



2026:CGHC:9584

AFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 1943 of 2020

Reserved on 30/01/2026

Pronounced on 24/02/2026

- M/s Shri Bajrang Power And Ispat Limited, A Company Duly Incorporated Under The Provisions of The Companies Act, 1956, Having Its Registered Office At Village Borjhara, Urla Guma Road, District Raipur Chhattisgarh Through Its Whole Time Director Shri S. K. Goyal.,

... Petitioner

versus

1 - State of Chhattisgarh, Through Its Secretary, Department of Mineral Resources, Mantralaya, Mahanadi Bhawan, Atal Nagar, Raipur Chhattisgarh,

2 - State of Chhattisgarh, Through Its Principal Secretary, Department of Forest, Mantralaya, Mahanadi Bhawan, Atal Nagar, Raipur Chhattisgarh,

3 - The Collector, District Kanker, Chhattisgarh,

4 - The Chief Conservator of Forest, Kanker, District Kanker Chhattisgarh,

5 - The Divisional Forest Officer, East Bhanupratappur Forest Division, District Kanker Chhattisgarh

6 - Union of India, Represented Through Secretary to Government of India, Ministry of Mines, Shastri Bhawan, New Delhi 110001,

7 - Union of India, Represented Through Secretary to Government Of India, Ministry Of Environment, Forest And Climate Change, Indira Paryavas Bhawan, Jor Bagh, Lodhi Colony, New Delhi 110001

----- Respondents

For Petitioner :Mr. Ankit Singhal, Advocate appears along with Mr. Mehal Jethani, Mr. Ashish Mittal and Mr. Amartya Bajpai, Advocates.

For State/Res.No.1 to 5:Mr. Dharmesh Shrivastava, Dy. A. G.

For Res. No.6 and 7 : Mr. Tushar Dhar Diwan, Advocate appear along with Mr. Shayon Kar, Advocate.

Single Bench:Hon'ble Shri Justice Sanjay S. Agrawal

C A V Order

1. By virtue of this petition, the petitioner is questioning the legality and propriety of the order dated 13.07.2020 passed by respondent No.1- Secretary, Department of Mineral Resources, State of Chhattisgarh and, the letter dated 31.07.2020 issued by the Collector, District Kanker, respondent No.3 herein and, also the demand notice, dated 20.09.2019 issued by the Divisional Forest Officer, East Bhanupratappur, Forest Division, Kanker, respondent No.5 herein, whereby, the petitioner- M/s Shri Bajrang Power and Ispat Limited, a Company duly incorporated under the Companies Act, 1956 (hereinafter referred to as 'the petitioner-company'), was directed to deposit a sum of Rs.68,28,480/- (Rs. Sixty Eight Lacs Twenty Eight Thousand Four Hundred Eighty only) towards compensation on *pro rata* basis payable to the villagers in the name of grazing, collection of tendu leaves and other Non Timber Forest Produce (in short 'NTFP'), presently accruing from forest land which was proposed for diversion for mining activities for the petitioner-company.
2. (i) According to the petitioner-company, an application dated 19.06.2006 for obtaining mining lease for iron-ore over an area

of 75 hectares land in forest compartment No.641 and 642 (old No.364 and 365) near the village Hahaladdi, Durgkondal Forest Range and Bhanupratappur East, Forest Division, District Kanker, was made and, the respondent No.6- Union of India, granted prior approval for the said purpose vide its order dated 23.10.2007 (Annexure P-1) under Section 5 of the Mines and Minerals (Development and Regulation) Act, 1957 (hereinafter referred to as 'the Act, 1957') and thereafter, the respondent No.1 sought consent from the petitioner-company vide its letter, dated 18.02.2008 (Anenxure P-2) in order to incorporate certain terms and conditions as mentioned therein for the proposed mining lease and, the petitioner-company has given its consent vide its letter dated 19.02.2008 (Annexure P-3). After considering the terms and conditions, the respondent No.7- Union of India granted 'in-principle' approval vide its letter dated 03.05.2013 (Annexure P-4) for diversion of 76.5 hectares of forest land (75 hectares for lease while 1.5 hectare for approach road to the mining lease area) for iron-ore mining for the concerned area subject to fulfilling the terms and conditions mentioned therein.

