ORISSA HIGH COURT : CUTTACK

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W.P.(C) No.23082 of 2025

In the matter of an Application under
Articles 226 and 227 of the Constitution of India, 1950

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M/s. Zenith Mining (P) Ltd.
Represented through its
Resolution Professional
Mr. Sanjeet Kumar Sharma
Having address at BE 149, Street No.5
Hari Nagar, New Delhi – 110 064. … Petitioner

-*VERSUS*-

1. State of Odisha
Represented through its
Principal Secretary
Steel & Mines
At: Secretariat Building
Government of Odisha
Bhubaneswar
District: Khordha, Odisha.

2. Director of Mines, Odisha
Head of the Department Building
Bhubaneswar, District: Khordha.

3. Ministry of Mines
Represented through its
Secretary, Government of India
Sastri Bhawan
New Delhi – 110 001 … Opposite parties.

Counsel appeared for the parties:

For the Petitioner	:	Mr. Sanjit Mohanty, Senior Advocate assisted by M/s. Rakesh Sharma, Abinash Nayak, Amreeth Rath and Soumyajit Pani, Advocates
For the Opposite party Nos.1 and 2	:	Mr. Sanjib Kumar Swain, Additional Government Advocate
For the Opposite party No.3	:	Mr. Prasanna Kumar Parhi, Deputy Solicitor General of India for High Court of Orissa Along with Mr. Biswajit Moharana, Senior Panel Counsel.

P R E S E N T:

HONOURABLE CHIEF JUSTICE
MR. HARISH TANDON

AND

HONOURABLE JUSTICE
MR. MURAHARI SRI RAMAN

Date of Hearing : 21.04.2026 :: Date of Judgment : 06.07.2026

JUDGMENT

MURAHARI SRI RAMAN, J.—

The petitioner, a private limited company, questioning the propriety, legality and sanctity of Order dated 19.09.2024 passed under Section 30 of the Mines and Minerals (Development and Regulation) Act, 1957 by the

"Additional Secretary and Revisionary Authority" rendering the Revision Application No.22/22/2023-RC-I[1] infructuous as the period of lease got completed fifty years (referred to as "Order in Revision"), has approached by way of filing this writ petition and beseeches for grant of following relief(s):

"It is therefore prayed that, this Hon'ble Court may graciously be pleased to admit the writ petition, issue notice to the opposite parties, call for the Records from the Revisional Authority and further asking them to show cause as to why the impugned orders at Annexures-1 and 18 shall not be declared to be illegal and liable to be set aside by this Hon'ble Court and if the 0pp. Parties fail to show cause or show insufficient cause then to issue necessary directions/writs in the nature of both Mandamus and Certiorari and quash the impugned orders at Annexures-1 and 18;

And may direct the 0pp. parties to grant necessary permissions and clearances in favour of the petitioner in accordance with law and allow the petitioner to operate the Leased out Gonua Mines under Koira Division;

And declare the orders dated 19.09.2024 passed by the Revisionary Authority in 22/22/2023-RC-I under Annexure-1, and Order No. 7070 dated 13.07.2023 (Annexure-18) passed by the State Government as inoperative and unrestrictive in respect of the leased-out Mines to enable the Petitioner to operate it till the

[1] Against the decision in Letter bearing No.7070-SM-MC1-CC-0132-2022/SM, dated 13.07.2023 taken in the Proceeding of Government of Odisha in Steel and Mines Department.

scheduled completion of the Leasehold period of fifty years with effect from 23.10.1991;

And may further be pleased to pass any other order(s) or direction(s) as deem fit and proper in the facts and circumstances of the case.

And for this act of kindness, the Petitioner shall as in duty bound ever pray."

The facts:

2. The necessary background factual matrix as adumbrated by the petitioner giving rise to filing of this the writ petition is narrated hereunder.

2.1. The mining lease in respect of manganese ore over 438.97 acres (177.64 hectares) in village Gonua in Koira Tehsil was held by Late Dhanjit Kuarji Bai Pandya and the lease was valid from 30.09.1943 to 29.09.1963. Smt. Dev Kumar Bai Pandya, wife of Late Dhanjit Kuarji Bai Pandya applied for the renewal of mining lease on 16.03.1963, but the lease was not considered in her favour. The Government of Odisha in the Mining and Geology Department published a Notification No. III(B)MG-32/77-3515 dated 02.04.1977 regarding the lease of the mining area stood reserved for exploitation by the public sector[2]. Thus, the lease was granted in

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2 In *Amritlal Nathubhai Shah Vrs. Union Govt. of India, (1976) 4 SCC 108* with respect to reservation of lease for mining operation by public sector under the MMDR Act has been discussed as follows:

"4. Section 4 of the Act provides that no person shall undertake any prospecting or mining operations in any area, except under and in

favour of M/s. Steel Authority of India Limited (hereinafter referred to as “SAIL”) and the lease deed over an area of 132.78 hectares was executed in its favour on 21.08.1979 and a lease deed over an area of 14.158 hectares was executed in favour of one Sri Surendranath Mohanty on 06.06.1980. Challenging the same, Smt. Dev Kumar Bai Pandya approached this Court through a writ application bearing O.J.C. No. 1564 of 1981. While the matter was pending, the subject lease was surrendered by SAIL to the Government of Odisha on

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accordance with the terms and conditions of a prospecting licence or, as the case may be, a mining lease, granted under the Act and the Rules made thereunder, and that no such licence or lease shall be granted “otherwise than in accordance with the provisions of the Act and the Rules”. ***But there is nothing in the Act or the Rules to require that the restrictions imposed by Chapters II, III or IV of the Rules would be applicable even if the State Government itself wanted to exploit a mineral for, as has been stated, it was its own property. There is therefore no reason why the State Government could not, if it so desired, “reserve” any land for itself, for any purpose, and such reserved land would then not be available for the grant of a prospecting licence or a mining lease to any person.***

5. Section 10 of the Act in fact provides that in respect of minerals which vest in the State, it is exclusively for the State Government to entertain applications for the grant of prospecting licences or mining leases and to grant or refuse the same. The section is therefore indicative of the power of the State Government to take a decision, one way or the other, in such matters, and it does not require much argument to hold that that power included the power to refuse the grant of a licence or a lease on the ground that the land in question was not available for such grant by reason of its having been reserved by the State Government for any purpose.

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9. In S. Lal and Co. Ltd. Vrs. Union of India, AIR 1975 Pat 44 the High Court noticed the decision in State of Orissa Vrs. Union of India, AIR 1972 Ori 68 = ILR 1971 Cut 732 but it cannot be urged with any justification that the view expressed in it was followed by the Patna High Court. On the other hand, the Patna High Court followed the view which was taken by the Gujarat High Court in the judgment which is the subject-matter of the present appeals and held that ***the State Government has the power “to reserve certain areas for exploitation by itself or by a statutory corporation or for a company in a public sector”.*** *The controversy in that case was, however, examined with reference to the provisions of Article 298 of the Constitution. The two cases cited by Mr Sen cannot thus be of any avail to the appellants.”*

20.12.1984, which was accepted by the Government of Odisha and communicated by the Senior Mining Officer to the Rourkela Steel Plant, Rourkela *vide* Memo No.5350/Mines, dated 17.09.1986. This Court by Order dated 28.04.1989 disposed of O.J.C. No.1564 of 1981 with a direction to the State Government to dispose of the renewal application submitted by Smt. Dev Kumar Bai Pandya in view of the fact that the SAIL had already surrendered its lease. The opposite parties instead of considering for renewal of the lease, rejected the application for renewal of lease in favour of Smt. Dev Kumar Bai Pandya in Proceeding in Letter bearing No.404/VIMG/109/80 *vide* Memo dated 06.01.1990 on the ground that:

"Whereas it is not possible to grant renewal of the above mining lease without the approved mining plan as per Section 5(2) of the Mines and Minerals (Development and Regulation) Act, 1957 and without approval of Central Government for diversion of forest land under Forest (Conservation) Act, 1980.

The State Government are therefore pleased to reject the said application dated 27.09.1972 of the applicant."

2.2. Aggrieved thereby, Smt. Dev Kumar Bai Pandya filed a writ petition being O.J.C. No. 201 of 1990, which came to be disposed of by this Court with direction to rectify the deficiencies in the application and the State Government to make appropriate move to the Central

Government for renewal of the lease period. The Government of India conveyed approval to the grant of first renewal of mining lease under Section 5 of the Mines and Minerals (Development and Regulation) Act, 1957 (for brevity, "MMDR Act") in Ministry of Mines *vide* Letter No.5/50/92/MV-IV, dated 29.09.1993. Consequently, the Government of Orissa took following decision in its Proceeding bearing No.III(B)SM-1/94/2421/SM, dated 04.03.1994 (Annexure-5):

"Therefore, the State Government are hereby pleased to order that 1st renewal of for ten years with effect from 23.10.1991 for manganese that a mining lease in respect of the land over 134.635 hectares in village Gonua, etc. of Sundargarh district be granted to Smt. Dev Kumar Bai Pandya subject to the conditions laid down in the State Government Letter No.2289, dated 03.03.1994. The party should comply with all the terms and conditions including furnishing of a surveyed map and description within three months from the date of this order to the Collector, Sundargarh."

2.3. Handing over possession of 319.06 Acres or 129.179 hectares of non-forest land in the Gonua Iron and Manganese Mines under the Koira Mining Circle in the Sundargarh District, lease deed was executed in favour of Smt. Dev Kumar Bai Pandya on 02.08.1996 with effect from 23.10.1991.

2.4. Mining of iron ore was included in the lease deed on 17.06.1998 and a supplementary lease deed was

executed on 13.08.1998 in favour of Smt. Dev Kumar Bai Pandya for a period of 10 years with effect from 23.10.1991[3]. The lease was transferred and transfer deed was executed on 13.08.1998 in favour of the petitioner-company, *i.e.*, M/s. Zenith Mining Private Limited over 319.78 acres of land for a period of 10 years.

2.5. Though the lease deed dated 02.08.1996 mentioned about the lessee having applied to the State Government for renewal of mining lease, such fact is inconsistent with Letter dated 21.08.1979, whereby lease deeds over an area of 132.78 hectares in favour of SAIL on 21.08.1979 and 14.158 hectares were executed in favour of Sri Surendranath Mohanty on 06.06.1980 respectively. The lease was surrendered by SAIL to the Government of Orissa on 20.12.1984, which was accepted by the Government of Odisha on 17.05.1986. Thus in fact and in law there was no lessee on the said land between 18.05.1986 and 23.10.1991. It is only after the surrender of lease, the lease deed was executed in favour of Smt. Dev Kumar Bai Pandya on 02.08.1996 with effect from 23.10.1991, which is a fresh, distinct and independent lease.

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3 Rule 67 of the Mineral Concession Rules, 1960, stood thus:
"67. Lease period.—
Where more than one mineral is found in an area and lease is granted for exploiting two or more minerals, the period of lease for all minerals shall be co-terminous with that for which the first lease was originally granted."

2.6. After the lease deed was transferred and executed on 13.08.1998 in favour of the petitioner-company, it made a representation before the State Government seeking correction of lease period in the lease deed dated 02.08.1996 from 10 years to 20 years as per Section 8(2) of the MMDR Act, 1957 which provides that all the mining leases to be given a minimum period of 20 years. The Government of Orissa *vide* Order dated 17.07.2000 rejected the representation of the petitioner, which gave rise to filing of writ petition bearing O.J.C. No. 11540 of 2000. Nonetheless, the petitioner as an abundant caution also filed an application for renewal of mining lease on 07.09.2000, *i.e.*, twelve months before the expiry of the lease in terms of Section 24A of the Mineral Concession Rules, 1960 ("MCR Rules", for short).

