

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 19<sup>TH</sup> DAY OF JANUARY, 2026



PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MR. JUSTICE C.M. POONACHA

WRIT PETITION NO. 23583 OF 2024 (GM-MM-S)

**BETWEEN:**

1. M/S. SHRI VENKATESHWARA MINERALS  
A PARTNERSHIP FIRM REGISTERED UNDER  
THE PARTNERSHIP ACT, 1932  
HAVING OFFICE AT: LOKAPUR  
LOKAPUR POST, MUDHOL TALUK  
BAGALKOT DISTRICT - 587 101  
REPRESENTED BY ITS PARTNER  
MR. MANJUNATHA CHANNABASAPPA PATIL

...PETITIONER

(BY SRI D.L.N. RAO, SENIOR ADVOCATE A/W  
SRI ANIRUDH ANAND, ADVOCATE)

**AND:**

1. STATE OF KARNATAKA  
BY THE SECRETARY TO  
THE GOVERNMENT COMMERCE AND  
INDUSTRIES DEPARTMENT  
(MSME AND MINES)  
REPRESENTED BY ITS HIGH COURT  
GOVERNMENT PLEADER  
HIGH COURT OF KARNATAKA  
DR. AMBEDKAR VEEDHI  
BENGALURU - 560 001



2. THE OFFICE OF THE DIRECTOR  
DEPARTEMTN OF MINES AND GEOLOGY  
KHANIJA BHAVAN, RACE COURSE ROAD  
BENGALURU 560 001

...RESPONDENTS

(BY SRI KIRAN V. RON, ADDITIONAL ADVOCATE GENERAL A/W  
SMT. NILOUFER AKBAR, AGA)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT OF MANDAMUS AGAINST THE ORDER DATED 04/02/2023 PASSED BY THE RESPONDENT NO.1 IN SL.NO.CI 107 CMC 2021 VIDE ANNEXURE-J & ETC.

THIS WRIT PETITION HAVING BEEN HEARD AND RESERVED FOR JUDGMENT, COMING ON FOR PRONOUNCEMENT THIS DAY, JUDGMENT WAS PRONOUNCED AS UNDER:

CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE  
and  
HON'BLE MR. JUSTICE C.M. POONACHA

**C.A.V. JUDGMENT**

(PER: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE)

1. The petitioner has filed the present petition, *inter alia* impugning an order dated 04.02.2023 [**impugned order**] passed by respondent No.1 whereby the petitioner's application under Section 8A(3) of the Mines & Minerals (Development & Regulation) Act, 1957 [**MMDR Act**], was rejected.

2. The petitioner had claimed deemed extension of the existing mining lease over a land measuring six acres falling in Survey No.63/1 of Thimmapura Village, Mudhol Taluk, Bagalkot District. The petitioner's application for a deemed extension of the lease was rejected on the ground that the area of six acres of land was less than the threshold area required for a special lease under Section 22(D)(c) of the Mineral Concession Rules, 1960 [**MCR, 1960**].

### **The context**

3. It is stated that one Sri Ninganaagouda Appanagouda Patil was an agriculturist who owned agricultural land to the extent of about 20 acres falling in Survey No.63/1 of Thimmapura Village, Mudhol Taluk, Bagalkot District. He had filed an application for mining limestone lease to the extent of 15.20 acres of the subject land on 23.08.2002. The said application was recommended by the Deputy Director, Department of Mines & Geology, by letter dated 08.04.2024. However, the recommendation was for a mining lease confined to an area of 6 acres falling in Sy.No.63/1 [**subject land**].

4. Thereafter, the Deputy Director, Department of Mines and Geology, accorded its approval for grant of mining lease of limestone in respect of the subject land (land of 6 acres falling in Survey No.63/1 of Thimmapura Village). The recommendation of the lease was for a term of 20 years. The subject land was surveyed and a demarcation report furnished by the Junior Engineer was submitted on 13.12.2005 along with the sketch of the subject land.

5. Respondent No.2 granted mining lease in favour of the applicant (Sri Ningangouda Appanagouda Patil) for an extent of 6 acres of land vide Mining Lease No.2508 dated 25.01.2006, which was registered. The term of the mining lease was 20 years.

6. During the term of the mining lease, the licensee (Sri Ningangouda Appanagouda Patil), made an application dated 28.07.2007 requesting that 'dolomite mineral' be included in the existing mining lease (Mining Lease No.2508). The said application was recommended by the Deputy Director, Department of Mines and Geology on 04.02.2008. Thereafter, the Director, Department of Mines and Geology issued a notification dated 15.06.2011 approving inclusion of 'dolomite mineral' in the existing mining lease (Mining Lease No.2508) for a period co-terminus with

the original lease, which would expire on 24.01.2026. The inclusion deed including 'dolomite mineral' as a part of the mining lease (ML No.2663) was executed on 21.07.2011. The same came to be registered on 02.08.2011 at the Mudhol Sub-Registrar Office.