(ii) It is pleaded by the petitioner-company that as per the condition No.30 mentioned in the said 'in-principle' approval granted by the Union of India, the final study report was submitted on 14.08.2013 (Annexure P-5), whereby, a sum of Rs.6,85,500/- (Rs.Six Lacs Eighty Five Thousand Five Hundred only) was assessed per year for all the times to come, if the said

area would not be diverted for mining and that by applying the 'faustmann formula' for capitalization of forest reserve, the amount of compensation payable to the villagers was calculated to the tune of Rs.13,37,580/- (Rs. Thirteen Lacs Thirty Seven Thousand Five Hundred Eighty only) with regard to the assessment of benefits, such as grazing, collection of tendu leaves and other NTFP, accruing from the forest land proposed for diversion and the report, so submitted, was forwarded by the respondent No.5- The Divisional Forest Officer, East Bhanupratappur, Forest Division, District Kanker, on 02.12.2013 (Annexure P-6) to the Chief Conservator of Forest, Raipur, for its recommendation, who in turn, vide its letter, dated 19.03.2014 (Annexure P-8) has recommended the amount of compensation as determined by the petitioner-company in its final report to the Secretary for the Department of Forest, State of Chhattisgarh and the amount, so determined, i.e. Rs.13,37,580/- (Rs.Thirteen Lacs Thirty Seven Thousand Five Hundred Eighty only) was deposited by the petitioner-company on 02.04.2014.

(iii) It is pleaded further by the petitioner-company that the proposal with regard to the condition No.30 incorporated in the 'in-principle' approval granted by the Ministry of Environment and Forest on 03.05.2013 (Annexure P-4) was approved by the respondent No.2- State of Chhattisgarh, vide its letter, dated 28.05.2014 (Annexure P-10) and, the respondent No.7- Union of India has granted final approval vide its letter, dated 04.08.2014 (Annexure P-11), as per the provision prescribed under Section

2 of the Forest (Conservation) Act, 1980 for diversion of 76.5 hectares of land (75 hectares for mining lease while 1.5 hectare of approach road to the mining area) for iron ore mining in the concerned area, subject to fulfillment of terms and conditions mentioned therein.

(iv) Further plea of the petitioner-company is that after the final approval made on 04.08.2014, the respondent No.1 vide its letter dated 31.10.2014 (Annexure P-12) has obtained the consent from the petitioner-company for incorporation of certain additional terms and conditions, including condition No.10.7(2) in the mining lease and, since it was not in a position to bargain with the State government, a consent was, therefore, given. The said additional condition reads as under :-

“10.7(2) खनिपट्टा क्षेत्र के अंतर्गत आवेदित वन एवं राजस्व क्षेत्र में उत्पादित होने वाले वनोपज का अनुमानित मूल्य के आधार पर प्रोरेटा प्रति परिवार वार्षिक आय की राशि स्थानीय खनिज क्षेत्र विकास निधी में जमा की जायेगी। तत्पश्चात यह राशि प्रभावित परिवार के मुखिया कर्ताद्ध के नाम पर टांसफर की जाएगी। इस राशि में प्रतिवर्ष 10 प्रतिशत की वृद्धि की जाएगी”।

(v) It is pleaded further by the petitioner-company that after the incorporation of the aforesaid additional condition, the mining lease (Ex.P-15) was executed on 21.11.2014 between the petitioner-company and the respondent No.3- The Collector, District Kanker and, thereafter on 31.03.2017 (Annexure P-16), the respondent No.5- The Divisional Forest Officer, East Bhanupratappur Forest Division, District Kanker, demanded

compensation amount from the petitioner-company to the tune of Rs.30,39,810/- (Rs.Thirty Lacs Thirty Nine Thousand Eight Hundred Ten only) for the financial year 2015-16 and 2016-17 distributable amongst the villagers of the nearby villages in lieu of forest produce with an increase of 10% every year till the lease period and, the objection, so raised by the petitioner-company in this regard on 25.04.2017, was turned down by the respondent No.4-The Chief Conservator of Forest, Kanker Circle, Kanker vide its letter, dated 19.05.2017 (Annexure P-18) based upon the condition mentioned in the alleged mining lease (Annexure P-15).