2.7. While matter stood thus, the mining operation was directed to be stopped as an area of about 94.864 hectares (234.414 acres) came under the classification of forest land. It is apposite to mention that a joint verification was made by the Forest and Mining Department on 18.07.1998. The area of the lease was, however, revised to 319.06 acres after exclusion of forest land over 0.72 acres in Proceeding *vide* Letter No.6327/SM dated 28.06.1996. The Deputy Director of Mines, Koira issued a Letter dated 10.04.2006 for stopping the mining operation in the area.

2.8. Challenging the Order dated 10.04.2006 of the Deputy Director of Mines, Koira as aforesaid, the petitioner filed writ petition being W.P. (C) No.6771 of 2006 and interlocutory application therewith being registered as Misc. Case No. 5959 of 2006. This Court while directing the opposite parties to file response, in the interregnum directed as follows:

"Considering the nature of the impugned Order dated 10.04.2006, this Court directs that the petitioner may carry on its mining operation but the said mining operation must be strictly confined to the non-forest area and no mining operation will be carried on by the petitioner within the forest area. This interim order will continue until further orders.

Misc. Case is disposed of."

2.9. *Vide* Order dated 22.10.2009 in OJC No. 11540 of 2000 titled as *M/s. Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 109 (2010) CLT 173 = 2010 (Supp.1) OLR 809 = 2009 SCC OnLine Ori 402* this Court while quashing Order dated 17.07.2000 of the Government of Odisha rejecting the representation, issued direction to consider the application of the petitioner-company taking into consideration amended provision of Section 8(2) of the MMDR Act within a period of three months.

2.10. As the lease deed was executed in favour of Smt. Dev Kumar Bai Pandya on 02.08.1996 with effect from 23.10.1991 and the lease deed was transferred and

executed on 13.08.1998 in favour of the petitioner-company over an area of 319.78 acres of land for a period of 10 years, therefore the period of mining lease was to be calculated accordingly, but it cannot be said that the lease was subsisting since 1971. There was no continuation of the mining lease in view of the fact that SAIL was granted the mining lease. The mining lease dated 02.08.1996, with effect from 23.10.1991 would be taken as a fresh grant of mining lease and all rights and liabilities in the said mining lease will be as per a fresh grant and execution of mining lease. To hold that the mining lease has come to an end in 2021 on the alleged completion of fifty years is not borne on record. The period of fifty years as contemplated under the Mines and Minerals (Development and Regulation) Amendment Act, 2015 in Section 8A(6) is required to be computed as a continuous period of mining lease.

2.11. The Deputy Director of Mines, Koira again issued a Letter dated 26.08.2010 suspending the mining operation with respect to Gonua Iron and Manganese Ore Mines over an area of 129.179 hectares on the ground of non-maintenance of Forest Clearance as required under the Forest (Conservation) Act, 1980, non-payment of NPV as demanded by the Divisional Forest Officer, Bonai Division and non-maintenance of environmental clearance as required under Environment

Impact Assessment Notification of 2006 issued by the Ministry of Environment and Forest, Government of India. In this connection the Regional Chief Conservator of Forests, Rourkela Circle, Rourkela (RCCF) apprised about the forest clearance under Section 2(ii) of the Forest Conservation Act, 1980 and receipt of the NPV amount with other charges and recommended for approval of the Principal Chief Conservator of Forests (PCCF) on 02.09.2014 regarding proposal for diversion of 94.864 hectares of District Level Committee Forest land including safety zone area over 2.880 hectares in village Gonua.

2.12. The transit pass was not allowed for the removal of existing stock despite payment of the NPV and recommendations dated 02.09.2014 of the RCCF, and the mining activity was stopped and lease was declared as lapsed *vide* Proceeding in Letter No.7637-III(B)SM-09/2012/SM, dated 14.08.2015 by the Government of Odisha in Steel and Mines Department. To ventilate grievance, the petitioner herein approached the Revisional Authority against said decision dated 14.08.2015 of the Government of Odisha. The Revisional Authority *vide* common order dated 11.05.2016 in Revision Application No. 22/18/2013 RC-I & 55 others set aside the order dated 14.08.2015 and remanded the matter to the State Government for reconsideration.

2.13. A show cause notice on lapsing of the mining lease over an area of 129.410 hectare was issued to the petitioner on 07.02.2017. On 15.03.2017 the petitioner furnished its reply to the show cause notice dated 07.02.2017. A demand notice No. 5110/Mines, dated 02.09.2017 was issued to the petitioner directing to pay a sum of Rs.34,85,21,321.70/- (Rupees Thirty-Four Crore Eighty-Five Lakh Twenty-One Thousand Three Hundred Twenty-One and Seventy Paise) towards compensation under Section 21(5) of the MMDR Act, 1957 for production without/in excess of quantity approved in the environmental clearance as rationalized by the Central Empowered Committee. A demand notice No. 5548 dated 26.09.2017 was issued to the petitioner directing to pay a sum of Rs.22,86,304.64/- (Rupees Twenty-Two Lakh Eighty-Six Thousand Three Hundred Four and Sixty-Four Paise) towards compensation under Section 21(5) of MMDR Act, 1957 for production in excess of lower of the approved limits under Mining Plan and consent to operate the mines. The lease was terminated on 29.08.2018 due to non-payment of penalty under Section 21(5) of the MMDR Act, 1957. The petitioner made representations to the opposite parties separately on 13.02.2020 and 29.07.2020, yet no action has been taken till date.

2.14. The Government of Odisha *vide* Order dated 13.07.2023 in the lapsing proceedings observed that the lease over 129.410 hectare is non-existent as the lease has already been lapsed and dismissed the lapsing proceedings as infructuous. The petitioner approached the Revisional Authority in Revision Application No. 22/22/2023-RC-I against the Order dated 13.07.2023 passed by the Government of Odisha relating to mining lease for iron and manganese ore over an area of 129.410 hectare in village Gonua in the district of Sundargarh. An Order dated 19.09.2024 in Application No. 22/22/2023-RC-I has been passed whereby the Revision Proceedings has been directed to be dropped by holding that the lease cannot be revived since it had already completed 50 years from 1971, ignoring the fact that the said lease was executed in favour of SAIL on 21.08.1979 and a lease deed over an area of 14.158 hectares was executed in favour of Sri Surendranath Mohanty on 06.06.1980. It was only after the lease being surrendered to the Government of Odisha with effect from 17.05.1986 that the fresh lease was executed in favour of Smt. Dev Kumar Bai Pandya by the State Government with effect from 23.10.1991 for 10 years, making it a fresh, distinct and independent lease, which was directed to be re-considered in the light of Section 8(2) of the MMDR Act by this Court *vide* Order dated 22.10.2009 in OJC No. 11540 of 2000. Thus, the conclusion of the Revisional

Authority that the lease had completed fifty years is misplaced, misconceived and liable to be set aside.

2.15. Such misdirected facts formed part of decision making of the Revisional Authority, and consequently arbitrary action and irrational order of the Revisional Authority being based on erroneous appreciation of evidence on record the fact finding becomes perverse. Hence, this writ petition.

Hearing:

3. This matter came up for hearing under the heading "fresh admission". Heard Sri Sanjit Mohanty, learned Senior Advocate assisted by Sri Rakesh Sharma, learned Advocate representing the petitioner and Sri Sanjib Kumar Swain, learned Additional Government Advocate.

3.1. Upon conclusion of hearing the matter stood reserved for preparation and pronouncement of judgment/order.

Submissions advanced by the counsel for the respective parties:

4. It is submitted by Sri Sanjit Mohanty, learned Senior Advocate for the petitioner that the Revisional Authority being swayed away by fallacious submission of counsel for the State Government proceeded erroneously by dismissing the revision petition. Drawing attention of this Court to paragraph 3 of the impugned Order dated

19.09.2024 (Annexure-1) he would submit that there was no subsisting lease granted on 23.10.1971. It is clarified that the Letter in Memo No.5350/Mines, dated 17.09.1986 issued by Senior Mining Officer, Koira stands to the testimony to the fact that SAIL surrendered the mining lease over an area of 132.78 hectares in village Gonua-Mandajora in Bonai Sub-Division of Sundargarh District. The recitals of Mining Lease in Form K (prescribed under Rule 31 of the Mineral Concession Rules, 1960) executed on 02.08.1996 in favour of Dev Kumar Bai Pandya, wife of late Dhanjit Kuarji Bai Pandya clearly envisages demise of land comprising an area of 319.06 Acres or 129.179 hectares unto the lessee with effect from 23th October, 1991 for a term of ten years, *i.e.,* it was valid till 22.10.2001. After supplementary lease including iron ore being executed on 17.06.1998, the same got transferred to the present petitioner-company and in view of application of Section 8(2) of the MMDR Act. It has been set out in the matter of *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402* that the lease period was considered to be for twenty years. It is thus emphatically submitted that the lease being executed in the year 1996 giving effect from 23.10.1991, twenty years would be computed in accordance with the statutory provision. It is urged that the lease as extended by virtue of amendment of sub-

section (2) of Section 8 of the MMDR Act in the year 1994 would be valid till 2016. Hence the amendment of Section 8 of the MMDR Act in the year 2015 would attract to the present scenario and the petitioner is entitled to enjoy the mining of the subject-area for a period of fifty years and would remain valid till 22.10.2041.

4.1. Expanding further his arguments, it is arduously submitted by Sri Sanjit Mohanty, learned Senior Advocate that the Revisional Authority without consulting the factual aspects as returned by the Regional Chief Conservator of Forests, Rourkela Circle, Rourkela *vide* Proposal in Letter dated 02.09.2014 (Annexure-10) and ignoring the material particulars contained in the decision of the Government of Odisha in Steel and Mines Department *vide* Proceeding in Letter dated 14.08.2015 (Annexure-11) having material bearing on the present issue raised could not have rejected the revision application of the petitioner by blindly accepting the submission of the learned Counsel for the State Government. The basic foundational fact for rejection of revision petition by the Revisional Authority that the lease being granted on 23.10.1971, fifty years period in terms of Section 8A of the MMDR Act lapsed on 22.10.2021 is perverse and *de hors* material available on record. Conceding to such facts as set out by the

Revisional Authority in the Order dated 19.09.2024 would be to tinker with the determination made in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402,* which being not questioned at any point of time by the Government of Odisha the same attained finality. Therefore, with tenacity in arguments, Sri Sanjit Mohanty, learned Senior Advocate urged that taking a stance other than what is reflected in the decision of this Court in *Zenith Minining Pvt. Ltd. (supra)* is irrational, impertinent and brazen violation of the binding principles enunciated by the Courts.

4.2. Laying stress on the facts enumerated in the Letter dated 02.09.2014 of the Regional Chief Conservator of Forests, Rourkela recommending approval under Section 2 of the Forest (Conservation) Act, 1980 and Proceeding of the Government of Odisha in Steel and Mines Department *vide* Letter dated 14.08.2015 eliciting factual details, it is further submitted that Order in Revision is untenable in the eye of law in view of *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402*.

5. Sri Sanjib Kumar Swain, learned Additional Government Advocate placing much reliance on the findings returned in the Proceeding *vide* Letter dated 13.07.2023 issued by Additional Secretary to Government of Odisha in Steel and Mines Department (Annexure-18) submitted that

the lease was initially granted on 23.10.1971 and thereafter it cannot be construed to have subsisted beyond fifty years therefrom, *i.e.*, 22.10.2021 by virtue of Section 8A(6) of the MMDR Act. Heavy reliance is placed on the fact mentioned in said Proceeding to the effect that as the petitioner defaulted in discharging statutory compliance, the mining lease stood terminated *vide* Proceeding dated 29.09.2018 and in order to recover the dues a certificate proceeding, being Certificate Case No.9 of 2018, has been initiated under the Odisha Public Demands Recovery Act, 1962.