7. It is stated that one of the conditions of the grant of mining lease was that land would be converted to non-agricultural. Accordingly, the lessee (Sri Ningangouda Appanagouda Patil) made an application seeking conversion of the subject land to non-agricultural land – for the purpose of industrial (mining) – to the District Collector, Bagalkot. He also paid the conversion fee along with compounding fine aggregating to ₹ 4,44,418/-.

8. Sri Ningangouda Appanagouda Patil expired on 29.10.2018 and it is averred that his son Sri Hanumanthagouda Patil succeeded to his estate as his legal heir. In terms of the letter dated 15.06.2021, Sri Hanumanthagouda Patil was recognized as a legal representative of the deceased Sri Ningangouda Appanagouda Patil in respect of M.L.No.2508 / 2663 for limestone and dolomite mining over an extent of land measuring 2.43 hectares (6 acres) – the subject land.

9. Thereafter, the lessee (Sri Hanumanthagouda Patil) submitted a proposal for transfer of the mining lease No.2508 (New No.2663) in favour of the petitioner, which is a sole proprietorship concern. An application dated 22.08.2022 for transfer of the lease along with a Transfer Deed dated 20.06.2022 was furnished. The same was accompanied by other documents such as no dues affidavit, etc. The respondent No.2 verified the same and issued a transfer deed dated 25.01.2024 in the name of the petitioner.

10. The MMDR Act was amended in the year 2015 by virtue of the Mines and Minerals (Development & Regulation) Amendment Act, 2015. The said enactment *inter alia* inserted Section 8A(3) in the MMDR Act, by virtue of which the term of the mining lease was deemed to be extended. An application was made for deemed extension of the lease. The same was forwarded by respondent No.2 to respondent No.1 recommending that the same may be considered subject to compliance of all statutory requirements and payment of arrears if any.

11. In the meantime, the lessee (Sri Hanumanthagouda Patil) had submitted proposal for deemed extension of the lease period to a period of 50 years from the date of original grant in terms of Section 8A(3) of the MMDR Act. In terms of the Standard

Operating Procedure (SOP), the Director, Department of Mines and Geology sent a checklist to the Secretary, Government of Karnataka under cover of its letter dated 08.09.2022. The said checklist included a Tabular statement setting out the scrutiny conducted by the Technical Officer. The same highlighted that the lease was granted in violation of Rule 22-D of the MCR, 1960. Following the said checklist, respondent No.1 rejected the application for deemed extension in terms of the impugned order dated 04.02.2023.

12. In view of the above, the petitioner filed an application under the RTI Act to elicit information regarding persons to whom mining leases were granted over an area of less than 4 hectares. The petitioner received a response, which indicates that certain persons held mining leases over an area of less than 4 hectares.

13. In the aforesaid context, the petitioner has filed the present petition.

### **Reasons and conclusion**

14. The principal question to be examined is, whether the petitioner is entitled to deemed extension of the mining lease in terms of the MMDR Act. Rule 8A(3) expressly provides that all

mining leases granted before the commencement of the Mines and Minerals (Development & Regulation) Amendment Act, would be deemed to have been granted for a period of 50 years. In view of the above, there can be no cavil that the term of the mining lease granted (ML-2508/2663) would by legal fiction be for a term of 50 years from the date of the original grant. Notwithstanding the same, the application to recognize the same has been rejected in terms of the impugned order. The said rejection is premised on Section 22-D of the MCR, 1960.

15. It is, thus the relevant to refer to Rule 22-D of the MCR, 1960. The same is set out below:

"22-D. Minimum size of the mining lease.—Minimum area for grant of mining lease shall not be less than—

(a) One hectare, in respect of small deposits (not fragmented portions of larger ones), shallow in nature, isolated and not exceeding more than 200 metres in strike length. These deposits are small by virtue of either origin or mode of emplacement or dislocation due to geological disturbances.

Small deposits shall also include float deposits (transported) formed due to mechanical weathering and deposition, alluvial or eluvial placers (buried or otherwise), which generally have peculiar configurations excepting beach sands or placers;

(b) Two hectares, in respect of beach sands or placers. Beach sands or placers are mono or multi mineral concentrations, including the dunes occurring on and off the coastal shore line. These deposits are the products of ebb

and flow of tides, waves and inshore currents, and at places semi-consolidated to consolidated in nature;

(c) Four hectares, in respect of all mineral deposits other than those specified under clauses (a) and (b).