(vi) It is pleaded further by the petitioner-company that vide letter, dated 05.07.2017 (Annexure P-21), it was requested to the respondent No.1 for deletion of the said additional condition incorporated in the mining lease as the same is contrary to the terms and conditions mentioned in the 'in-principle' approval granted by the Union of India on 03.05.2013, *vis-a-vis*, the final approval issued by the Ministry of Environment and Forest Department.

(vii) While referring to the guidelines, i.e. F.No.11-306/2014-FC, dated 08.08.2014, issued by the Ministry of Environment and Forest, it is pleaded further by the petitioner-company that the additional conditions cannot be made by the State government in the mining lease without prior approval of the Central Government. As such, the impugned demand notice, dated 20.09.2019 (Annexure P-27) issued by the respondent

No.5- The Divisional Forest Officer, East Bhanupratappur Forest Division, District Kanker, demanding a sum of Rs.68,28,480/- (Rs. Sixty Eight Lacs Twenty Eight Thousand Four Hundred Eighty only) from the petitioner-company towards compensation payable to the villagers in the name of grazing, collection of tendu leaves and other NTFP, presently accruing from the forest land proposed for diversion for mining activities for the petitioner-company in compliance of the alleged additional condition No.10.7(2) as mentioned in the mining lease, dated 21.11.2014 (Annexure P-15) and, consequent upon the issuance of letter dated 31.07.2020 by the Collector, District Kanker and the order impugned dated 13.07.2020 issued by the Secretary, Department of Mineral Resources, State of Chhattisgarh, deserves to be quashed.

3. In response, it is pleaded by the respondents that the alleged additional condition, i.e. condition No.10.7(2) in the alleged mining lease (Annexure P-15) was incorporated after prior consent from the petitioner-company, therefore, the impugned demand notice/ order issued strictly in compliance of the said condition, deserves to be upheld and the petition as framed is liable to be dismissed, as no prior approval from the Central Government as pleaded by the petitioner-company, is required to be obtained.
4. Mr. Ankit Singhal, learned counsel appearing for the petitioner-company, submits that since the impugned demand notice/order

has been issued based upon the alleged additional condition No.10.7(2) incorporated in the alleged mining lease dated 21.11.2014 even without prior approval from the Central Government as required under sub-rule (3) of Rule 27 of the Mineral Concession Rules, 1960, therefore, it deserves to be quashed. In support, he placed his reliance upon the decisions rendered by the Supreme Court in the matters of **M/s. Ramlal and Sons Vs. The State of Rajasthan** and **Sandur Manganese and Iron Ores Limited Vs. State of Karnataka and Ors.**, reported in (1976) 1 SCC 112 and (2010) 13 SCC 1, respectively.

5. On the other hand, learned counsel appearing for the respondents submits that since the alleged condition, i.e. condition No.10.7(2) has been incorporated in the alleged mining lease after due consent of the petitioner-company, therefore, there is no infirmity in issuing the impugned demand notice/order and, therefore, the petition as framed, is liable to be dismissed.
6. I have heard learned counsel appearing for the parties and perused the entire record.
7. From perusal of the pleadings of the parties, it appears that an application was made by the petitioner-company on 19.06.2006, seeking operation of mining lease for iron-ore over an area of 75 hectares of land in the forest compartment No. 641 and 642 (old No.364 and 365) near the village Hahaladdi, Durgkondal, Forest Range and Bhanupratappur East Forest Division, District Kanker

and, after obtaining the consent from the petitioner-company in order to incorporate certain terms and conditions, 'in-principle' approval for grant of mining lease was granted by the Union of India on 03.05.2013 and, the final approval was thereafter, granted by the Central Government, vide its letter dated 04.08.2014 (Annexure P-11) and, one of the conditions, i.e. condition No.30 made therein reads as under :-