5.1. Such being the basic facts, no perversity, defect or anomaly could be attributed by the petitioner against the Order in Revision dated 19.09.2024 passed by the Revisional Authority. The Revisional Authority is not inept in stating that "even if there is any infirmity in the proceeding, the lease cannot be revived because it has already completed fifty years".

5.2. Hence he vehemently contested the submissions made by the Senior Advocate representing the petitioner and sought to justify the Order in Revision (Annexure-1) and Proceeding *vide* Letter dated 13.07.2023 (Annexure-18).

Consideration of rival submissions and arguments:

6. The position of fact and law as canvassed before this Court suggests whether the Revisional Authority while

dealing with Revision Application No.22/22/2023-RC-I *vide* Order dated 19.09.2024 (Annexure-1) ignoring binding decision *inter se* parties rendered by this Court in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402* correctly held that the lease, being initially granted on 23.10.1971, the same lapsed on 22.10.2021 having completed fifty years in terms of Section 8A(6) of the Mines and Minerals (Development and Regulation) Act, 1957.

7. It may be worthwhile to reproduce the Order in Revision purported to have been passed under Section 30 of the MMDR Act and Rule 36 of the Minerals (Other Than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016[4] in order to ascertain the reason for stating that the revision petition has been rendered infructuous:

"The Revision Application was taken up for hearing on 09.09.2024. The Revisionist was represented by Shri Rishikesh Kumar, Advocate appearing on behalf of Shri Vaibhav Shukia, Advocate. State Government was

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4 Rule 55 of the Minerals (Other Than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016, stands as follows:
"55. Repeal and Savings.—
(1) On the commencement of these rules, the Mineral Concession Rules, 1960 shall cease to be in force with respect to all minerals for which the Minerals (Other Than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 are applicable, except as regards things, done or omitted to be done before such commencement.
(2) On the commencement of these rules, with respect to the minerals to which these rules apply, any reference to the Mineral Concession Rules, 1960 in the rules made under the Act or any other document shall be deemed to be replaced with Minerals (Other Than Atomic and Hydrocarbons Energy Minerals Concession Rules, 2016, to the extent it is not repugnant to the context thereof."

represented by Shri Shashank Bajpai, Advocate and by Shri Abhyudey Kabra, Advocate.

1. *Heard the Ld. Counsel for the Revisionist and the Ld. Counsel for the State Government. The Revisionist has challenged the proceeding dated 13.07.2023 declaring the mining lease as non-existence as already lapsed, in the premises that the lapsing proceeding has become infructuous due to expiration of lease period as stipulated under section 8A(6) of the MMDR (Amendment) Act, 2015.*

2. *The Ld. Counsel for the Revisionist states that they were not given any show cause notice and ex-parte order was passed in this matter.*

3. *The Ld. Counsel for the State Government states that the lease was granted on 23.10.1971 and as per Section 8A(6) MMDR (Amendment) Act, 2015. It has already completed 50 years on 22.10.2021. Therefore, even if, there is any infirmity in the proceeding, the lease cannot be revived because it has already completed 50 years. He states that lease holder could not get the required permissions and it was non-operational since 2010.*

4. *Considering that the lease period cannot be extended beyond 50 years as per MMDR (Amendment) Act, 2015. Since the lease has already completed 50 years, the matter has now become infructuous.*

5. *In view of the above, the proceeding is hereby dropped.*

Sd/-
Additional Secretary and
Revisionary Authority”

7.1. It is glaring on the impugned order that the Revisional Authority held that the revision petition has been rendered infructuous ascribing the reason that initially the lease being granted on 23.10.1971, on completion of fifty years on 22.10.2021, the lease cannot be revived in view of provisions made in Section 8A(6) of the MMDR Act.

8. Relevant provisions of Section 8 and Section 8A run as follows:

“8. Periods for which mining leases may be granted or renewed.—

(1) The provisions of this section shall apply to minerals specified in Part A of the First Schedule.

(2) The maximum period for which a mining lease may be granted shall not exceed thirty years:

Provided that the minimum period for which any such mining lease may be granted shall not be less than twenty years.

(3) A mining lease may be renewed for a period not exceeding twenty years with the previous approval of the Central Government.

(4) Notwithstanding anything contained in this section, in case of Government companies or corporations, the period of mining leases including the existing

mining leases, shall be such as may be prescribed by the Central Government:

Provided that the period of mining leases, other than the mining leases granted through auction, shall be extended on payment of such additional amount as specified in the Fifth Schedule:

Provided further that the Central Government may, by notification in the Official Gazette and for reasons to be recorded in writing, amend the Fifth Schedule so as to modify the entries mentioned therein in the said Schedule with effect from such date as may be specified in the said notification.

(5) Any lessee may, where coal or lignite is used for captive purpose, sell such coal or lignite up to fifty per cent. of the total coal or lignite produced in a year after meeting the requirement of the end use plant linked with the mine in such manner as may be prescribed by the Central Government and on payment of such additional amount as specified in the Sixth Schedule:

Provided that the Central Government may, by notification in the Official Gazette and for the reasons to be recorded in writing, increase the said percentage of coal or lignite that may be sold by a Government company or corporation:

Provided further that the sale of coal shall not be allowed from the coal mines allotted to a company or corporation that has been awarded a power project on the basis of competitive bid for tariff (including Ultra Mega Power Projects):

Provided also that the Central Government may, by notification in the Official Gazette and for reasons to be recorded in writing, amend the Sixth Schedule so as to modify the entries mentioned therein with effect from such date as may be specified in the said notification.

[5]*8A. Period of grant of a mining lease for minerals other than coal, lignite and atomic minerals.—*

(1) The provisions of this section shall apply to minerals other than those specified in Part A and Part B of the First Schedule.

(2) On and from the date of the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015), all mining leases shall be granted for the period of fifty years.

(3) All mining leases granted before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015), shall be deemed to have been granted for a period of fifty years.

(4) On the expiry of the lease period, the lease shall be put up for auction as per the procedure specified in this Act.

Provided that nothing contained in this section shall prevent the State Governments from taking an advance action for auction of the mining lease before the expiry of the lease period.

5 Section 8A has been inserted in the MMDR Act by way of the Amendment Act, 2015 with effect from 12.01.2015 whereby the Ordinance published in the Official Gazette on 12.01.2015 has been replaced by the Amendment Act, 2015 *vide* Notification dated 27.03.2015.

(5) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015), where mineral is used for captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2030 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(6) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015), where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(7) Any holder of a lease granted, where mineral is used for captive purpose, shall have the right of first refusal at the time of auction held for such lease after the expiry of the lease period.

(7A) Any lessee may, where mineral is used for captive purpose, sell mineral after meeting the requirement of the end use plant linked with the mine in such manner as maybe prescribed by the Central Government and on payment of such additional amount as specified in the Sixth Schedule:

Provided that the State Government may permit sale of dumps which has been stacked up to such date as may be specified by the Central Government in the leased area on payment of additional amount specified in the Sixth Schedule:

Provided further that the Central Government may, by notification in the Official Gazette and for reasons to be recorded in writing, amend the Sixth Schedule so as to modify the entries mentioned therein with effect from such date as may be specified in the said notification.

(8) Notwithstanding anything contained in this section, the period of mining leases, including existing mining leases, of Government companies or corporations shall be such as may be prescribed by the Central Government.

Provided that the period of mining leases, other than the mining leases granted through auction, shall be extended on payment of such additional amount as specified in the Fifth Schedule:

Provided further that the Central Government may, by notification in the Official Gazette and for reasons to be recorded in writing, amend the Fifth Schedule so as to modify the entries mentioned therein with effect from such date as may be specified in the said notification.

Explanation.—

For the removal of doubts, it is hereby clarified that all such Government companies or corporations whose mining lease has been extended after the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015), shall also pay such additional amount as specified in the Fifth Schedule for the mineral produced after the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2021.

(9) The provisions of this section, notwithstanding anything contained therein, shall not apply to a mining lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015), for which renewal has been rejected, or which has been determined, or lapsed."

8.1. It may deserve to have reference to *Sarda Mines Pvt. Ltd. and Another Vrs. State of Odisha and Others, 2022 SCC OnLine Ori 85 = AIR 2022 Ori 123* wherein after taking note of judgments of Hon'ble Supreme Court of India in the case of *Common Cause Vrs. Union of India, (2016) 11 SCC 455*, this Court held that:

"76. In Common Cause Vrs. Union of India (supra) [Vide, (2016) 11 SCC 455], the Supreme Court had occasion to interpret Section 8A as inserted by the 2015 Amendment which came into effect from 12th January, 2015. The dispute between the parties

before the Court was crystallized in para 23 as under:

'23. There is a serious dispute between the rival parties with reference to the interpretation of Sections 8A(3), 8A(5) and 8A(6) of the MMDR Act. Whilst the contention of learned counsel appearing for the petitioner-Common Cause is, that the benefit of sub-sections (3), (5) and (6) of Section 8A, will extend only to such mining leases as were subsisting on the date of introduction of the amendment— 12.01.2015; it is the contention of learned counsel representing the leaseholders, that the above postulation, at the hands of learned counsel for the non-applicants, is wholly misconceived, and would result in a misreading of the amended Section 8A of the MMDR Act.'

77. *Having analyzed the SOR of the Bill the Supreme Court explained as under:*

'29. From a perusal of the extract reproduced above, it is apparent, that the insertion of Section 8A into the MMDR Act, was to address the hardship faced by leaseholders, besides other reasons, due to the second and subsequent applications for renewal, remaining unattended at the hands of the State Government. The instant amendment to the MMDR Act, introduced a uniform original grant period of fifty years, for all mining leaseholders. It also excluded renewal(s), after the expiry of the original lease period. Accordingly, no renewal application can now be filed (after 12.01.2015). Under sub-sections

(5) and (6) of Section 8A, in our view, such leaseholders who had moved applications for renewal of captive/non-captive mines, would be entitled to continue up to 31.3.2030/31.3.2020. The "Objects and Reasons" for the amendment to the MMDR Act aim at remedying the position which emerged upon the interpretation of the provisions of the MMDR Act, as they existed hitherto before. The instant amendment was also directed at remedying the grievances of the mining industry due to "second and subsequent renewals" remaining pending. And also, because the provisions of law relating to renewals had been found to be wanting. The above view is also endorsed by the fact, that Section 8A(9) deals with a situation wherein "...renewal has been rejected...". ***It is therefore apparent, that sub-sections (5) and (6) of Section 8A of the amended MMDR Act are aimed at situations, wherein an application for renewal (validly made) has remained unattended. Therefore, for no fault of the leaseholder, he would be subjected to an arbitrary prejudice. It needs to be clarified, that since an application for renewal cannot be filed after 12.01.2015, an application for renewal as would be treated as having been validly made, ought to have been made before 12.01.2015.*** *We are of the view, that out of the three contingencies contemplated under sub-sections 8A(5) and 8A(6), referred to above, the first of the contingencies positively, pertains to a situation,*

wherein applications validly made for renewal, were pending without any final decision at the hands of the State Government. Because in the absence of a renewal application, the leaseholder can be taken to have already expressed his disinterest, to continue mining operations. Therefore logically, the words "… with effect from the date of expiry of the period of renewal last made …", should relate to an expired lease prior to 12.01.2015, in relation to which a valid application for renewal had already been made.'

