.06.2042	M/s Moil Limited,
		Nagpur					1-A, Moil Bhavan,
							Katol Road,
							Nagpur-440 013
15	Manganese	Madhya	Sitapathor	43.35	12.04.2022	30.06.2032	M/s Moil Limited,
		Pradesh/					1-A, Moil Bhavan,
		Balaghat					Katol Road,
							Nagpur-440 013
16	Manganese	Maharashtra/	Dongri Buzurg	53.98	11.05.2022	29.06.2042	M/s Moil Limited,
		Bhandara	&				1-A, Moil Bhavan,
			Bajar Tola				Katol Road,
							Nagpur-440 013

### C. Mining Leases Terminated, Cancelled/Lapsed/Determined

Table – 3: Details of Mining Leases Cancelled/Lapsed/Determined (By Minerals)

Mineral	State/	Village	Area	Date on which	Name & Address
	District		in ha	Lease	
				Terminated	
Limestone	Gujarat/	Bherala	21.14	25.07.2022	M/s Swastik Cement Industries Pvt Ltd.,
(Cancelled/	Gir Somnath				C/o Meramanbhai Parmar,
lapsed)					Raj Park, near Victoria Bridge,
					Behind Old Mental Hospital,
					Jam Nagar, Gujarat.
Limestone	Gujarat/	Madhapur	01.62	11.07.2022	Shri Kishansih Dansinh Mori,
(Cancelled/	Gir Somnath	(Gir)			Jasdhar(Gir),
lapsed)					District:- Gir Somnath
Magnesite	Rajasthan/	Talav	05.00	20.04.2022	Shri Gopal Sabu,
(lapsed)	Pali	(East)			Shastri Nagar,
					Jodhpur-

## **D.** Mining Leases Transferred

**Table – 5: Details of Mining Leases Transferred** 

Mineral	State / District	Village	Area in ha	Name and Address		Valid up to year	Date of Transfer of
	District		Па	Transferor	Transferee	to year	Deed
Iron ore	Karnataka/ Vijay nagar	Joga	15.25	M/s Baig Trading Company Ltd	M/s The Baig Trading Company Ltd	-	01.09.2022
Iron ore	Karnataka/ Ballari	SM Block	79.81	Shri B. Kumar Gouda	M/s BKG Mining Pvt. ltd	-	06.05.2022
Iron ore	Karnataka/ Ballari	Donim alai range	3.20	M/s Nadeem Minerals	M/s Nadeem Minerals Mining Pvt. Ltd.	-	17.05.2022
Limestone	Karnataka/ Bagalkote	Hebbal	14.16	Shri Murugayya Mallayya Viraktmath	M/s Resource Mining Company Pvt. Itd	-	24.05.2022
Manganese	Maharashtr / Nagpur	Mahark und	10.62	M/s Veet Rag Homes Pvt. Ltd	M/s GNP Realty LLP	-	28.04.2022

#### **SECTION - 3**

#### **Highlights**

#### A. DOMESTIC

#### Govt plans to auction 17 non-operational mines surrendered by PSUs

The government plans to put on auction 17 mines surrendered by public sector undertakings which could not put the blocks into operation. The government decided to take away all those mines from the public sector undertakings which do not get into operation even after the lapse of five to six years and put them on sale. These mines could not get into operation even after 10 to 15 years. Through an amendment to MMDR Act in 2021, private exploration agencies which have been accredited are allowed to carry out exploration without prospecting licence upon their notification and so far nine private exploration agencies have been notified for this purpose. In 2021-22, the total revenue accrued from auctioned mines is more than Rs 25,170 crore.