“30. State Government shall assess the benefits such as grazing, collection of tendu leave and Other NTFP etc. presently accrued from the forest land proposed for diversion to the tribal and other residents of the adjoining habitations and recover its consolidated commuted value or equivalent annuity, from the user agency and distribute it among the project affected families. Local inhabitants raised the issues in public hearing about losses to be incurred in collection of tendu leaves due to proposed mining which was not satisfactory answered by the project proponent”.

8. It is to be seen further that for incorporation of certain additional terms and conditions, a consent was obtained from the petitioner-company by the State government vide its letter dated 31.10.2014 (Annexure P-12), who in turn, vide its letter dated 01.11.2014 (Annexure P-13) accorded its consent and, a mining lease was thereupon executed between the petitioner-company and the respondent No.3- The Collector, District Kanker on 21.11.2014 (Annexure P-15) by incorporating additional terms and conditions, including condition No.10.7(2). The said condition mentioned in the precedent paragraph is reiterated as

under :-

10.7 खनिपट्टा अनुबंध हेतु राज्य षासन, खनिज साधन विभाग के पत्र क्र. एफ 3-60/2006/12, दिनांक 31.10.14 एवं मेसर्स श्री बजरंग पावर एण्ड इस्पात लिमिटेड द्वारा पत्र क्रमांक SBPIL/3447, दिनांक 01.11.2014 के परस्पर स्वैच्छिक सहमति, के अनुपालन में अधिरोपित निम्नांकित शर्ते।

1. XXXXXXXX.....XXXX

2. खनिपट्टा क्षेत्र के अंतर्गत आवेदित वन एवं राजस्व क्षेत्र में उत्पादित होने वाले वनोपज का अनुमानित मूल्य के आधार पर प्रोरेटा प्रति परिवार वार्षिक आय की राशि स्थानीय खनिज क्षेत्र विकास निधि में जमा की जायेगी, तत्पश्चात यह राशि प्रभावित परिवार के मुखिया (कर्ता) के नाम पर ट्रान्सफर को जायेगी, इस राशि में प्रतिवर्ष 10 प्रतिशत की वृद्धि की जायेगी।

9. In exercise of the aforesaid condition provided in the mining lease, the concerned respondent authorities have issued the impugned demand notice/order demanding a sum of Rs.68,28,480/- (Rs. Sixty Eight Lacs Twenty Eight Thousand Four Hundred Eighty only) from the petitioner-company on *pro rata* basis, payable to the villagers, in the name of grazing, collection of tendu leaves and other NTFP, presently accruing from the forest land for diversion of mining activities for the petitioner-company.
10. At the time of granting 'in-principle' approval for mining activities by the Union of India on 03.05.2013, condition No.30, as mentioned herein-above, was incorporated and, at the time of execution of mining lease dated 21.11.2014, certain additional conditions were incorporated after obtaining consent from the petitioner-company by incorporating condition No.10.7(2), based upon which, the alleged demand of Rs. 68,28,480/- (Rs. Sixty

Eight Lacs Twenty Eight Thousand Four Hundred Eighty only) was made by the respondent authorities. Before incorporating the additional conditions, including the alleged condition No. 10.7(2), no prior approval was obtained from the Central Government, therefore, Mr. Ankit Singhal, learned counsel appearing for the petitioner-company, while referring to sub-rule (3) of Rule 27 of the Mineral Concession Rules, 1960, submits that since it was incorporated without prior approval of the Central Government, therefore, the impugned demand notice, deserves to be quashed as it was issued based upon the alleged condition No.10.7(2) incorporated unauthorizedly by the State government.

11. The question, therefore, arises for determination is :-

(1) Whether the incorporation of the alleged condition No.10.7(2) in the mining lease dated 21.11.2014 without prior approval of the Central Government, is liable to be deleted, and/or, whether the impugned demand notice/orders, issued consequent upon it, are liable to be set-aside ?