[Provided that in the case of renewal of mining lease, the restrictions of minimum area for grant of mining lease shall not be applicable.]"

16. The said Rule 22-D was inserted by virtue of a notification dated 10.04.2003 with effect from the said date. It was subsequently amended by notification dated 28.01.2005 and the proviso to the sub-rule was inserted with effect from 28.01.2005. In terms of the proviso, the restriction as to the minimum area for grant of mining area, would not be applicable to existing mining lease. Thus, the leases granted prior to insertion of Rule 22-D, that is prior to 10.04.2023, would not be rejected on the ground that the area over which mining lease was granted was less than the specified minimum area.

17. However, in the present case, the mining lease in question (M.L.No.2508) was granted on 25.01.2006. The notification to include dolomite in the lease and the lease deed for including dolomite mineral as co-terminus with the existing mining lease was granted on 15.06.2011.

18. The Mines and Minerals Development Regulation (Amendment) Act, inserted Section 8A(3) with effect from 12.01.2015. Thus, if the mining lease in question is accepted as valid, the term of the said lease was deemed to be 50 years from the date of the original grant by virtue of Section 8A(3). However, the application to accept the same has been rejected on the ground that Rule 22-D of MCR, 1960 is violated. A plain reading of clause (c) of Rule 22-D of MCR, 1960 clearly indicates that the minimum area for grant of mining lease for 'dolomite' which is not one of the minerals as specified under clauses (a) and (b) of Rule 22-D of the MCR, 1960, is four hectares. Thus, there is little doubt that the grant of the mining lease in question was in violation of Rule 22-D of the MCR, 1960, which was in force at the relevant point of time.

19. The learned Senior Counsel appearing for the petitioner contended that Rule 22-D of MCR, 1960 is inapplicable by virtue of the proviso, which was inserted with effect from 28.01.2005. He earnestly contended that the existing lease is not affected by insertion of Rule 22-D of the MCR, 1960.

20. The said contention is unmerited, as the lease in question had been granted after 10.04.2003, that is after Rule 22-D had

been inserted. The proviso to Rule 22-D was also inserted prior to grant of mining lease in question.

21. The learned Additional Advocate General had also referred to Section 19 of the MMDR Act which reads as under:

"19. [Mineral concession to be void if in contravention of Act].— Any [mineral concession] granted, renewed or acquired in contravention of the provisions of this Act or any rules or orders made thereunder shall be void and of no effect.

*Explanation.*—Where a person has acquired more than one [mineral concession] and the aggregate area covered by such [permits,] licences or leases, as the case may be, exceeds the maximum area permissible under Section 6, only that [mineral concession] the acquisition of which has resulted in such maximum area being exceeded shall be deemed to be void."

22. There is merit in his contention that the mining lease in question is required to be considered as void, as the same was granted in violation of rule 22-D of the MCR, 1960. The learned Additional Advocate General had also referred to the decision of the Supreme Court in ***Muneer Enterprises vs. Ramgad Minerals & Mining Ltd., : (2015) 5 SCC 366***, whereby the Court had held has under:

"104. Thus, Section 19 makes the position clear that any mining lease granted originally or renewed subsequently in contravention of the provisions of the MMDR Act or any rules or any order made thereunder to be void and of no effect. The expression used in Section 19 is mandatory and therefore if any contravention of the provisions of the MMDR

Act or Rules or orders found in respect of a mining lease originally granted or subsequently renewed such mining lease should be treated to be void and inoperative for operating the said mining lease. It must also be kept in mind that carrying on any non-forest activity in a forest land can only be with the prior approval of the Central Government under Section 2 of the Forest Act, 1980. Therefore, for a mining lease to remain valid, twin requirements of the approval of the Central Government under the proviso to Section 5(1) of the MMDR Act and Section 2 of the Forest Act, 1980 have to be fulfilled. Therefore, a lessee cannot be heard to contend that such statutory requirements are to be thrown overboard and permitted to seek for such approvals after the expiry of the lease at its own sweet will and pleasure and the time to be fixed on its own and that the operation of the mining lease should be allowed ignoring such mandatory prescription."

23. Insofar as the deemed extension granted to other lessees is concerned, it was pointed out that apart from one case, all other cases as referred to by the petitioner in the writ petition related to leases that were granted prior to insertion of Rule 22-D of the MCR, 1960.

24. Insofar as the remaining one case is concerned, the learned Additional Advocate General submitted that necessary steps would be taken in accordance with law in the said case as well. Notwithstanding the same, we are unable to accept that the petitioner would get any right to insist of deemed extension of the lease which is in violation of the relevant rule, solely because

another person has been wittingly or unwittingly accorded that benefit.