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79. *In view of the amendment to Section 8A of the MMDR Act read with its interpretation as above by the Supreme Court of India, this Court is not persuaded by the argument of learned Senior Counsel for the Petitioner that a deliberate attempt has been made by the State Government to misinterpret Section 8A(6) of the MMDR Act. The expression "till the completion of the renewal period if any" cannot be interpreted in this case as renewal up to 13th August, 2031. In the absence of an express clause in the lease deed that permits such renewal de hors the statutory provisions, the period of renewal cannot extend beyond 13th August, 2021. The expression "till the completion of the renewal period" occurring Section 8A(6) of the MMDR Act[6] can only be 13th August, 2021. Section 8A(6)*

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[6] Meaning and purport of use of fiction in the language of provisions of Section 8A of the MMDR Act can be conceived of *vide, Bhavnagar University Vrs. Palitana Sugar Mill, (2003) 2 SCC 111*:
"If you are bidden to treat an imaginary state of affairs as real, you must surely, unless prohibited from doing so, also imagine as real the consequences and incidents which, if the putative state of affairs had in fact existed, must inevitably

read with Section 8(4) of MMDR Act as amended does not permit any automatic extension of the lease deed. ***The interpretation placed on Section 8A by the Supreme Court in Common Cause (supra) is final and binding and does not admit of any departure therefrom.*** *In the present case, what SMPL is seeking is an automatic renewal on the basis of orders and documents prior to 12th January 2015. None of that can hold good in light of the amendments brought about to the MMDR Act and in particular Section 8A(6) of the MMDR Act."*

9. It is pertinent to cull out factual details as adumbrated in Letter in Memo No.2018/3F (Dis-B)-245/2014, dated 02.09.2014 of the Regional Chief Conservator of Forests, Rourkela Circle, Rourkela:

"The original lease for manganese ore over 438.97 Acres or 177.648 hectares in village Gonua under Bonai Tehsil (now under Koira Tehsil) of Bonai Sub-Division in Sundargarh district of Odisha was held by late Dhanjit Kuarji Bai Pandya with validity of the lease period from 30.09.1943 to 29.09.1963.

Subsequently, Smt. Dev Kumar Bai Pandya, wife of late Dhanjit Kuarji Bai Pandya applied for Renewal of Mining Lease on 16.03.1968. But the lease was not considered in her favour and it was granted in favour of M/s. SAIL and the lease deed was executed on 21.08.1979. But M/s. SAIL surrendered the lease on 20.12.1984 which was accepted the Government on 17.05.1986.

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have flowed from or accompanied it." [See, East End Dwellings Co. Ltd. Vrs. Finsbury Borough Council, 1951 (2) All England Reports 587].

In response to a writ petition filed by Smt. Dev Kumar Bai Pandya, the Hon'ble High Court in their Judgment dated 28.04.1989 in O.J.C. No.11564 of 1981 directed the State Government to dispose of the renewal application submitted by Smt. Dev Kumar Bai Pandya. Subsequently, the State Government granted working permission vide Letter No.11832/SM, dated 19.09.1991 by handing over possession of 353.13 Acres (or 142.90 hectares) of non-forest land for ten years from the date of possession. The lease deed was executed on 02.08.1996 for ten years for the period from 23.10.1991 to 22.10.2001 (at page 278-282/DP). Thereafter, iron ore was included in the lease on 17.06.1998 and a supplementary lease deed was executed on 13.08.1998 in favour of Smt. Dev Kumar Bai Pandya (at page 282-289/DP).

Subsequently, the lease was transferred to M/s. Zenith Mining (P) Ltd. from Smt. Dev Kumar Bai Pandya and the transfer deed in favour of M/s. Zenith Mining Pvt. Ltd. was executed on 13.08.1998 over 319.78 Acres or 129.410 hectares. The area of the lease was revised to 319.06 Acres or 129.78 hectares after exclusion of forest land over 0.72 Acres vide Proceeding No.6327/DM, dated 28.06.1996 as indicated at page 16 of the lease deed (copy of the lease deed enclosed at page 290-304/DP).

Further, the Hon'ble High Court vide Judgment dated 22.10.2009 in O.J.C. No.11540 of 2000[7] pronounced that the amended provision of Section 8(2) of the Mines and Minerals (Development and Regulation) Act, 1957 would be applicable to the present lease with regard to extension of lease period from ten years to twenty years and directed the State Government to consider the application of the lessee within three months. However, the State

[7] *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402.*

Government has not taken any action on the order of Hon'ble High Court till date.

The project proponent has applied for grant of renewal on 07.09.2000, i.e., one year prior to expiry of lease. Hence, the lease is under deemed extension.[8]

****"*

9.1. This Court in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402* held that transferee of lease is also entitled to same benefit as had been enjoyed by the transferor prior to its transfer. Relevant portion of the said judgment reads thus:

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[8] Sub-rules (1), (6), (8), (9) and (10) of Rule 24A of the Mineral Concession Rules, 1960 as they stood at the relevant period when such application for renewal of mining lease was made are reproduced hereunder:

"24A. Renewal of mining lease.—

(1) An application for the renewal of a mining lease shall be made to the State Government in Form J, at least twelve months before the date on which the lease is due to expire, through such officer or authority as the State Government may specify in this behalf.

(6) If an application for renewal of a mining lease made within the time referred to in sub-rule (1) is not disposed of by the State Government before the date of expiry of the lease, the period of that lease shall be deemed to have been extended by a further period till the State Government passes order thereon.

(8) Notwithstanding anything contained in sub-rule (1) and sub-rule (6) an application for the first renewal of a mining lease, so declared under the provisions of section 4 of the Goa, Daman and Diu Mining Concessions (Abolition and Declaration as Mining Leases) Act, 1987, shall be made to the State Government in Form J before the expiry of the period of mining lease in terms of sub-section (1) of section 5 of the said Act, through such office or authority as the State Government may specify in this behalf:

Provided that the State Government may, for reasons to be recorded in writing and subject to such conditions as it may think fit, allow extension of time for making of such application up to a total period not exceeding one year.

(9) If an application for first renewal made within the time referred to in sub-rule (8) or within the time allowed by the State Government under the proviso to sub-rule (8), the period of that lease shall be deemed to have been extended by a further period till the State Government passes orders thereon.

(10) The State Government may condone delay in an application for renewal of mining lease made after the time limit prescribed in sub-rule (1) provided the application has been made before the expiry of the lease."

"7. From the aforesaid submissions of the Learned Counsel for the parties, this Court has to consider ***whether the transferee of the lease is entitled to the benefit of the amended provision of Section 8(2) of the Act.*** *There is no doubt that the transfer was made in accordance with the law. As such, the transferee acquired all rights and is entitled to all the benefits available under the lease which the original lease holder was entitled.* ***As per the Circular dated 14.10.1957 of the State Government in the Department of Mines and Fuel which reveals that the date of commencement of the date of execution of formal instrument lease will be the date of commencement of lease and not the date of the Government order sanctioning the lease. Therefore, renewal lease was executed by the authorities on 02.08.1996.*** *In the year 1994, Section 8 of the Act was amended. The period of renewal of the lease was extended from 10 years to 20 years as per Section 8(2) of the Act.*

8. For better appreciation, Section 8(2) of the amended Act is quoted below:

'8. Periods for which mining leases order may be granted or renewed.—

(1). The maximum period for which a mining lease may be granted shall not exceed thirty years:

Provided that the minimum period for which any such mining lease may be granted shall not be less than twenty years.

(2) A mining lease may be renewed for a period not exceeding twenty years.'

9. ***The Central Government vide Notification dated 30.01.1997 vested power with the State Government for grant of renewal of the mining lease reviving terms from 10 years to 20 years as per the amended provision of Section 8(2) of the Act.*** *Therefore, after conjoint reading of the above provision, we conclude that the period of lease if considered to be renewed by the appropriate authorities, has to be renewed for a period of 20 years after the amended provision of Section 8 of the Act and a lesser period than 20 years is not permissible.* ***The Petitioner being the transferee is also entitled to all the benefits available to the original lessee.*** *The lease deed was executed in the year 1996 after the amendment was came into force after considering the prayer of the lease holder for renewal of the lease. There is no ground to deny the benefit of the transferor if he has held the lease after being duly transferred. There is also no reason to say that the benefit of the renewal is only available to the original lessee and not the transferee. Therefore, we reject the plea of the State Government that the Petitioner being the transferee his representation was not considered though they have extended the period from 10 years 20 years while considering the prayer of renewal of the lease in the case of M/s. Narayani & Sons[9] as it was the*

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[9] See paragraph 3 of *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402*:
"3. M/s. Narayani & Sons made a representation on 22.04.1996 for correction of renewal period of mining lease from 10 years to 20 years. The State Government recommended its case to the Central Government in view of the aforesaid amendment to Section 8 of the Act. The Central Government vide Notification dated 30.01.1997 vested power with the State Government for grant of renewal of mining lease reviving the term from 10 years to 20 years as per the aforesaid amended provision of Section 8(2) of the Act. The mining lease granted in favour of M/s. Narayani & Sons was renewed by the State Government on 06.07.1990.

original lessee. We hold that the action of the State Government has violated Article 14 of the Constitution of India."

10. What emerges from the aforesaid analysis is that the Government had accepted the surrender of lease in favour of SAIL on 17.05.1986. The transferor (Dev Kumar Bai Pandya) was granted working permission on 19.09.1991, but the lease deed was executed on 02.08.1996 for a period of ten years from 23.10.1991 to 22.10.2001. The lease was transferred in favour of Zenith Mining Pvt. Ltd. and deed of transfer was executed on 13.08.1998. In view of decision of this Court rendered in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402* said "ten years" was to be construed to be "twenty years" by virtue of amendment to Section 8 being carried out in the year 1994. As per the Circular dated 14.10.1957 of the State Government in the Department of Mines that the date of execution of formal instrument lease is construed to be

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The lease, deed was executed on 28.12.1992 and the correction was made by the State Government in the said mining lease deed on 25.02.1999 by changing the expression "10 years" to "20 years'. Since the present Petitioner is similarly situated as that of M/s. Narayani & Sons, it approached the State Government for renewal of the mining lease granted in its favour from 10 years to 20 years. As the State Government did not consider the same, the petitioner filed OJC No. 8097 of 1999 which was disposed of on 09.03.2000 with a direction to the State Government to consider the representation of the petitioner within one month in the light of the amended provision. The State Government by a non-speaking order rejected the representation of the petitioner on 17.07.2000. Therefore, the Petitioner has filed this writ petition challenging the said non-speaking Order Dated 17.07.2000 of the State Government."

the date of commencement of lease and not the date of the Government order sanctioning the lease.

10.1. Be that as it may, as it manifests from Letter in Memo dated 02.09.2014 of the Regional Chief Conservator of Forests, Rourkela Circle that the petitioner applied for renewal of lease on 07.09.2000, *i.e.,* one year prior to expiry of the period of lease.

10.2. Careful reading of provisions contained in Section 8 of the MMDR Act would depict that the word "renew" is employed, which is contradistinguished with the connotation of the word "extension".