(Source: Press Trust of India, New Delhi | August 23, 2022)

#### Centre may sell 13 block gold mines in Uttar Pradesh and Andhra

Amid Centre's efforts to give a boost to the mining sector's contribution to country's gross domestic product, government plans to put on sale the block 13 gold mines in the states of Andhra and UP. The government plans to put on the block 13 gold mines in the states of Andhra Pradesh and Uttar Pradesh in the ongoing month amid its efforts to give a boost to the mining sector's contribution to the country's gross domestic product. Gold mines in Andhra Pradesh include Ramagiri North Block, Boksampalli North Block, Boksampalli South Block, Javakula-A Block, Javakula-B Block, Javakula-C Block, Javakula-D Block, Javakula-E Block, Javakula-F Block. The notices inviting tender for these gold mines were floated in March. In the case of remaining three gold mines in Uttar Pradesh, the auction will happen this month. But no specific dates have been given. Of the three mines in the state, two gold mines - Sonapahari Block and Dhurva-Biadand Block-- are in Sonbhadra. The allocation of mineral blocks through auction route kicked off after amendment in the Mining Act in 2015. The state governments, are getting a very good share of revenue from the auctions and had stressed that those states which were early birds in the race were really happy. The mines ministry had earlier said the amendment in mineral auction rules will encourage competition that will ensure more participation in sale of blocks. The Ministry of Mines had notified the Minerals (Evidence of Mineral Contents) Second

Amendment Rules, 2021, and the Mineral (Auction) Fourth Amendment Rules, 2021 to amend the Minerals (Evidence of Mineral Contents) Rules, 2015 (MEMC Rules) and the Mineral (Auction) Rules, 2015 (Auction Rules), respectively. The amendment rules have been framed after extensive consultations with the states, industry associations, miners, other stakeholders and

general public.

(Source: Press Trust of India, New Delhi | August 15, 2022)

190 major mineral blocks auctioned in seven years.

Mineral exploration will be carried out without adverse environmental impact through enhanced use of drones and other latest technologies. Coal and Mines Minister state that due to several innovative initiatives taken by the Central government, including amendments in mining legislations, 190 major mineral blocks have been auctioned in the last seven years, adding that commercial mining has been a great success in the country. The Centre is making efforts to attract more private entrepreneurs into mineral exploration. Mineral exploration will be carried out without adverse environmental impact through enhanced use of drones and other latest technologies. Through commercial coal mines auctions, an amount of Rs 25,000 crore in terms of additional revenue had been generated last year and Odisha stood first in revenue generation. The coal production from captive mines is expected to touch 140 million tones this year, compared to 89 million tonnes recorded in the last fiscal. Total coal production during this

financial year is likely to touch 900 million tonnes,

(Source: IANS, BS, New Delhi | August 23, 2022)

17 mineral mines taken back from states over nonproduction.

The Centre has taken back mineral mines from states, due to non-production. The 17 blocks will be put up for auction. "Big PSUs were sitting with big mines for the past 10, 15, 20 years without any production. While NMDC has done well, there were many PSUs sitting idle with mines, which was a national resource. If a mine does not start production in five to six years, will be taken back and auction. As per the Mines and Minerals (Development and Regulation) Amendment Bill, 2021, which proposed to remove curbs of end-use for future auctions of mineral mining rights, allowing operators of existing captive mines to sell up to 50 per cent of minerals extracted in a year. Similar relaxation of removing end use restrictions for captive coal

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mines has improved their production and is slated to touch 140 million tones by the end of this

fiscal year.

(**Source:** Karthik Jerome, BS | August 24, 2022)

Goa government to e-auction iron ore mining leases.

The e-auctioning of leases will pave the way for resumption of Goa's mining activities that came

to a standstill in March 2018 after the apex court quashed the second renewal of iron ore mining

leases given to 88 companies in Goa in 2015. At that time, the apex court had allowed auctioning

of these and other mining leases in the state for mineral exploration. The government took a

proactive step and initiated the process to take over the 88 leases. It is also geared up to begin the

process of e-auctioning of mining leases. Recently, the state government had formed Mineral

Exploration Corporation Limited to explore the possibility of auctioning 90 mining leases. On

the industrial sector, Industrial Growth and Investment Promotion Policy-2022' has been

unveiled to strengthen and improve the 'ease of doing business'.