12. In order to ascertain the answer of the aforesaid question, it is necessary to examine the Rule 27 of the Mineral Concession Rules, 1960, which provides as under :-

“27. Conditions.- (1) Every mining lease shall be subject to the following conditions .

(a) to (u) xxxx... xxxx... xxxx.....

(2) A mining lease may contain such other conditions as the State Government may deem necessary in regard to the following, namely :-

(a) to (j) xxxx... xxxx... xxxx.....

(k) the indemnity to Government against claims of third parties;

(l) to (o) xxxx... xxxx... xxxx.....

(3) The State Government may either with the previous approval of the Central Government or at the instance of the Central Government, impose such further conditions as may be necessary in the interests of mineral development, including development of atomic minerals.

(4), (4A) and (5) xxxx... xxxx... xxxx.....

- 13.** According to clause (k) of sub-rule (2) of the aforesaid Rule, it appears that the claims of third parties are to be indemnified by the State government and, for which, the Central Government would not be responsible and, a bare perusal of sub-rule (3) of it would show that the State government may impose such further conditions as may be necessary in the interests of mineral development, including development of atomic minerals either with the previous approval of the Central Government or at the instance of the Central Government. The said provision, thus, in two parts and may be read as under :-

Firstly, the State government may with the previous approval of the Central Government impose such further conditions as may be necessary in the interests of mineral development, including development of atomic mineral, or

Secondly, the State government may at the instance of the Central Government impose such further conditions as may be necessary in the interests of

mineral development, including development of atomic minerals.

- 14.** A close scrutiny of the aforesaid provision, particularly, the expression “as may be necessary in the interests of mineral development, including development of atomic minerals” used therein, is significant as it would lead to an irresistible conclusion that the State government may impose such further conditions with previous approval of the Central Government or at its instance only when it is necessary in the interests of the mineral development, including development of atomic minerals. Meaning thereby, such additional conditions may be imposed by the State government either with the previous approval of the Central Government or at the instance of the Central Government, if it is required to be imposed for the interests of the mineral development, including development of atomic minerals, otherwise not.
- 15.** In the instant matter, the imposition of alleged additional condition, i.e. condition No.10.7(2), based upon which, the alleged demand was made, was only with regard to satisfy the claims of third parties by the State government, as required under clause(k) of sub-rule (2) of the aforesaid Rule and for which, the Central Government is nothing to do, or even concerned remotely, as the same is not pertaining to the interests of mineral development, including development of atomic minerals, so as to hold the applicability of sub-rule (3) of

the aforesaid Rules. In view of such circumstances, no prior approval is, thus, required from the Central Government for the imposition of the alleged additional condition by the State government under sub-rule (3) of Rule 27 of the Mineral Concession Rules, 1960, as alleged herein by the counsel appearing for the petitioner-company.

16. Now, insofar as the reliance placed by Mr. Ankit Singhal, learned counsel appearing for the petitioner-company, in the matter of **Sandur Manganese and Iron Ores Ltd.** [(2010)13 SCC 1] (supra) is concerned, the same is, however, noted to be distinguishable from the facts involved herein, as in the said matter, it was held by the Supreme Court that the State government has no power, whatsoever, to frame a policy dehors the Act, 1957 or the Rules, framed thereunder, in exercise of the powers provided under Section 13 of the Act, 1957. The relevant observations made at paragraphs 34 to 41 and 43 read as under:-

“ 34. We have already adverted to Section 2 of the MMDR Act, which is a parliamentary declaration, makes it clear that the State Legislature is denuded of its legislative power to make any law with respect to the regulation of mines and mineral development to the extent provided in the [MMDR Act](#). ([Vide State of Orissa vs. M.A. Tulloch & Co.](#) (AIR 1964) 4 SCR 461).