10.3. In *Provash Chandra Dalui Vrs. Biswanath Banerjee, 1989 Supp (1) SCC 487* the distinction between the words "renewal" and "extension" has been propounded as follows:

> *"14. It is pertinent to note that the word used is "extension" and not "renewal".* ***To extend means to enlarge, expand, lengthen, prolong to carry out further than its original limit.*** *Extension, according to Black's Law Dictionary, means enlargement of the main body addition of something smaller than that to which it is attached; to lengthen or prolong. Thus extension ordinarily implies the continued existence of something to be extended.* ***The distinction between "extension" and "renewal" is chiefly that in the case of renewal, a new lease is required, while in the case of extension the same lease continues in***

force during additional period by the performance of the stipulate act. *In other words, the word "extension" when used in its proper and usual sense in connection with a lease means a prolongation of the lease. Construction of this stipulation in the lease in the above manner will also be consistent when the lease is taken as a whole. The purposes of the lease were not expected to last for only 10 years and as Mr A.K. Sen rightly pointed out the schedule specifically mentioned the lease as "for a stipulated period of 20 years". As these words are very clear, there is very little for the court to do about it."*

10.4. In *Gajraj Singh Vrs. STAT, (1997) 1 SCC 650* it has been enunciated as follows:

"35. This may be angulated from yet another legal perspective, namely, consequences that would flow from the meaning of the word 'renewal' of a permit under Section 81 of the Act. Black's Law Dictionary, Sixth Edn., defines the word 'renewal' at p. 1296 thus:

'The act of renewing or reviving. A revival or rehabilitation of an expiring subject; that which is made anew or re-established. The substitution of a new right or obligation for another of the same nature. A change of something old to something new. To grant or obtain extension of;'

36. In P. Ramanatha Aiyar's "The Law Lexicon" (Reprint Edn. 1987), the word 'renewal' is defined at p. 1107 to mean "a change of something old for something new". ***The renewal of a 'licence' means "a new licence granted by way of renewal".*** *The renewal*

of a negotiable bill or note is regarded simply as a prolongation of the original contract. The office of a 'renewal', as it is termed, of a life policy, is to prevent discontinuance or forfeiture.

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38. ***It is settled law that grant of renewal is a fresh grant though it breathes life into the operation of the previous lease or licence granted as per existing appropriate provisions of the Act, rules or orders or acts intra vires or as per the law in operation as on the date of renewal.*** *The right to get renewal of a permit under the Act is not a vested right but a privilege subject to fulfilment of the conditions precedent enumerated under the Act. Under Section 58 of the Repealed Act, renewal of a permit is a preferential right and refusal thereof is an exception. But the Act expresses different intention. Sections 66, 70, 71 and 80 prescribe procedure for making application and compliance of the conditions mentioned therein. Existence of the provisions of the Act consistent with the Repealed Act is a precondition. Grant of renewal under Section 81 is a discretion given to the authority (STA or RTA) subject to the conditions and the requirement of law. Discretion given by a statute connotes making a choice between competing considerations according to rules of reason and justice and not arbitrary or whim but legal and regular. Sections 70 and 71 read with Section 81 do indicate that grant of permit or renewal thereof is not a matter of right or course. It is subject of rejection for reasons to be recorded in support thereof. Therefore, right to renewal of a permit under Section 81 is not a vested or accrued*

right but a privilege to get renewal according to law in operation and after compliance with the preconditions and abiding the law.

39. *In Ambica Quarry Works Vrs. State of Gujarat, (1987) 1 SCC 213 this Court was to deal with right to renewal of a mining lease under the Gujarat Mines and Minerals Concessions Rules. When the renewal of the lease was not granted, due to statutory embargo created by Section 2 of the Forest (Conservation) Act, 1980, this Court had held that though the right to renewal was in accordance with the rules, with the interposition of the Act for conservation of the forests, it puts an embargo on the right to renewal. Therefore, the refusal to grant renewal of lease was upheld.*

40. *In Rural Litigation and Entitlement Kendra Vrs. State of U.P., 1989 Supp (1) SCC 504; (SCC at pp. 523-24) after considering the above ratio, it was held that though the lessees of the mines were entitled to apply for renewal as per the law and clauses in the lease, this Court prohibited obtaining of renewals applying Section 2 of the Forest (Conservation) Act, 1980.*

41. *In State of M.P. Vrs. Krishnadas Tikaram, 1995 Supp (1) SCC 587 this Court had held that it is settled law that* ***renewal is a fresh grant and must be granted consistent with law in operation as on that date.*** *In that case, it was held that renewal of mining lease in the forest area for extraction of minerals under the Mines and Minerals Concessions Rules should be consistent with Forest (Conservation) Act, 1980. Section 2 mandates the State Government to obtain prior*

approval of the Central Government, renewal granted without prior approval was subsequently cancelled. When its validity was questioned, the High Court set aside the order. On appeal, this Court reversed the High Court's order and had held that the Government was not precluded from cancelling the renewal of the lease granted without obtaining prior approval of the Central Government. The order of cancellation was, therefore, upheld.

42. There is a distinction between right acquired or accrued, and privilege, hope and expectation to get a right, as rightly pointed out by the High Court in the impugned judgment. A right to apply for renewal and to get a favourable order would not be deemed to be a right accrued unless some positive acts are done, before repeal of Act 4 of 1939 or corresponding law to secure that right of renewal. In Gujarat Electricity Board Vrs. Shantilal R. Desai, AIR 1969 SC 239 = (1969) 1 SCR 580 this Court had pointed out that before Section 71 of the Electricity (Supply) Act, 1948 was amended, the appellant had issued a notice under Section 7 thereof, exercising the option to purchase the undertaking. It was held that a right to purchase the electrical undertaking which had accrued to the Electricity Board was saved by Section 6 of the GC Act."

10.5. This Court explaining conceptual understanding of the word "renewal" in *Krupajal SHG, Balasore Vrs. State of Odisha, WA No.907 of 2025, vide Judgment dated 09.09.2025* held,

"5. The observation of the Single Bench that at the time of considering the prayer for renewal of the

engagement of respondent Nos.5 and 6 the appellant should not be ignored, cannot be construed by any stretch of imagination that an inchoate and/or vested right is created into the appellant for engagement. Once the engagement does not appear to be in consonance with the scheme as the renewal postulates existence of an original, we do not find any infirmity and/or illegality in the decision of the Government.

5.1. Apart from the same, the renewal etymologically relates to a word 're', which means 'again' and 'newal' means 'afresh'. It means "again afresh" which postulates the existence of an earlier contract and/or engagement, otherwise it would frustrate the very object of the word 're' introduced before the word 'newal'. Since the appellant was not engaged earlier, the question of renewal of the engagement does not arise and, therefore, we do not find any infirmity in the decision of the Government. The ultimate decision taken by the Single Bench does not appear to be infirm and/or illegal."

10.6. The resultant effect of application of ratio of judgments referred to above to the fact-situation of the instant case leads to unambiguous position that upon acceptance of surrender of the lease granted to SAIL by the Government of Odisha on 17.05.1986, a fresh lease was granted in favour of the transferor-Dev Kumar Bai Pandya with effect from 23.10.1991 which remained valid till 22.10.2001 *vide* registered lease deed executed on 02.08.1996. The transferee (Zenith Mining Pvt. Ltd.) got the right to avail benefit that was vested in the

transferor which fact is evident from the tenor of Letter dated 02.09.2014 of the Regional Chief Conservator of Forests:

*"The transfer of the Mining Lease has been sanctioned by the Steel and Mines Department on 18.05.1998 (Annexure-1A of the DP) with the approval of the Ministry of Mines, Government of India in their Letter No.5/20/98-MIV, dated 29.04.1998. The transfer lease deed has been executed on 13.08.1998 (Annexure-3A of the DP). ***"*

10.7. The said transferee applied for "renewal" of lease on 07.09.2000, *i.e.,* one year prior to expiry of the lease. Neither Proceeding *vide* Annexure-18 nor does the Order in Revision *vide* Annexure-1 spelt out consideration of said pending renewal application and during pendency of the same the Central Government has come up with the statutory provisions in the shape of Section 8A in the MMDR (Amendment) Act, 2015 for extending the life span of the lease in question subject to fulfilment of the other terms and conditions as provided for.

10.8. At this juncture, provisions of Rule 31 of the Mineral Concession Rules, 1960 may be referred to for better comprehension for the purpose of construing calculation of the period of lease:

"31. Lease to be executed within six months.—

(1) Where, on an application for the grant of a mining lease, an order has been made for the grant of such

lease,a lease deed in Form K or in a form as near thereto as circumstances of each case may require, shall be executed within six months of the order or within such further period as the State Government may allow in this behalf, and if no such lease deed is executed within the said period due to any default on the part of the applicant, the State Government may revoke the order granting the lease and in that event the application fee shall be forfeited to the State Government.

(2) ***The date of the commencement of the period for which a mining lease is granted shall be the date on which a duly executed deed under sub-rule (1) is registered****."*

10.9. At the cost of repetition, having taken note of Central Government Notification dated 30.01.1997 vesting the State Government to grant the renewal of mining lease reviving terms from "ten years" to "twenty years" as per amendment carried in Section 8(2) of the MMDR Act in the year 1994, this Court in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402,* held that *"the petitioner being the transferee is also entitled to all the benefits available to the original lessee"*. It is also further held by this Court therein that *"The lease deed was executed in the year 1996 after the amendment came into force after considering the prayer of the lease holder for renewal of the lease"*.

10.10. An imprimatur of the Hon'ble Supreme Court of India in *Sk. Md. Anisur Rahaman Vrs. State of West*

Bengal, 2025 SCC OnLine SC 2560 = 2025 INSC 1360 reminds this Court of the binding effect of a decision *inter se* parties:

> *"47. Though elementary, it requires restatement that it is fundamental to the rule of law to maintain the sanctity and finality of judicial verdicts.* ***Judicial orders which determine issues arising between the parties to the lis bind them and its conclusive nature ensures resolution of disputes so that justice is served.*** *The strength of judicial power lies less in the hope of perfection and more in the confidence that decisions, once made, are settled. As Justice Robert Jackson [Associate Justice of the U.S. Supreme Court in Brown Vrs. Allen] famously said* ***"We are not final because we are infallible, but we are infallible only because we are final"****. By upholding the finality of verdicts, not only is endless litigation prevented but public confidence in the judiciary is also maintained.*
>
> *48. In the recent past, we have rather painfully observed a growing trend in this Court (of which we too are an indispensable part) of verdicts pronounced by Judges, whether still in office or not and irrespective of the time lapse since pronounced, being overturned by succeeding benches or specially constituted benches at the behest of some party aggrieved by the verdicts prior in point of time. To us, the object of Article 141 of the Constitution seems to be this: the pronouncement of a verdict by a bench on a particular issue of law (arising out of the facts involved) should settle the controversy, being final, and has to be followed by all courts as law declared by the Supreme Court. However, if a verdict is*

allowed to be reopened because a later different view appears to be better, the very purpose of enacting Article 141 would stand defeated. The prospect of opening up a further round of challenge before a succeeding bench, hoping that a change in composition will yield a different outcome, would undermine this Court's authority and the value of its pronouncements. ***A matter that is res integra may not be reopened or revisited or else consistency in legal interpretation could be compromised and the special authority that is invested in decisions of this Court, under Article 141, lost.*** *The weight and influence of that special authority depend on the credibility we, the Judges, give to it. As Judges of this Court, we are alive to the position that overturning a prior verdict by a later verdict does not necessarily mean that justice is better served.*

49. However, with an over looming sense of dissatisfaction and remorse, we propose not to walk that path. While it is true that in a case of the present nature— where an issue of a citizen's right to move freely throughout the territory of India is involved— the principle of finality may not be applied strictly against the party whose right has been so restricted, but the antecedent facts in the light whereof the restriction is imposed assumes significance and must, of necessity, bear serious thought. Any restrictive order of the nature under consideration has to be and must be premised on some worthy reason. Such reason need not be brushed aside as irrelevant or untenable. Judicial discipline, propriety and comity, which are also inseparable parts of a just and proper decision-

making process, demand that a subsequent bench of different combination defers to the view expressed by the earlier bench, unless there is something so grossly erroneous on the face of the record or palpably wrong that it necessitates a re-look in exercise of inherent jurisdiction either by a review petition or through a curative petition as explained in Rupa Ashok Hurra Vrs. Ashok Hurra, (2002) 4 SCC 388."

