



**IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI
(Special Original Jurisdiction)**

[3458]

WEDNESDAY, THE EIGHTEENTH DAY OF FEBRUARY
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SMT JUSTICE KIRANMAYEE MANDAVA

WRIT PETITION NOS: 23933 OF 2022 & 12905 OF 2021

WRIT PETITION NO: 23933 OF 2022

Between:

1.M. NEELAKANTAM,, PROPRIETOR, SHIRIDI SAI MINERALS, SPR
PURAM VILLAGE, G. SIGADAM MANDAL, SRIKAKULAM DISTRICT,
A.P.

...PETITIONER

AND

1.THE STATE OF ANDHRA PRADESH, REP. BY THE SECRETARY TO
GOVERNMENT, INDUSTRIES AND COMMERCE (M-III)
DEPARTMENT A P SECRETARIAT, VELAGAPUDI, AMARAVATI,
GUNTUR DIST.

2.THE DIRECTOR OF MINES AND GEOLOGY, ANDHRA PRADESH,
IBRAHIMPATNAM, VIJAYAWADA.

3.THE JOINT DIRECTOR OF MINES AND GEOLOGY,
IBRAHIMPATNAM, VIJAYAWADA.

4.DEPUTY DIRECTOR OF MINES AND GEOLOGY, SRIKAKULAM

5.THE ASSISTANT DIRECTOR OF MINES AND GEOLOGY,
SRIKAKULAM

6.DISTRICT COLLECTOR, SRIKAKULAM DISTRICT

7.TAHSILDAR, PONDURU MANDAL, SRIKAKULAM DISTRICT

8.THE ANDHRA PRADESH INDUSTRIAL INFRASTRUCUTRE
CORPORATION APIIC, REP. BY VICE CHAIRMAN AND MANAGING
DIRECTOR, APIIC TOWERS, PLOT NO.1 (9TH, 10TH AND 11TH
FLOORS), IT PARK, MANGALAGIRI, GUNTUR DISTRICT - 522503

9.THE ZONAL MANAGER, APIIC LIMITED, INDUSTRIAL ESTATE,
KUSHALPURAM, NEAR NAVABHARATH JUNCTION, SRIKAKULAM

SRIKAKULAM DISTRICT - 532410

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased topleased to issue an appropriate Writ or Order or Direction more particularly one in the nature of Writ of Mandamus declaring the action of the respondents 1 to 7 in allotting and handing over possession of an extent of Ac.110.00 in Sy. No 137 VR Gudem Village vide proceedings Rc. No. 254/2016/A dt 17.08.2019 and further extent of Ac.26.17cents vide proceedings Rc. No. 254/2016A dt. 17.08.2019 to the 8th and 9th respondents as illegal, unjust, unlawful and in violation of principles of natural justice and in violation of Art. 19(1)(g) of Constitution of India and is unsustainable and set aside the same with a further direction to the respondents 1 to 7 to permit the petitioner herein to carry on his mining operations over the entire leased out area of an extent of 60.704 Ha in Sy.No. 137 V.R. Gudem Village for the leased out period of 20 years excluding the stoppage period with all consequential benefits and pass

IA NO: 1 OF 2022

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to pass an interim direction directing the 8th & 9th respondents herein not to carry on any activities or alter the nature of the land of extent of about 16 Ha (approx. Ac.40.00) of the overlapping area in Sy.No.137 of V.R. Gudem Village, Pondur Mandal, Srikakulam District and pass

IA NO: 1 OF 2023

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to vacate the status quo order dated 02.08.2022 in W.P.No.23933 of 2022 and also dismiss the writ petition and pass

IA NO: 2 OF 2023

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to receive the counter copies on record by allowing the leave petition in the above writ petition and pass

IA NO: 3 OF 2023

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to vacate the interim order dated 02.08.2022 in W.P. No. 23933 of 2022 and to dismiss the writ petition and pass

IA NO: 4 OF 2023

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to receive the reply affidavit on record in the above writ petition WP No. 23933 of 2022 by granting leave to the petitioner and pass

WRIT PETITION NO: 12905 OF 2021**Between:**

- 1.M/S SRI SHIRIDI SAI MINERALS,, PROPRIETOR M. NEELAKANTAM, REPRESENTED BY HIS GENERAL POWER OF ATTORNEY HOLDER K.SAI KIRAN, SPR PURAM VILLAGE, G. SIGADAM MANDAL, SRIKAKULAM DISTRICT, A.P. CAUSE TITLE AMENDED AS PER COURT ORDER DT.12.02.2026 IN I.A.NO.2 OF 2025