(Source: Press Trust of India, Panaji | July 6, 2022)

Coal Secretary stresses on need to increase production of dry-fuel

Coal Secretary states that NCL is eager to promote sustainable coal mining which is getting

reflected in the recent initiatives by the coal miniratna, the coal ministry said in a statement. Coal

Secretary Anil Kumar Jain on Friday stressed the need for increasing the output and dispatches

of dry fuel in a sustainable manner to make the country self reliant in the energy sector. The

secretary called for the adoption of innovative techniques while mining to lessen its impact on

the environment. NCL is eager to promote sustainable coal mining which is getting reflected in

the recent initiatives by the coal miniratna, the coal ministry said.

(**Source:** Press Trust of India, New Delhi | July 15, 2022)

A new mining project could make Rajasthan India's next uranium hub

India may be a step closer to expanding its uranium production. Rajasthan, a state in the western

part of the country, is hoping to mine the rare mineral, according to a report in Business

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Standard. India's department of atomic energy first found uranium deposits in the state in 2012. Officials project the deposits to be as much as 12 million tones. The project is expected to be worth 3,000 crore rupees (\$380 million). Currently, the states of Jharkhand, Telangana, and Andhra Pradesh have India's largest uranium mines. A letter of intent issued by the Rajasthan state government to the Uranium Corporation of India is, however, only the first step in the process. Not all uranium can be excavated and used for nuclear energy or other by-products. Nor can the quantum of uranium be understood without a detailed geologic survey.

(Source: Quartz India, Manavi Kapur | June 28, 2022)

#### B. ABROAD

#### Fertilizer buyers are eyeing Canada to fill global potash deficit.

Canada's ample potash deposits are drawing "high levels" of interest around the world since sanctions upended global fertilizer markets. Saskatchewan is capturing "renewed interest" in its potash resources due to disrupted supplies of the key fertilizer from Belarus and Russia. Saskatchewan has the world's largest potash deposits and Eyre said the provincial government is working with companies to encourage more production of the mineral and expects to see "a growing demand for new projects" in the coming years. Fertilizer markets have been in disarray since the U.S. imposed sanctions on Belarus, and from economic measures taken against Russia following its invasion of Ukraine in February. Russia and Belarus account for about 40% of global potash production and exports, according to Saskatoon, while Canada is the other major source for the commonly used fertilizer that contains potassium. Saskatchewan has roughly 1.1 billion metric tons of potassium oxide, enough to supply the world for several hundred years. Saskatchewan produced a record 14.2 million tons of potash last year. BHP Group has a \$5.7 billion project to build what will be the world's largest potash mine in the province. Saskatchewan expects an uptick in exploration and mining projects, though it takes awhile for new mines to get up and running, Eyre said. "It's a case of supply meeting demand right now.

(**Source:** Bloomberg News | May 3, 2022)

#### Gem Diamonds unearths 245-carat stone in Lesotho

Gem Diamonds (LSE: GEMD) announced the recovery of an exceptional quality 245 carat white Type II diamond from the Letšeng mine in Lesotho. Following the recovery of a 129 carat diamond and 125 carat diamond, the 245 carat diamond represents the third diamond of over 100 carats recovered from the Letšeng mine within the past three weeks. In 2021, Gem Diamonds found only six diamonds over 100 carats at Letšeng. This compares to 16 rocks of more than 100 carats discovered in 2020. The find comes as prices for small diamonds have jumped about 20% since the start of March, as cutters, polishers and traders struggle to source stones outside Russia. State-owned Alrosa (MCX: ALRS), the world's top diamond producer by output, was hit with US sanctions following Moscow's invasion of Ukraine. Since acquiring Letšeng in 2006, Gem Diamonds has found more than 60 white gem quality diamonds over 100 carats each..