10.11. As regards adhering to the "rule of law" the following observations of the Hon'ble Supreme Court of India in *Rajeev Suri Vrs. Delhi Development Authority, (2021) 15 SCR 283* are noteworthy:

"133. The above discussion is instructive on at least three counts—

first, *Rule of Law requires law in existence;*

second, *such law must qualify as law within the meaning of the Constitution and must satisfy the standards laid therein and*

third, *legally applicable meaning of Rule of Law in India can be best understood as a democratic rule within the four corners of the Constitution, as originally envisaged and as is interpreted from time to time.*

The existence of democracy per se does not guarantee adherence to Rule of Law, but abidance of Rule of Law by one and all is the hallmark of a real thriving democracy.

134. The fact that all power flows from law and must be exercised in accordance with such law is easy to be theorized in a constitutional discourse, but difficult to be sustained in the aftermath of ever-expanding potpourri of the law itself. It is for this very reason the statement – 'Rule of Law' must encompass a dynamic concept albeit rooted in four corners of the Constitution. It provides a constant trigger to any state-citizen intercourse and calls upon this Court to strike a just balance between two entities, both equally bound by the same principle of superiority of law. A just and time-tested methodology to strike this balance lies in the end product of furthering the avowed goal of a democracy premised upon Rule of Law and not dragging it backwards.

135. The principle of Rule of Law runs as a common thread through the substantive as well as procedural laws. A democratic polity requires all organs of the state to attach equal importance to substance of law as well as to the procedure delineated to perform such substantive functions. That must be the constant endeavour to touch both ends as well as means."

10.12. The following passage found in *Commissioner of Customs Vrs. Kushalchand & Co., (2016) 16 SCC 457* may be apt to be borne in mind:

"6. It is pertinent to mention that in spite of particular conclusion which was arrived at by the Tribunal that "cocoa powder" was "flour" and covered under the description of the licence, ***the Department did not choose to challenge this finding by filing any further appeal, therefore, at least inter se***

> ***between the parties, the said issue attained finality*** *and this finding was binding on the Commissioner and, therefore, it was not open to the Commissioner to revisit the issue all over again and come to a contrary finding."*

10.13. The following observations of this Court in *Prafulla Kumar Behera Vrs. State of Odisha, 2025 SCC OnLine Ori 2416* to buttress that decision taken in the earlier round of litigation would bind *inter se* parties, unless and until such decision is set aside/quashed/overturned/varied/ modified by higher fora/Court:

> *"6.6.* ***It is trite that the decision of the Tribunal is binding on the State-functionaries and authorities, until and unless the same is quashed/reversed/modified by this Court or the Hon'ble Supreme Court.*** *It is propounded in Ujjam Bai Vrs. State of Uttar Pradesh, AIR 1962 SC 1621 = (1963) 1 SCR 778 that:*
>
> *'It is necessary first to clarify the concept of jurisdiction. Jurisdiction means authority to decide. Whenever a judicial or quasi-judicial tribunal is empowered or required to enquire into a question of law or fact for the purpose of giving a decision on it, its findings thereon cannot be impeached collaterally or on an application for certiorari but are binding until reversed on appeal. Where a quasi-judicial authority has jurisdiction to decide a matter, it does not lose its jurisdiction by coming to a wrong conclusion whether it is wrong in law or in fact. The question, whether a tribunal has jurisdiction depends not on the truth or falsehood of the facts*

into which it has to enquire, or upon the correctness of its findings on these facts, but upon their nature, and it is determinable at the commencement, not at the conclusion, of the inquiry.'

6.7. *In Tobacco Manufacturers (India) Ltd. Vrs. Commissioner of Sales Tax, Bihar, (1961) 2 SCR 106, it has been held as follows:*

'The principal point that Mr. Chatterjee, learned counsel for the appellants, argued before us related to the duty of the tax authorities to obey the orders of the Board of Revenue and give effect to them, and he submitted that the High Court erred in denying his clients the relief of mandamus on the ground that that order was erroneous. In support of this argument learned counsel sought reliance on a recent decision of this Court in Bhopal Sugar Industries Vrs. Commissioner of Income-tax, Civil Appeal 407 of 1956; since reported at (1960) 40 ITR 618 in which it was held that when an order was made by a superior tribunal (in that case the Income-tax Appellate Tribunal) directing the Income-tax Officer to compute the income of an assessee on a particular basis and that order had become final, the subordinate officer had no right to disregard the direction, because it was wrong and that the High Court when approached by the assessee for the issue of a writ of mandamus, was bound to enforce the final order of the superior tribunal and could not refuse to do so because it considered the order of the tribunal to be wrong. ***This Court pointed out that when the order which the tribunal had jurisdiction to pass became final, it bound all parties to it and its correctness could not be***

challenged collaterally in proceedings for enforcing that order. *The attempt of learned counsel for the appellants was to bring this case within the scope of the above ruling.*

The ratio of this decision is to be found in this passage:

*'**By that order the respondent virtually refused to carry out the directions which a superior tribunal had given to him in exercise of its appellate powers in respect of an order of assessment made by him. Such refusal is in effect a denial of justice, and is furthermore destructive of one of the basic principles in the administration of justice based as it is in this country on a hirearchy of courts.** If a subordinate tribunal refuses to carry out directions given to it by a superior tribunal in the exercise of its appellate powers, the result will be chaos in the administration of justice and we have indeed found it very difficult to appreciate the process of reasoning by which the learned Judicial Commissioner while roundly condemning the respondent for refusing to carry out the directions of the superior tribunal, yet held that no manifest injustice resulted from such refusal.'*

To attract the principle thus enunciated, it is necessary that there should be an order of a superior tribunal clear, certain and definite in its terms, and without any ambiguity, to which the subordinate authority or officer to whom it is addressed, could give effect.'

6.8. In Godrej Sara Lee Ltd. Vrs. The Excise and Taxation Officer-cum-Assessing Authority, (2023) 3 SCR 871 it has been laid down that:

'In our view, the Revisional Authority might have been justified in exercising suo motu power to revise the order of the Assessing Authority had the decision of the Tribunal been set aside or its operation stayed by a competent Court. So long it is not disputed that the Tribunal's decision, having regard to the framework of classification of products/tax liability then existing, continues to remain operative and such framework too continues to remain operative when the impugned revisional orders were made, the Revisional Authority was left with no other choice but to follow the decision of the Tribunal without any reservation. ***Unless the discipline of adhering to decisions made by the higher authorities is maintained, there would be utter chaos in administration of tax laws apart from undue harassment to assessees.*** *We share the view expressed in Union of India Vrs. Kamlakshi Finance Corporation Ltd., 1992 Supp (1) SCC 443 = AIR 1992 SC 711.'*

6.9. A Division Bench of this Court in the case of Orissa Forest Corporation Ltd. Vrs. Assistant Collector, 1982 SCC OnLine Ori 209 held as follows:

'We do not think this should be the attitude of the Union Government. The demand is under the Statute and the statutory appellate authority, on the set of facts which are common both to the period when relief was granted and the period for which the impugned demand has been made, has already determined that no levy is exigible. As long as the

appellate order stands, it must be duly respected and only when the revisional authority vacates the order and holds that the decision of the appellate authority is wrong and the demand was justified, no demand should be raised. ***It has been indicated on more than one occasions by the Supreme Court with reference to directions of the Appellate Tribunal under the Income Tax Act that such directions are binding and decisions rendered by appellate authorities should be respected by the subordinate revenue authorities and no attempt should be made to wriggle out of the binding decisions of higher authorities as long as they remain in force.*** *The same principle should be applied to the present set of facts and we are, therefore, inclined to take the view that the demand under Annexure-4 should be set aside but we would make it clear that in the event of the appellate orders being vacated, under the Statute the liability would revive and notwithstanding our quashing Annexure-4 the statutory authority would be entitled to raise a demand in terms of the decision which may be ultimately sustained under the Statute.'*

6.10. *At this stage it is reminded of that, every holder of a public office is a trustee whose highest duty is to the people of the country and, therefore, every act of the holder of a public office, irrespective of the label classifying that act, is in discharge of public duty meant ultimately for public good. [See, Shrilekha Vidyarthi (Kumari) Vrs. State of U.P., (1991) 1 SCC 212].*

6.11. Any order passed by the Odisha Administrative Tribunal, constituted under the provisions of the Administrative Tribunals Act, 19854, ought to be respected and fully complied with, inasmuch as the hierarchy in the judiciary needs to be respected by one and all. ***In that hierarchy, the orders passed by the learned Odisha Administrative Tribunal would bind the parties before it.*** *[Regard being had to observations made in Order dated 15.05.2024 of the Supreme Court of India passed in the case of Ireo Grace Realtech Pvt. Ltd. Vrs. Sanjay Gopinath, C.A. Nos. 2764-2771 of 2022[10].]*

10.14. It may also be pertinent to have regard to the following dicta of the Hon'ble Supreme Court of India rendered in the case of *Mary Pushpam Vrs. Telvi Curusumary, (2024) 1 SCR 11*:

"1. The rule of 'Judicial Discipline and Propriety' and the Doctrine of precedents has a merit of promoting certainty and consistency in judicial decisions providing assurance to individuals as to the consequences of their actions. ***The Constitution benches of this court have time and again reiterated the rules emerging from Judicial Discipline.*** *Accordingly, when a decision of a coordinate Bench of same High court is brought to the notice of the bench, it is to be respected and is binding subject to right of the bench of such coequal*

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10 Paragraph 8 of *Order dated 15.05.2024 of the Supreme Court of India passed in the case of Ireo Grace Realtech Pvt. Ltd. Vrs. Sanjay Gopinath, C.A. Nos. 2764-2771 of 2022* reads thus:

"8. Any orders passed by this Court, ought to be respected and fully complied with, in view of the fact that the hierarchy in the judiciary needs to be respected by one in all. In that hierarchy, the orders passed by this Court would bind not just the parties before the NCDRC, but the judicial officers as well."

quorum to take a different view and refer the question to a larger bench. It is the only course of action open to a bench of coequal strength, when faced with the previous decision taken by a bench with same strength.

***

15. *In the light of the above facts, arguments and findings recorded by the High Court in its judgment dated 30.03.1990, apparently no defence was left for the respondents to take as it was already held that the appellant had perfected her rights by adverse possession over the suit property which was 8 cents of land. The construction of the appellant was standing over the 8 cents of land may be on part of it but she was found in possession of the entire 8 cents.*

16. ***The respondents never sought any clarification of the findings of the High Court or the observations made therein nor did they assail the same before any higher forum. The judgement dated 30.03.1990 attained finality. Interpreting the said judgement which was clear in itself any differently would clearly amount to judicial indiscipline.*** *The Sub-Judge in its judgement dated 13.10.2003 had rightly observed that the Trial Court had no business to interpret the judgement of the High Court dated 30.03.1990 in any other way than what was recorded therein.*

17. *The doctrine of merger is a common law doctrine that is rooted in the idea of maintenance of the decorum of hierarchy of courts and tribunals. The*

doctrine is based on the simple reasoning that there cannot be, at the same time, more than one operative order governing the same subject matter. The same was aptly summed up by this Court when it described the said doctrine in Kunhayammed & Ors. Vrs. State of Kerala & Anr., (2000) 6 SCC 359:

'44(i) Where an appeal or revision is provided against an order passed by a court, tribunal or any other authority before superior forum and such superior forum modifies, reverses or affirms the decision put in issue before it, the decision by the subordinate forum merges in the decision by the superior forum and it is the latter which subsists, remains operative and is capable of enforcement in the eye of the Law.'