...PETITIONER**AND**

- 1.THE STATE OF ANDHRA PRADESH, REP. BY THE SECRETARY TO GOVERNMENT, INDUSTRIES AND COMMERCE (M-HI) DEPARTMENT A P SECRETARIAT, VELAGAPUDI, AMARAVATI, GUNTUR DIST.
- 2.THE DIRECTOR OF MINES AND GEOLOGY, , ANDHRA PRADESH, IBRAHIMPATNAM, VIJAYAWADA.
- 3.THE JOINT DIRECTOR OF MINES AND GEOLOGY, IBRAHIMPATNAM, VIJAYAWADA.
- 4.THE DEPUTY DIRECTOR OF MINES AND GEOLOGY, VISAKHAPATNAM.
- 5.THE ASSISTANT DIRECTOR OF MINES AND GEOLOGY, SRIKAKULAM
- 6.SMT LOLUGU ANURADHA, W/O SRI L. SREERAMULA NAIDU, LOLUGU VILLAGE, PANDURU MANDAL, SRIKAKULAM DISTRICT

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased topleased to issue an appropriate Writ or Order or Direction more particularly one in the nature of Writ of Mandamus declaring the action of the respondents 1 to 5 in restricting the mining area of the petitioner by 20 hectares out of the original leased out area of 60.704 hectares as per G.O.Ms.No.121, Industries and Commerce (M.III) Department dated 07.04.2005 and permitting the 6th respondent to excavate Quartzite ore from

the said 20 hectares of land is illegal, unjust, unlawful and is unsustainable or alternatively direct the respondents 1 to 5 to extend a similar relief of rectification of the petitioner's lease sketch configuration of the mining lease G.O.Ms No.121 dt. 7.4.2005 by including the areas of 20 hectares of the contiguous land in Sy.No.33 of Lolugu village, Pondur Mandal, Srikakulam District with all consequential benefits and pass

IA NO: 1 OF 2021

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to pass an interim order directing the 6th respondent herein not to excavate Quartzite ore over an extent of 20 Hectares in Sy.No.33 of Lolugu village, Ponduru Mandal, Srikakulam District and by directing the respondents 2 to 5 not to issue permits, transit passes etc. in respect of the said quantities of Quartzite ore excavated by the 6th respondent from Sy.No.33 of Lolugu village, Ponduru Mandal, Srikakulam District and pass

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the respondents 1 to 5 herein to permit the petitioner to submit a renewal application for renewal of mining lease in favour of the petitioner herein for further periods, in continuation of the lease period granted vide G.O.Ms.No.121 Industries and Commerce (M.III) Department dt.07.04.2005 and pass

IA NO: 2 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to permit the petitioner to amend the cause title in the above writ petition W.P.No.12905/2021 as "M/s Sri Shiridi Sai Minerals, Proprietor M. Neelakantam, represented by his General Power of Attorney Holder K.Sai Kiran, SPR Puram village, G. Sigadam Mandal, Srikakulam District, A.P." and pass

Counsel for the Petitioner:

1.A VEERASWAMY

Counsel for the Respondent(S):

1.GP FOR REVENUE

2.RAMA CHANDRA RAO GURRAM

3.GP FOR INDUSTRIES COMMERCE

The Court made the following common order:

Heard Sri A.Veerawamy, learned counsel for the petitioner(s), learned Government Pleader for Mines and Geology, learned Assistant Government Pleader for Revenue and Sri Rama Chandra Rao Gurram, learned counsel appearing for the respondents.

2. The W.P.No.23933 of 2022 is filed challenging the action of the respondents in restricting the mining area of the petitioner by 20 hectares out of the originally leased extent of 60.704 hectares in Sy.No.137 of V.R.Gudem Village, Pondur Mandal, Srikakulam District.

3. Out of the total extent of Ac.475.95 cents in Sy.No.137, the petitioner was granted a mining lease over an extent of 60.704 hectares, equivalent to 150 acres. By proceedings dated 04.04.2005, approval was accorded for the grant of a mining lease in favour of the petitioner. Pursuant thereto, the mining plan was duly approved. Thereafter, vide G.O.Ms.No.121 dated 07.04.2005, the Government granted a mining lease in favour of the petitioner for quarrying *quartzite*, a minor mineral. The Assistant Director of Mines and Geology issued consequential proceedings authorizing the petitioner to commence mining operations. The lease was valid upto 12.04.2025.

4. It is the specific case of the petitioner that in 2018, the Assistant Director of Mines and Geology inspected the leased area and orally directed the petitioner not to carry on the mining operations, on the ground that Sy.No.33 Lolugu Village, Kondur Mandal of an adjacent village was allegedly

overlapping with the leased area in Sy.No.137 of V.R.Gudem. The petitioner was instructed not to operate the mine until further orders. However, no written order was issued communicating the alleged overlap or formally suspending operations. No subsequent order was passed clarifying or resolving the issue.