25. It is well-settled that Article 14 of the Constitution of India does not envisage any negative equality and the fact that any person has been wrongfully granted any benefit, would not be a ground for extending the benefit to all.

26. In ***Basavaraj and others v. Special Land Acquisition Officer : (2013) 14 SCC 81***, the Supreme Court has articulated the said principle in the following words:

8. It is a settled legal proposition that Article 14 of the Constitution is not meant to perpetuate illegality or fraud, even by extending the wrong decisions made in other cases. The said provision does not envisage negative equality but has only a positive aspect. Thus, if some other similarly situated persons have been granted some relief/benefit inadvertently or by mistake, such an order does not confer any legal right on others to get the same relief as well. If a wrong is committed in an earlier case, it cannot be perpetuated. Equality is a trite, which cannot be claimed in illegality and therefore, cannot be enforced by a citizen or court in a negative manner. If an illegality and irregularity has been committed in favour of an individual or a group of individuals or a wrong order has been passed by a judicial forum, others cannot invoke the jurisdiction of the higher or superior court for repeating or multiplying the same irregularity or illegality or for passing a similarly wrong order. A wrong order/decision in favour of any particular party does not entitle any other party to claim benefits on the basis of the wrong decision. Even otherwise, Article 14 cannot be stretched too far for otherwise it would make functioning of administration impossible. (Vide Chandigarh Admn. v. Jagjit Singh [(1995) 1 SCC 745 : AIR 1995 SC 705] , Anand Buttons Ltd. v. State of Haryana [(2005) 9 SCC 164 : AIR

2005 SC 565] , K.K. Bhalla v. State of M.P. [(2006) 3 SCC 581 : AIR 2006 SC 898] and Fuljit Kaur v. State of Punjab [(2010) 11 SCC 455 : AIR 2010 SC 1937] .)"

27. The learned counsel appearing for the petitioner submitted that the original petitioner owned lands in excess of 4 hectares and had made an application for mining lease over an extent of 15 acres. Notwithstanding the said application, the lease was granted only to the extent of 6 acres. He referred to the decision of the Supreme Court in ***Mrutunjay Pani and another vs. Narmada Bala Sasmal and another : 1962 (1) SCR 290***. On the strength of the said decision he contended that maxim "*ex injuria sua nemo habere debet*" which means that no one can be allowed to benefit from his own wrongful act, is now well established principle.

28. He contended that since the original application was made for 15 acres, the respondent cannot be permitted to benefit from the wrongful acts of granting lease only to the extent of 6 acres. He also contended that the MCR, 1960 came to be repealed on 04.03.2016 with the introduction of the Minerals (Other Than Atomic and Hydro Carbon Energy Minerals) Concession Rules, 2016 [**2016 Rules**]. He contended that in terms of Rule 12(5)(b) of the said Rules, the minimum area of land specified for the grant of

mining lease in respect of limestone is 2 hectares and therefore, the petitioner's mining lease being over an area extending to the extent of 2.43 hectares (6 acres), was above the prescribed minimum area.

29. The said contentions are unmerited. The principle that no one can be allowed to benefit from its own wrong, is inapplicable in this case. The grant of mining lease over an area of 6 acres is not the subject matter of dispute in the present petition. The petitioner has not challenged the grant of mining lease. Although the petitioner's predecessor-in-interest applied for grant of mining lease over an area of 15 acres, he had not raised any objection for grant of mining lease in respect of a lesser area of 6 acres. It is also relevant to note that the petitioner is a transferee of the mining lease. Thus, we cannot readily accept that the petitioner could raise a challenge as to the grant of the lease itself.

30. The reliance placed on 2016 Rules is also misplaced. Rule 12(5) of the said 2016 Rules as originally framed, specified that the minimum area for grant of mining lease would be not less than 5 hectares. The same was substituted with effect from 02.11.2021. However, it is not necessary to examine the import of substitution of the said rule, as the said rule is inapplicable to the lease in

question, as the same was granted prior to the 2016 Rules coming into force. The rules at the applicable time were Mineral Concession Rules, 1960 and it is apparent that the grant of lease falls foul of the Rule 22-D of the said Rules. Thus, there is merit in the contention that the said lease having been granted contrary to Rule 22-D of the MCR 1960, which was in force at the material time, required to be considered as void in view of Section 19 of the MMDR Act.

31. In view of the above, the present petition is dismissed.

**Sd/-  
(VIBHU BAKHRU)  
CHIEF JUSTICE**

**Sd/-  
(C.M. POONACHA)  
JUDGE**

KS