



2026:CGHC:20775

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 3987 of 2022

1 - M/s Dalbir Singh And Sons, Partner Ship Firm, Through Its Partner-Indrajeet Singh, Age About 39 Years, S/o Late Shri Dalbir Singh, R/o 48/A, Industrial Area, Hathkhoj, Transport Nagar, Bhilai, District : Durg, Chhattisgarh

... Petitioner(s)

versus

1 - Government Of India Through Its Secretary, Ministry Of Mines, Department Of Mines, Shastri Bhavan, Dr. Rajendra Prashad Road, District : New Delhi, Delhi

2 - State Of Chhattisgarh Through Its Secretary, Mineral Resources Department, Mahanadi Bhavan, Village- Rakhi, Atal Nagar, New Raipur, District : Raipur, Chhattisgarh

3 - The Collector (Mines Branch) District -Durg, Chhattisgarh

... Respondent(s)

(Cause Title is taken from CIS System)

For Petitioner : Mr. Yogesh Pandey, Advocate

For State : Mr. Shobhit Mishra, Dy. Govt. Advocate

For Resp. No. 1 : Mr. Abhishek Banjare, Central Govt. Counsel



Hon'ble Mr. Justice Amitendra Kishore Prasad

Order on Board

04/05/2026

1. The present writ petition has been filed seeking appropriate directions to the respondent authorities for consideration and decision of the petitioner's application for grant of Mining Lease (ML) over an area of 29.20 hectares situated at Village Medesara, District Durg, State of Chhattisgarh. The grievance of the petitioner primarily arises out of the inaction on the part of the respondents in deciding the said application despite lapse of considerable time. Hence, petitioner has prayed for seeking following reliefs :

"10.1) To direct the respondents to execute and decide the petitioners application for grant of Mining Lease as per the decision of the Hon'ble High Court of Karnataka in the matter of Indocil Silicons Pvt. Ltd V/s. Union of India, in the interest of justice.

10.2) To issue any other writ, order or direction which the Hon'ble Court deems fit in the interest of justice."

2. Facts of the case, as projected, are that the petitioner was granted a Prospecting Licence (PL) by the State Government of Chhattisgarh vide order dated 20.11.2014 for limestone over the



subject land admeasuring 29.20 hectares. Pursuant to the grant of the Prospecting Licence, the petitioner undertook necessary prospecting operations and, thereafter, submitted an application for grant of Mining Lease before Respondent No. 2 (State Government) on 25.02.2017 along with all requisite documents and information. It is the case of the petitioner that upon due consideration, the State Government issued a Letter of Intent (LOI) dated 19.09.2018 in favour of the petitioner for grant of Mining Lease. Following the issuance of LOI, the petitioner complied with all statutory requirements, including submission of a Mining Plan within the prescribed period and initiation of the process for obtaining Environmental Clearance. It is stated that even the public hearing process was completed; however, the Environmental Clearance could not be finalized due to disruptions caused by the COVID-19 pandemic. In the meantime, amendments were introduced to the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), first in 2015 and subsequently in 2021. The petitioner contends that its case falls within the protected categories under Section 10A(2) of the Act, particularly in view of the grant of PL and issuance of LOI. The petitioner further submits that the Indian Bureau of Mines (IBM), vide communication dated 25.05.2021, declared the previously approved Mining Plan as infructuous on account of non-execution of the lease prior to 28.03.2021. It is also brought on record that Respondent No. 1 issued a communication dated



09.07.2021 directing the State authorities to take a decision on pending mining lease applications in accordance with the amended provisions. However, despite the said direction, no final decision has been taken by the respondent authorities till date. Aggrieved by such inaction, the petitioner has approached this Court by way of the present writ petition.

3. Learned counsel for the petitioner submits that the petitioner has acquired a vested and accrued right for consideration of its Mining Lease application in view of the grant of Prospecting Licence and subsequent issuance of Letter of Intent. It is argued that the petitioner's case falls squarely within the exceptions carved out under Section 10A(2) of the MMDR Act, as amended in 2015, and therefore, the application cannot be treated as lapsed. Learned counsel further submits that the subsequent amendment of 2021 cannot retrospectively extinguish rights that had already crystallized in favour of the petitioner. It is contended that the delay in execution of the Mining Lease is attributable entirely to administrative inaction and circumstances beyond the petitioner's control, including the COVID-19 pandemic. Reliance has been placed on judicial precedents to contend that once LOI has been issued and substantial compliance has been made, the State is under an obligation to take a final decision. It is further submitted that the continued inaction of the respondents is arbitrary, unreasonable and violative of Article 14 of the Constitution of India.



4. Learned State counsel submits that the matter is governed by the provisions of the MMDR Act as amended from time to time, including the Amendment Act of 2021. It is contended that in view of the amended provisions, particularly Section 10A(2)(b), certain categories of applications have been rendered ineligible or have lapsed. However, it is fairly submitted that the petitioner's application for grant of Mining Lease is still under consideration and no final decision has been taken by the competent authority. Learned State counsel further submits that the delay has occurred due to changes in statutory framework and administrative processes, and the authorities are in the process of examining such cases in accordance with law.
5. Learned counsel appearing for the Union of India submits that the amendments brought into the MMDR Act, particularly in 2015 and 2021, were aimed at ensuring transparency and uniformity in grant of mineral concessions. It is submitted that the interpretation and application of Section 10A(2) depends upon the factual matrix of each case. It is further submitted that the Union of India has no objection if a direction is issued to the State authorities to consider and decide the petitioner's application in accordance with law.
6. I have heard learned counsel for the parties at length and perused the material available on record.
7. The undisputed position that emerges from the record is that the petitioner was granted Prospecting Licence on 20.11.2014. The petitioner applied for Mining Lease on 25.02.2017; Letter of Intent



was issued on 19.09.2018 and the application for grant of Mining Lease has not yet been finally decided.

8. The controversy sought to be raised by the petitioner pertains to the applicability of amended provisions of the MMDR Act and the alleged lapse of rights. However, this Court finds that the core issue involved in the present petition is limited in nature, namely, non-consideration of the petitioner's application by the competent authority. It is a settled principle of law that where a statutory authority is vested with the power to decide an application, it is under a corresponding obligation to exercise such power within a reasonable time. In the present case, despite lapse of several years and issuance of directions by the Central Government, the respondent authorities have failed to take a final decision on the petitioner's application. This Court is of the considered opinion that adjudication on merits of rival claims, including applicability of statutory amendments and determination of rights, is primarily within the domain of the competent authority. At this stage, it would not be appropriate for this Court to delve into the merits of the claim or to record findings on disputed questions of law and fact. However, the inaction on the part of the respondents cannot be countenanced, as it leads to uncertainty and prejudice to the petitioner.
9. In view of the foregoing analysis, the present writ petition is disposed of with the directions to the competent respondent authority to consider and decide the petitioner's application for



grant of Mining Lease strictly in accordance with law; While doing so, the authority shall take into consideration all relevant statutory provisions, amendments, communications and judicial precedents applicable to the case. The said exercise shall be completed within a period of 45 (forty-five) days from the date of receipt of a certified copy of this order and the decision so taken shall be communicated to the petitioner forthwith.

10. It is clarified that this Court has not expressed any opinion on the merits of the case, and all issues are left open to be decided by the competent authority.

11. The writ petition stands disposed of in the above terms.

No order as to costs.

Sd/-

(Amitendra Kishore Prasad)
Judge

Shayna