5. While so, the respondents proposed to process the application of the 6th respondent for grant of a quarry lease for *quartzite* and have decided to grant quarry lease in favour of the 6th respondent and directed her to obtain requisite statutory clearances, including consent from the Pollution Control Board and Environmental Clearance from the Ministry of Environment and Forests, within a period of one year for consideration of regular grant.

6. The petitioner contends that the 6th respondent is a partner, along with her husband, in two partnership firms, namely M/s. Nagagayatri Stone Crushers and M/s. Sriram Stone Crusher, which was involved in the illegal excavation of road metal in Survey Nos.137 of V.R.Gudem and 33 of Lolugu village, and that proceedings are pending against the said two firms. It is further contended that demand notices were issued for illegal mining. Despite the same, the respondents permitted the 6th respondent to carry on mining operations in respect of the area covered under the petitioner's subsisting lease. Further, without passing any order cancelling or determining the petitioner's lease, the Court orally restrained the petitioner from conducting mining operations.

7. It is contended that the respondents issued a show cause notice dated 21.05.2019, calling upon the petitioner to explain why action should not be taken for non-payment of dead rent and for failure to conduct mining operations.

8. It is contended by the petitioner that the respondents issued such a notice only to issue a Letter of Intent (LoI) in favour of the unofficial respondent No.6. Despite the submissions of explanation by the petitioner herein, no orders have been passed on the said representation.

9. The petitioner seeks rectification and restoration of the originally granted mining area as was revised/rectified in respect of other lessees. It is contended that, in cases of overlapping areas, the authorities have revised and rectified lease boundaries for other companies, namely M/S. Ultra-Tech and M/s. Saraswati Power Ltd., instead of unilaterally restricting the lease extent. The petitioner, therefore, seeks similar treatment by directing the respondents to revise and rectify the alleged overlapping portion rather than restricting the mining area by 20 hectares from the granted lease area, Ac. 60.704 hectares.

10. Learned Government Pleader for Mines and Geology appearing for respondents, would argue that the lease granted in favour of the petitioner was never put on hold, nor are there any proceedings to the said effect. Further, it is argued that the relief sought by the petitioner has become infructuous as the lease granted in favour of the petitioner for a period of 20

years has lapsed by efflux of time on 06.04.2025. It is further stated that the 2nd respondent issued proceedings for the determination of the lease for non-payment of the dead rent and for keeping the mine in a non-working condition.

11. It is further stated that an opportunity was given to the petitioner for obtaining permits after payment of advanced dead rent for the year 2019-2020. Despite the same, the petitioner did not choose to respond. The same was informed to the director of Mines and Geology vide letter dated 22.08.2019.

12. It is contended by the respondents that the surveyor of the department inspected the area where the petitioner (W.P.No.12905 of 2021) has been operating and found that the said area falls within survey No.33 of Lolugu Village instead of the area where the petitioner was granted license in Sy.No.137 of V.R.Gudem. Thus, it is contended that the petitioner M/s. Shiridi Sai Minerals from the beginning working for the pits dug on Sy.No.33 of Lolugu Village.

13. In terms of the memo No.9911/M.II(1)/2012-1 dated 01.11.2012 of Industries and Commerce (Mines-II) Department issued instructions to grant leases to the occupier. Thus, the petitioner M/s. Shiridi Sai Minerals was instructed to file a fresh application in respect of the working area. Accordingly, the petitioner filed such an application for Sy.No.33 of Lolugu Village. On the said application, it has been recommended for grant over an extent of Ac.8.00 hectares in favour of occupier, the petitioner in W.P.No.12905

of 2021. However, the Director of Mines and Geology vide Memo No.3427/R1-1/2018, dated 24.04.2019, returned the record of enquiry with a request to rectify the lapses in the proposals, and the application is still pending for the grant of a lease in favour of M/s. Shiridi Sai Minerals. Subsequently, M/s. Shiridi Sai Minerals is stopping quarry operations.

14. It is contended that in the same survey number the unofficial respondent Smt. Anuradha filed application for quarry lease over an extent of 20 Hectares. The same was processed and after due enquires and recommendations she was granted quarry license for 20 hectares in Sy.No.33 Lologu Village Podduru Mandal, Srikakulam District the said area is adjacent to the land of 60.74 hectares in Sy.No.137 V.R.Gudem Village, in respect of which the petitioner was granted mining lease. It is further stated that there is no overlapping between the two survey numbers. Thus, it is stated that the respondents have never required the petitioner to stop the mining operations in respect of Sy.No.137 of V.R.Gudem. And that no proceedings have been issued against the petitioner to stop the quarrying operations. He further contends that the petitioner did not even file a renewal application for the quarry lease.