35. In [Baijnath Kadio vs. State of Bihar](#), (1969) 3 SCC 838, a Constitution Bench of this Court reiterated the above view. The argument of the appellant [in that case](#) was that, apart from the provisions of the 2nd proviso to [Section 10](#) added to the [Land Reforms Act, 1950](#) in 1964, by Act IV of 1965 and the second sub-rule added to Rule 20 of the Bihar Minor Mineral Concession Rules, 1964, there is no power to modify the terms. It was further

contended that these provisions of law are said to be outside the competence of the State Legislature and the Bihar Government. With regard to the State Legislature, it was contended that the scheme of the relevant entries in the Union and the State List is that to the extent to which regulation of mines and mineral development is declared by Parliament by law to be expedient in the public interest, the subject of legislation is withdrawn from the jurisdiction of the State Legislature and, therefore, Act 67 of 1957 ([the MMDR Act](#)) leaves no legislative field to the Bihar Legislature to enact Act 4 of 1955 amending the [Land Reforms Act](#).

36. Answering those questions, the Constitution Bench has held thus:

([Baijnath Kadio](#) case, paras 13-15)

"13. Entry 54 of the Union List speaks both of Regulation of mines and minerals development and Entry 23 is subject to Entry 54. It is open to Parliament to declare that it is expedient in the public interest that the control should rest in Central Government. To what extent such a declaration can go is for Parliament to determine and this must be commensurate with public interest. Once this declaration is made and the extent laid down, the subject of legislation to the extent laid down becomes an exclusive subject for legislation by Parliament. Any legislation by the State after such declaration and trenching upon the field disclosed in the declaration must necessarily be unconstitutional because that field is abstracted from the legislative competence of the State Legislature. This proposition is also self-evident that no attempt was rightly made to contradict it. There are also two decisions of this Court reported in the [Hingir Rampur Coal Co. Ltd. v. State of Orissa](#) (AIR 1961 SC 459), and [State of Orissa v. M.A. Tulloch and Co.](#) (AIR 1964 SC 1284), in which the matter is discussed. The only dispute, therefore, can be to what extent the declaration by Parliament leaves any scope for legislation by the State Legislature. If the impugned legislation falls within the ambit of such scope it will be valid; if outside it, then it must be declared invalid.

14. The declaration is contained in [Section 2](#) of Act 67 of 1957 and speaks of the taking under the control of the Central Government the regulation of mines and development of minerals to the extent provided in the Act itself. We have thus not to look outside Act 67 of 1957 to determine what is left within the competence of the State Legislature but have

to work it out from the terms of that Act. In this connection we may notice what was decided in the two cases of this Court. In the [Hingir Rampur](#) case a question had arisen whether the Act of 1948 so completely covered the field of conservation and development of minerals as to leave no room for State legislation. It was held that the declaration was effective even if the Rules contemplated under the Act of 1948 had not been made. However, considering further whether a declaration made by a Dominion Law could be regarded as a declaration made by Parliament for the purpose of Entry 54, it was held that it could not and there was thus a lacuna which the Adaptation of Laws Order, 1950 could not remove. Therefore, it was held that there was room for legislation by the State Legislature.

15. In [M.A. Tulloch](#) case the firm was working a mining lease granted under the Act of 1948. The State Legislature of Orissa then passed the Orissa Mining Areas Development Fund Act, 1952 and levied a fee for the development of mining areas within the State. After the provisions came into force a demand was made for payment of fees due from July 1957 to March 1958 and the demand was challenged. The High Court held that after the coming into force of Act 67 of 1957 the Orissa Act must be held to be non-existent. It was held on appeal that since Act 67 of 1957 contained the requisite declaration by Parliament under Entry 54 and that Act covered the same field as the Act of 1948 in regard to mines and mineral development, the ruling in [Hingir Rampur's](#) case applied and as [Sections 18\(1\)](#) and (2) of the Act 67 of 1957 were very wide they ruled out legislation by the State Legislature. Where a superior legislature evinced an intention to cover the whole field, the enactments of the other legislature whether passed before or after must be held to be overborne. It was laid down that inconsistency could be proved not by a detailed comparison of the provisions of the conflicting Acts but by the mere existence of two pieces of legislation. As [Section 18\(1\)](#) covered the entire field, there was no scope for the argument that till rules were framed under that Section, room was available."