#### Canada must overcome hurdles in 'urgent' critical minerals push

The global clean-energy transition offers metals-rich Canada a "generational economic opportunity," as long as the mining industry can get past some key hurdles. Canada produces more than 60 minerals and metals, has more than 200 mines and is home to almost half of the world's publicly listed mining and minerals exploration companies. The country holds deposits of 31 critical minerals that will be "in greatest demand energy sources." There are still some barriers that we need to overcome in Canada if we are to capitalize on these emerging opportunities to capture market share and meet our climate action targets. Canada's government, has earmarked C\$3.8 billion (\$3 billion) in its federal budget to implement a new critical minerals strategy over eight years. "As transition to cleaner, mineral intensive forms of energy, democratic countries are going to need access to stable and secure sources of critical minerals.

(**Source:** Bloomberg News | June 13, 2022)

#### Metals world agonizes over war but keeps buying from Russia

Last month, 13 copper-industry representatives at the London Metal Exchange were asked whether Russian metal should be blocked from its warehouses. Ten of them said "yes." But when advisory groups for nickel and aluminum discussed the same question, the general consensus was "no." The LME, which is the ultimate decision-maker, it won't take action that goes beyond government sanctions — which, so far, have left most of the metals industry untouched. But the behind-closed-doors discussions reflect a wider angst over whether to keep buying from Russia, as the industry weighs the stigma from the war against its own commercial interests — and the fact that vital metals like aluminum and copper were in short supply even before the invasion of Ukraine. For now, Russian metal is largely still flowing to the world's factories and building sites. Many traders and fabricators who buy from Russian companies are tied in to pre-existing purchase deals that can extend over years. And commodities merchants have a well-earned reputation as buyers and financiers of last resort when others have long backed away. Still, a growing number in the industry say they won't take on new Russian business, and some are actively working to disentangle themselves. That's making it ever-harder for Russia's metals producers to sell whatever output is not already contracted, and may ultimately force them to cut production if there's no change by the time longterm deals come to an end.

# Chinese mining industry seeks to monopolize the market and make the world dependent on it

China is the most populous country on the planet and needs enormous resources to continue to grow its volatile economy. As a result, the Chinese communist regime has invested millions over the past few decades to develop a significant focus on mining non-renewable natural resources. Beginning with significant mining within China, the Chinese regime continued with determined strategies to expand mining in the rest of the world, especially in developing countries in both Latin America and Africa. Mining has been at the forefront of much of China's strategy of commercial advancement in the so-called "Belt and Road" project through which the Chinese regime managed to penetrate emerging countries. The project entices officials and citizens with huge investments of money into various projects, including mining, usually putting at risk the national sovereignty of the nations supposedly benefiting from the investments.

#### Brazil needs potash and Belarus is looking for ways to supply it

Agricultural powerhouse Brazil is desperate for fertilizers. Belarus, a sanctioned regime friendly to Russia is looking for ways to ship more of the nutrients. Belarusian gave his stamp of approval to small companies trying to export potash to cash in on skyrocketing fertilizer prices. But the U.S. and the EU banned the country's shipments of the nutrient, leaving Brazilian farmers scrambling. To secure enough potash for the soybean planting in September, Brazil may need to resort to barter or using yuan and Chinese intermediary. Companies in Brazil are up for business in almost all ways: payments, barter, exchanges.

(**Source:** Bloomberg News | April 6, 2022)

#### Chile a step closer to nationalizing copper and lithium

Chile's constituent assembly, in charge of writing the country's new Constitution, that opens the door to nationalizing some of the world's biggest copper and lithium mines. The motion by the environmental committee, which gathered over the weekend for the first time since its creation as a deadline to wrap up proposals looms. The proposal, targeting mostly large-scale mining of copper, lithium and gold has yet to be approved by two thirds of the full

assembly to become part of Chile's new charter, which will be put to a national referendum later this year. Analysts consider the motion a direct attack on private interests since the Chilean state already owns the underlying mineral rights, gives the government one year to nationalize companies.

(Source Cecilia Jamasmie | March 7, 2022)

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