15. Learned counsel for the petitioner refuting the contention of the respondents that the lease has expired and the writ petition has become infructuous, vehemently argues that on account of interim orders of status-quo in W.P.No.23933 of 2022 he could not file the application for renewal of the

lease deed since the respondents have refused to receive the same on account of pendency of the writ petitions. Thus, filed an application in I.A.No.1 of 2025 seeking a direction to allow the petitioner to submit the renewal application for renewal of mining lease and no orders on the said application were passed. In support of his contentions, learned counsel for the petitioner relies on a decision of Hon'ble Apex Court in the case of **JSW Steel Limited Vs. The Board of Trustees of the Mumbai Port Trust**¹.

16. Learned counsel for the petitioner further argues that when there was an act of interference with the possession of the lease holder preventing him from operating the lease the respondents cannot compel the petitioner to pay dead rent. He further relies on the decisions in the case of **M/s. Ganapati Khanij Udhayog vs. Union of India**², **Budge Budge Co. Ltd., vs. Jute Corporation of India Ltd.**³, **Deepchand Kishanlal vs. State of Karnataka**⁴, **M/s. Sapthagiri Granites vs. State of Karnataka**⁵, **M/s. Mangalore Minerals Pvt. Ltd., vs. The State of Andhra Pradesh**⁶ and **JMB Rocks vs. State of Andhra Pradesh**⁷.

17. Perused the material on record and considered the rival submissions. From the documents annexed to the counter-affidavit filed in W.P.No.12905 of 2021, the case of the petitioner was recommended for grant of mining lease

¹ 2025 INSC 257

² AIR 1998 RAJASTHAN 217

³ 2001 AIHC 3236

⁴ AIR 2008 (NOC) 2623 (KAR.)

⁵ Judgment of Karnataka High Court in W.P.No.45339 of 2011 dated 16.02.2012

⁶ Judgment of this Court in W.P.No.3433 of 2022 dated 25.08.2022

⁷ 2020 (6) ALT 85 (S.B.)

over an extent of 8.00 Hectares in Sy.No.33, Lolugu Village, Kondur Mandal pursuant to the proceedings of the Government Vide memo dated 01.11.2012 of Industries and Commerce (Mines II) Department.

18. The same has been reiterated in the counter-affidavit filed by the respondent No.6 in W.P.No.23933 of 2022 in para 3, it has been further stated that the said application is pending for the grant of a lease, and that the petitioner subsequently ceased quarrying operations. The respondents have further stated, there is no overlap between the lands of M/s. Shirdi Sai Minerals of an extent of 60.704 hectares in Sy.No.137 V.R.Gudem Village and the land allotted to the unofficial respondent Ms. Anurada and the land of 8.00 hectares proposed in favour of M/s. Shiridi Sai Minerals, in Sy.No.33, Lolugu Village, Kondur Mandal, the writ petitioner herein W.P.No.12905 of 2021.

19. From the Note File No.181/Q/2018 it appears that the respondents have taken a decision to regularize the lease for *quartzite* in both the survey numbers otherwise the same would amount to unauthorized quarrying. Thus, it was recommended to grant a quarry lease for *quartzite* over an extent of 8.00 hectares in Sy.No.33 for a period of 20 years.

20. As the application of the petitioner in respect of 8.00 hectares in Sy.No.33 Lolugu Village, Kondur Mandal is under active consideration. This Court deems it appropriate to dispose of the W.P.No.12905 of 2021 with a direction to the 2nd respondent to consider and pass appropriate orders on the application of the petitioner for grant of quarry lease in respect of the said land

in 8.00 hectares in Sy.No.33 Lolugu Village, Kondur Mandal in accordance with law.

21. With regard to the W.P.No.23933 of 2022, since as per the counter affidavit of the respondents there is no overlap between the two survey numbness i.e., Sy.No.137 of V.R.Gudem and Sy.No.33 of Lolugu Village of Ponduru Mandal, Srikakulam District and it has not been established whether the respondents have ever asked the petitioner through orders in writing to stop the quarrying operations. In the absence of any such prohibitory orders against the petitioner, the prayer sought by the petitioner seeking rectification of lease sketch in the facts of the present case would not merit consideration.

22. The judgments relied upon by the learned counsel for the petitioner is distinguishable. In the said cases there were either specific orders of cancellation of mining leases or retrospective renewal of licenses was granted, when the licensee was not in possession of the mining area. Thus, it was held that the petitioner therein was not liable for payment of dead rent. Whereas in the instant case, no such proceedings were issued preventing the petitioner from operating in the area allotted in its favour.

23. Accordingly, the W.P.No.23933 of 2022 is dismissed and the W.P.No.12905 of 2021 is disposed of with the above directions as mentioned at para 20. There shall be no order as to costs.

As a sequel, miscellaneous applications pending, if any, shall stand closed.

JUSTICE KIRANMAYEE MANDAVA

Date: 18.02.2026
BSK

THE HONOURABLE SMT JUSTICE KIRANMAYEE MANDAVA

WRIT PETITION NOS: 23933 OF 2022 & 12905 OF 2021

Date: 18.02.2026

BSK