37. The Constitution Bench in [Baijnath Kadio](#) case (1969) 3 SCC 838 after considering [Hingir Rampur Coal Co. Ltd. vs. State of Orissa](#) and [M.A. Tulloch](#) (supra) held that in view of the two abovementioned rulings of this Court and by enacting [Section 15](#) of Act 67 of 1957, the Union of India has taken all the

power to itself and authorized the State Government to make rules for the regulation of leases. By the declaration and the enactment of [Section 15](#), the whole of the field relating to minor minerals came within the jurisdiction of Parliament and no scope was left for the enactment of the second proviso to [Section 10](#) in the [Land Reforms Act](#). The enactment of the proviso was, therefore, without jurisdiction.

38. In [State of West Bengal vs. Kesoram Industries Ltd. and Others](#), (2004) 10 SCC 201, after referring to earlier judgments including [M.A. Tulloch](#) (supra) and [Bajinath Kadio](#) (supra), the Constitution Bench held as under: (Kesoram Industries Ltd.(2004) 10 SCC 201, SCC pp.306-07. para 95))

"95. All that the Court has said is that the 1957 enactment covers the field of legislation as to the regulation of mines and the development of minerals. As [Section 2](#) itself provides and indicates, the assumption of control in public interest by the Central Government is on: (i) the regulation of mines, (ii) the development of minerals, and (iii) to the extent hereinafter provided. The scope and extent of declaration cannot and could not have been enlarged by the court nor has it been done. The effect is that no State Legislature shall have power to enact any legislation touching: (i) the regulation of mines, (ii) the development of minerals, and (iii) to the extent provided by Act 67 of 1957. "

39. In the same way, the State is also denuded of its executive power in regard to matters covered by the [MMDR Act](#) and the Rules. [vide [Bharat Coking Coal Ltd. v. State of Bihar](#), (1990) 4 SCC 557].

40. In view of the specific parliamentary declaration as discussed and explained by this Court in various decisions, there is no question of the State having any power to frame a policy de hors the [MMDR Act](#) and the Rules.

41. In [State of Assam & Ors. v. Om Prakash Mehta](#), (1973) 1 SCC 584, this Court in SCC para 12 held that the [MMDR Act, 1957](#) and the MC Rules, 1960 contain a complete code in respect of the grant and renewal of prospecting licences as well as mining leases in lands belonging to the Government as well as lands belonging to private persons.

42.....xxxx.....xxxx.....xxxx.....

43. It is not open to the State Government to justify grant based on criteria that are de hors the MMDR Act and the MC Rules. The exercise has to be done strictly in accordance with the statutory provisions and if there is any deviation,

the same cannot be sustained. It is the normal rule of construction that when a statute vests certain power in an authority to be exercised in a particular manner then the said authority has to exercise it only in the manner provided in the statute itself. This principle has been reiterated in CIT v. Anjum M.H. Ghaswala, (2002) 1 SCC 633, SCC at p. 644; Captain Sube Singh v. Lt. Governor of Delhi (2004) 6 SCC 440 and State of U.P. v. Singhara Singh (AIR 1964 SC 358).”

17. The principles laid down in the above-referred matters are, thus, entirely on different footings and would be of no use being distinguishable from the facts involved herein, therefore, no reliance, could be placed upon it.
18. Likewise, the further reliance of Mr. Ankit Singhal in the matter of **M/s. Ramlal and Sons** [(1976) 1 SCC 112] (supra) is also of no use, as in the said matter, a realization of “Premium”, collected de hors the Rules, which provides only for the collection of “dead rent” or the “royalty” in respect of different minerals, was held to be illegal. However, such an issue is not involved herein, therefore, no reliance could be placed upon it as well.
19. Consequently, I do not find any substance in this petition. The petition is, accordingly, dismissed.

No order as to cost(s).

Sd/-
(Sanjay S. Agrawal)
JUDGE