18. The legal position on Coordinate Benches has further been elaborated by this Court in State of Punjab & Anr. Vrs. Devans Modern Breweries Ltd. & Anr., (2004) 11 SCC 26:

'339. Judicial discipline envisages that a coordinate Bench follow the decision of an earlier coordinate Bench. If a coordinate Bench does not agree with the principles of law enunciated by another Bench, the matter may be referred only to a larger Bench.

340. In Halsbury's Laws of England (4th Edn.), Vol. 26 at pp. 297-98, para 578, it is stated: "A decision is given per incuriam when the court has acted in ignorance of a previous decision of its own or of a court of coordinate jurisdiction which covered the case before it, in which case it must decide which case to follow.'

19. *We have already discussed about the importance of ensuring judicial discipline and the same has also been upheld by various judgement of this Court. In Central Board of Dawoodi Bohra Community & Anr. Vrs. State of Maharashtra & Anr., (2005) 2 SCC 673, this Court has summed up the legal position of rules of judicial discipline as follows:*

*'12. ****

(1) The law laid down by this Court in a decision delivered by a Bench of larger strength is binding on any subsequent Bench of lesser or coequal strength.

(2) A Bench of lesser quorum cannot disagree or dissent from the view of the law taken by a Bench of larger quorum. In case of doubt all that the Bench of lesser quorum can do is to invite the attention of the Chief Justice and request for the matter being placed for hearing before a Bench of larger quorum than the Bench whose decision has come up for consideration. It will be open only for a Bench of coequal strength to express an opinion doubting the correctness of the view taken by the earlier Bench of coequal strength, whereupon the matter may be placed for hearing before a Bench consisting of a quorum larger than the one which pronounced the decision laying down the law the correctness of which is doubted.'

20. *In the current case, as previously mentioned, the High Court's judgment from the initial round dated 30.03.1990, noted that the disputed property*

included 8 cents of land, not just the building structure on it. ***As per the Doctrine of Merger, the judgments of the Trial Court and the First Appellate Court from the first round of litigation are absorbed into the High Court's judgment dated 30.03.1990. This 1990 judgment should be regarded as the conclusive and binding order from the initial litigation. Following the principles of judicial discipline, lower or subordinate Courts do not have the authority to contradict the decisions of higher Courts.*** *In the current case, the Trial Court and the High Court, in the second round of litigation, violated this judicial discipline by adopting a position contrary to the High Court's final judgment dated 30.03.1990, from the first round of litigation."*

10.15. With such illuminated proposition of law as emanated from the authoritative pronouncements of the Hon'ble Supreme Court of India and this Court, no option is left but to accede to the observations the Division Bench contained in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 109 (2010) CLT 173 = 2010 (Supp.1) OLR 809 = 2009 SCC OnLine Ori 402,* which attained finality being not challenged by way of further proceeding before higher fora.

10.16. Against the decision taken in Proceeding in the Letter bearing No.7637/III(B)-SM-09/2012/SM, dated 14.08.2015 (Annexure-11) of the Steel and Mines Department that *"the State Government are hereby pleased to formally declare that the iron and manganese*

mining lease of M/s. Zenith Mining Pvt. Ltd. over an area of 129.410 hectares in village Gonua under Bonai Sub-Division of Sundargarh district has stood lapsed with effect from 26.08.2012 under Section 4A of the MMDR Act, 1957 read with Rule 28(1) of the Mineral Concession Rules, 1960", the petitioner availed remedy of revision by way of an application being registered as 22/18/2023 RC-I/55, which came to be disposed of by the Economic Advisor and Revisionary Authority *vide* common Order dated 11.05.2016 with the following conclusion:

"Before narrating the submissions on behalf of Revisionist and the State Government, it is pertinent to quote the relevant portion of Hon'ble Apex Court's Judgment delivered on 04.04.2016[11]:

*'****

32. Based on the considerations recorded above, we summarise our conclusions as under:

(i) A leaseholder would have a subsisting mining lease, if the period of the original grant was still in currency on 12.01.2015. Additionally, a leaseholder whose original lease has since expired, would still have a subsisting lease, if the original lease having been renewed, the renewal period was still in currency on 12.01.2015. Such a leaseholder, would be entitled to the benefit of Section 8A of the amended MMDR Act.

11 See, *Common Cause Vrs. Union of India, (2016) 11 SCC 455 = (2016) 2 SCR 243.*

(ii) A leaseholder who had not moved an application for renewal of a mining lease (which was due to expire, prior to 12.01.2015), at least twelve months before the existing lease was due to expire, under the provisions of the unamended MMDR Act and the Mineral Concession Rules, will be considered as not a valid/subsisting leaseholder, after the expiry of the lease period. The provisions of the amended MMDR Act will therefore not enure to the benefit of such leaseholder.

(iii) A leaseholder who has moved an application for renewal (of the original/first or subsequent renewal) of a mining lease, at least twelve months before the existing lease was due to expire, and on consideration, such an application has been rejected, will be considered as not a valid/subsisting leaseholder. The provisions of the amended Section 8A of the MMDR Act will not enure to the benefit of such leaseholder, because of the express exclusion contemplated for the above exigency, under Section 8A(9) of the amended MMDR Act.

(iv) A leaseholder who has moved an application for 'first renewal' of the original mining lease, at least twelve months before the original lease was due to expire, and such application has not been rejected, will be considered to be a valid leaseholder having a subsisting right to carry on mining operations, till the expiry-of two years after 18.07.2014, i.e., up to 17.07.2016, as is apparent from a conjoint reading of the unamended and amended Rule 24A of the Mineral Concession Rules. Such leaseholder would have the benefit of sub-sections (5) and (6) of Section 8A of the amended MMDR Act.

(v) *A leaseholder who had moved a second (third or subsequent) renewal application under Section 8(3) of the unamended MMDR Act, at least twelve months before the renewed lease was due to expire, and whose application had not been considered and rejected (though not entitled to any benefit under the unamended Section 8A of the MMDR Act and the amended Rule 24A(6) of the Mineral Concession Rules) up to 12.01.2015, would still have the benefit of sub-sections (5) and (6) of Section 8A of the amended MMDR Act, in view of the situation sought to be remedied by the Mines and Minerals (Development and Regulation) Amendment Act, 2015.*

(vi) *Consequent upon the amendment of Section 8A of the MMDR Act, the regime introduced through sub-sections (5) and (6) thereof, provides for three contingencies where benefits have been extended to leaseholders whose lease period had earlier been extended by a renewal. Firstly, for a leaseholder whose renewal period had expired before 12.01.2015, and the leaseholder had moved an application for renewal at least twelve months before the leaseholder's existing lease was due to expire, and whose application has not been considered and rejected, the lease period would stand extended up to 31.03.2030/31.03.2020 (in the case of captive/non-captive mines, respectively). Additionally, a leaseholder whose period of renewal would expire after 12.01.2015, but before 31.03.2030/31.03.2020, the lease period would stand extended up to 31.03.2030/31.03.2020 (in the case of captive/non-captive mines, respectively). Secondly, where the renewal of the mining lease*

already extends to a period beyond 31.03.2030/31.3.2020 (in the case of captive/non-captive mines, respectively), the lease period of such leaseholders, would continue up to the actual period contemplated by the renewal order. Thirdly, a leaseholder would have the benefit of treating the original lease period as of fifty years. Accordingly, even during the renewal period, if the period of the mining lease would get extended (beyond the renewal period) by treating the original lease as of fifty years, the leaseholder would be entitled to such benefit.

Out of the above three contingencies provided under sub-sections (5) and (6) of Section 8A, the contingency as would extend the lease period farthest, would enure to the benefit of the leaseholder.

(vii) Based on the interpretation placed by us on Section 4A(4) of the MMDR Act, and Rule 28 of the Mineral Concession Rules, we can draw the following conclusions:

Firstly, unless an order is passed by the State Government declaring, that a mining lease has lapsed, the mining lease would be deemed to be subsisting, up to the date of expiry of the lease period provided by the lease document.

Secondly, in situations wherein an application has been filed by a leaseholder, when he is not in a position to (or for actually not) carrying on mining operations, for a continuous period of two years, the lease

period will not be deemed to have lapsed, till an order is passed by the State Government on such application. Where no order has been passed, the lease shall be deemed to have been extended beyond the original lease period, for a further period of two years.

Thirdly, *a leaseholder having suffered a lapse, is disentitled to any benefit of the amended MMDRAct, because of the express exclusion contemplated under Section 8A(9) of the amended MMDR Act.'*

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Notwithstanding the perceived understanding on lapsing provisions, with the Apex Court Judgment, on the issue there is clarity on the lapsing framework and related process. In accordance with Apex Court direction now it is clear position that lapsing is not an automatic provision and cause of discontinuation of mining operation has to be preceded by scrutiny and steps fulfilling the maxim of natural justice. In view of above discussion, the impugned orders listed in Annexure-A need reconsideration to follow the directions provided in the said Apex Court Judgment. Therefore, all the impugned orders as listed in Annexure-A are set aside herewith and remanded back to the State Government for suitable reconsideration in line with the Hon'ble Apex Court's direction on the provisions of lapsing expeditiously."

10.17. Consequent upon such order of remit, it seems notice dated 07.02.2017 was issued by the Department

of Steel and Mines inviting reply (Annexure-13), responding to which the petitioner furnished explanation dated 15.04.2017 (Annexure-14). Nevertheless, a Demand Notice dated 02.09.2017 (Annexure-15) was issued by the Deputy Director of Mines, Koira Circle alleging production of mineral in absence of or in excess of approved limit during 2000-01 to 2010-11 taking cue from the Judgment of the Hon'ble Supreme Court of India in *Common Cause Vrs. Union of India, (2017) 13 SCR 361*. As the matter stood, to comply with the order of remand as stated above, a Proceeding in Letter being No.7070-SM-MC1-CC-0132-2022/SM, dated 13.07.2023 was undertaken by the Steel and Mines Department wherein and whereby rejecting prayer of the petitioner for adjournment on 15.12.2022, decision has been rendered by construing that "23.10.1971" is the date of grant of initial lease and *"therefore it cannot be considered to be subsisting nor can be allowed to be saved from lapsing beyond 22.10.2021 by virtue of Section 8A(6) of the MMDR Act, 1957"*.

10.18. Assailing such decision dated 13.07.2023 having serious flaw in understanding the statutory provisions and conceiving legal position as set forth by the Courts *vis-a-vis* the factual matrix in proper perspective, a revision was preferred under Section 30 of the MMDR Act, which was decided against the petitioner on

19.09.2024. Said Order in Revision is under challenge before this Court in the present writ petition.

Conclusion:

11. Each case turns on its own facts. Upon discussion made *supra,* the facts emanated from pleadings, which the opposite parties could not successfully dispute, transpire that the lease granted in favour of Late Dhanjit Kuarji Bai Pandya remained valid from 30.09.1943 to 29.09.1963. Though Smt. Dev Kumar Bai Pandya, wife of Late Dhanjit Kuarji Bai Pandya applied for the "renewal" of mining lease on 16.03.1963, the same was not granted. The lease for an area of 132.78 hectares was granted in favour of SAIL by execution of deed in its favour on 21.08.1979 and a lease deed over an area of 14.158 hectares was executed in favour of one Sri Surendranath Mohanty on 06.06.1980. However, such lease granted in favour of M/s. Steel Authority of India Limired on 20.12.1984 was surrendered and accepted by the Government of Odisha and communicated by the Senior Mining Officer to the Rourkela Steel Plant, Rourkela *vide* Memo No.5350/Mines, dated 17.09.1986.

11.1. A lease deed was executed in favour of Smt. Dev Kumar Bai Pandya on 02.08.1996 with effect from 23.10.1991 for manganese. A supplementary lease deed to include iron ore was executed on 13.08.1998 in favour of Smt.

Dev Kumar Bai Pandya for a period of 10 years with effect from 23.10.1991. The lease was transferred and transfer deed was executed on 13.08.1998 in favour of the petitioner-company, *i.e.*, M/s. Zenith Mining Private Limited.

11.2. In *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 109 (2010) CLT 173 = 2010 (Supp.1) OLR 809 = 2009 SCC OnLine Ori 402*[12]*,* it has been observed that in the year 1994, Section 8 of the MMDR Act was amended as consequence of which the renewal of lease was extended from ten years to twenty years and the Court came to conclusion that the period of lease if considered to be renewed by the appropriate authorities has to be renewed for a period of twenty years and a lesser period than twenty years after the amendment of Section 8 is not permissible.

11.3. The transferee-petitioner herein applied for "renewal" of lease on 07.09.2000, *i.e.,* one year prior to expiry of the lease and in view of Rule 31(2) of the Mineral Concession Rules, 1960 the date of the commencement of the period for which a mining lease is granted shall be the date on which a duly executed deed under sub-rule (1) is registered.

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[12] The observations and findings available in this judgment attained finality.

11.4. In such backdrop, Sri Sanjit Mohanty, learned Senior Advocate would emphasise that the amendment of Section 8 of the MMDR Act in the year 2015 is attracted in the instant case in favour of the petitioner and, therefore, it is entitled to enjoy the mining of the subject-area for a period of fifty years and the lease deed executed on 02.08.1996 with effect from 31.10.1991 would remain valid till 22.10.2041 (See paragraph 16 of the writ petition).

12. Having regard to the connotation of the word "renewal" as judicially interpreted in *Provash Chandra Dalui Vrs. Biswanath Banerjee, 1989 Supp (1) SCC 487* and *Gajraj Singh Vrs. STAT, (1997) 1 SCC 650* by the Hon'ble Supreme Court of India and *Krupajal SHG, Balasore Vrs. State of Odisha, WA No.907 of 2025, vide Judgment dated 09.09.2025 of this Court,* said word can safely be understood as "again afresh", which postulates the existence of an earlier contract and/or engagement, otherwise it would frustrate the very object of the word 're' introduced before the word 'newal' and renewal is a fresh grant and must be granted consistent with law in operation as on that date.

13. Bare perusal of Order in Revision passed in Revision Application, bearing No.22/22/2023-RC-I, it emanates that the authority has not taken into consideration the facts with evidence as discussed in the Letter dated

02.09.2014 issued by the Regional Chief Conservator of Forests, Rourkela Circle, Rourkela. Nothing is suggested in the said order as to why the Authority and/or the Revisional Authority would vary from the facts stated therein. It is not forthcoming from records as to why the factual position set forth in said Letter dated 02.09.2014 has been discarded and/or ignored.

13.1. The Revisional Authority apparently was swayed away by the submission of the counsel appearing for the State Government. It is apparent from the Order in Revision under challenge *vide* Annexure-1 that without taking cognizance of connotation of the term “renewal” or grant of lease *vide* Mining Lease in Form K (Annexure-6) executed on 02.08.1996 in favour of Smt. Dev Kumar Bai Pandya after acceptance of proposal to surrender of lease granted to SAIL by the Government on 17.05.1986 and subsequent transfer of lease to the petitioner by said Dev Kumar Bai Pandya by virtue of a transfer deed being executed on 13.08.1998; and ignoring the factual matrix and legal aspects as discussed in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 109 (2010) CLT 173 = 2010 (Supp.1) OLR 809 = 2009 SCC OnLine Ori 402,* the Revisional Authority abruptly jumped to the conclusion that the lease period of fifty years contemplated in Section 8A(6) of the MMDR Act, 1957 (as amended) being completed the Revision Application has been

rendered “infructuous”. The assailed order in the writ petition failed to even address on the point of amendment of the MMDR Act in the year 1994 by dint of which this Court in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402* held that the transferee is entitled to enjoy all such benefits as is available to the transferor for a period of twenty years instead of ten years.

14. In the wake of the discussions made in the foregoing paragraphs on facts supported by official communications and in view of decision of this Court in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402*, and the reasons ascribed hitherto coupled with binding decision as also ratio of decisions having precedential value, this Court cannot countenance the reason assigned in the Order in Revision (Annexure-1) passed rendering the Revision Application bearing No.22/22/2023-RC-I infructuous.

15. Perversity in factual determination and misapplication and/or non-application of legal perspective as set forth by the Courts being perceived in the impugned Order in Revision, this Court deems it expedient to exercise power conferred under Article 226 of the Constitution of India. Hence said Order in Revision bearing No.84/2024, dated 19.09.2024 passed in Revision Application No.22/22/2023-RC-I (Annexure-1) is set aside.

15.1. Upon setting aside the aforesaid Order dated 19.09.2024 of the Revisional Authority, the matter would have been remanded to the said Revisional Authority for adjudication of the issues afresh, but being conscious of certain facts emerging from the Proceeding *vide* Letter dated 13.07.2023 (Annexure-18), this Court finds force in the submission of the learned Senior Counsel that as the petitioner was not afforded reasonable opportunity to present its matter before the Steel and Mines Department, it should not be allowed to lose one forum to ventilate its grievance.

15.2. At this stage, this Court may wish to have reference to following view expressed in *Tin Box Co. Vrs. CIT, (2001) 9 SCC 725*:

> *"2. That the assessee could have placed evidence before the first appellate authority or before the Tribunal is really of no consequence for it is the assessment order that counts.* ***That order must be made after the assessee has been given a reasonable opportunity of setting out his case.*** *We, therefore, do not agree with the Tribunal and the High Court that it was not necessary to set aside the order of assessment and remand the matter to the assessing authority for fresh assessment after giving to the assessee a proper opportunity of being heard."*

15.3. In view of such explicit opinion of the Hon'ble Supreme Court of India, on analysis of contents of the Proceeding

dated 13.07.2023 (Annexure-18), the following facts come to fore:

"And whereas, under Government Orders, hearing was taken up with due notice to the lessee. The hearing was scheduled on 18.11.2022 through virtual mode. On 17.11.2022, one Mr. Syed Nizam Ahmed, Managing Director of the lessee-company ***sought adjournment for one month as he was suffering from cancer****. The next date of hearing was fixed on 15.12.2022 considering the request. On the date of hearing no one appeared although the notice for hearing was duly served on e-mail and by post.*

And whereas, this was construed to be deliberate and no further scope was afforded."

15.4. Without appreciating that the representative of the petitioner was suffering from serious health issues and in absence of further inquiry being made for non-appearance of such person for and on behalf of company on the subsequent date, the proceeding ended with a civil/evil consequence detriment to the interest of the company depriving it of valuable right.

15.5. The facts on record is discernible that in the Proceeding dated 13.07.2023 (Annexure-18) the factual details with respect to "renewal" of lease in favour of Dev Kumar Bai Pandya and the transferee (petitioner) was not taken into consideration. Said Proceeding has ignored to take cognizance of the facts discussed and settled with view expressed by this Court in earlier round of litigation

being *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402*. An action cannot be said to be *bona fide* when essential facts are not ascertained by exercising reasonable diligence. Needless to indicate that in absence of challenge being made against said decision and the Government of Odisha having accepted such decision, the same binds *inter se* parties as the said decision has attained finality. The facts and observations beyond what were spelt out in *Zenith Mining Pvt. Ltd. Vrs. Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402* in the Proceeding *vide* Annexure-18 are to be considered as perverse and liable to be interfered with by this Court.

15.6. Minute reading of Proceeding in Annexure-18 reveals as follows:

> *"That the mining lease of iron and manganese ore over an extent of 129.410 hectares in village Gonua under Bonai Sub-Division of Sundargarh District was granted in favour of the Revisionist M/s. Zenith Mining Pvt. Ltd. on 24.10.1971 for a period of twenty years. Thereafter, the 1st Renewal of Mining Lease was also granted for a period of ten years from 23.10.1991 to 22.10.2001."*

15.7. If the connotation of the term "renewal" as interpreted by the Court(s) is taken into consideration the 1st Renewal as stated in Proceeding in Annexure-18 extracted herein above would be construed to be fresh lease from 23.10.1991. As stated in *Zenith Mining Pvt. Ltd. Vrs.*

Collector, Sundergarh & Ors., 2009 SCC OnLine Ori 402 by virtue of amendment of Section 8 of the MMDR Act in the year 1994 the lease period has been enhanced to twenty years. Such fact finds supports from *Common Cause Vrs. Union of India, (2016) 11 SCC 455 = (2016) 2 SCR 243*.

15.8. The analysis of documents enclosed with the writ petition and discussed herein above read with Letter in Memo dated 02.09.2014 of the Regional Chief Conservator of Forests demonstrates the facts so enumerated in the Proceeding in Letter dated 13.07.2023 *ex facie* seem to be contradictory and conflicting.

15.9. This Court is not be oblivious of the following dicta laid down in *Vadilal Chemicals Ltd. Vrs. State of A.P., (2005) 6 SCC 292* by the Hon'ble Supreme Court of India:

> *"23. There is another reason why the action of Deputy Commissioner of Commercial Taxes cannot be upheld. The primary facts relating to the processes undertaken by the appellant at its unit were known to the Department of Industries and Commerce and Deputy Commissioner of Commercial Tax. The only question was what was the proper conclusion to be drawn from these. The Department of Industries and Commerce which was responsible for the issuance of the 1993 GO accepted the appellant as an eligible industry for the benefits. Apart from the fact that it can be assumed that the Department of Industries*

> *was in the best position to construe its own order, we can also assume that in framing the Scheme and granting eligibility to the appellant all the Departments of the State Government involved in the process had been duly consulted.* ***The State, which is represented by the Departments, can only speak with one voice.*** *Having regard to the language of the 1993 GO it was the view expressed by the Department of Industries which must be taken to be that voice."*

15.10. Hence, this Court is of the opinion that the Proceeding No. 7070-SM-MC1-CC-0132-2022/SM, dated 13.07.2023 (Annexure-18) cannot be held to be tenable in the eye of law and, the same is, therefore, set aside.

16. Under aforesaid premises, having set aside both the Proceeding in Letter dated 12.07.2023 (Annexure-18) and the Order in Revision dated 19.09.2024 (Annexure-1) this Court remands the matter to the Government of Odisha in Steel and Mines Department by restoring the Proceeding.

16.1. Needless to say that the petitioner is at liberty to avail the opportunity of hearing and produce all such material(s) which may be relevant for the purpose of establishing its entitlement for lease of subject iron and manganese mines as envisioned in the statute. The competent authority having regard to the discussions made herein above and taking into consideration the material/evidence to be produced and/or available on

record(s) shall take appropriate decision afresh without being influenced by the observations made in the Proceeding in Letter dated 13.07.2023 (Annexure-18) and Order dated 19.09.2024 (Annexure-1).

17. After hearing the petitioner, reasoned order shall be passed within a period of four months from date in the light of the discussions made herein above and such order shall be communicated to the petitioner forthwith.

18. In the result, the writ petition stands disposed of and pending Interlocutory Application(s) shall also be disposed of; but in the circumstances, there shall be no order as to costs.

I agree.

(HARISH TANDON)
CHIEF JUSTICE

(MURAHARI SRI RAMAN)
JUDGE

High Court of Orissa, Cuttack
The 06th July, 2026//Aswini/MRS/Laxmikant