



IN THE HIGH COURT OF ORISSA AT CUTTACK
W.P.(C) No.24189 of 2025

M/s Ferro Alloys Corporation Ltd., & Anr. *Petitioners*

Mr. Ashok Kumar Parija, Sr. Adv.
Along with Associates

-versus-

Union of India & Ors. *Opposite Parties*

Mr. P. K. Parhi, DSGI
Ms. Gayatri Patra, ASC

CORAM:

DR. JUSTICE SANJEEB K. PANIGRAHI

Order

ORDER

No.

03.09.2025

01. 1. This matter is taken up through hybrid arrangement.
2. Heard.
3. The Petitioners, by filing this Writ Petition, have challenged the Minutes of the 74th Meeting of the State Expert Appraisal Committee ("SEAC") dated 17.06.2025 recommending rejection of the Petitioners' application for Environmental Clearance ("EC") proposal for the Katasahi Mining Block, and the consequential letter dated 21.07.2025 issued by the State Environment Impact Assessment Authority ("SEIAA") rejecting the Petitioners' EC application, solely on the basis of the Supreme Court's judgment passed



in *Vanashakti v. Union of India*¹. The Petitioners also assail the earlier Minutes of SEAC dated 20.08.2022 and the Terms of Reference dated 03.11.2022 issued by SEIAA, to the extent that they have wrongly treated the Petitioners' application as a "violation case".

4. Mr. Ashok Ku. Parija, learned Senior Counsel for the Petitioners submits that on 01.08.1998, the Petitioners were granted a mining lease over an area of 13.674 hectares of land located over two blocks in Katasahi village of Keonjhar district ("Mine"). The said mining lease has subsequently been extended till 31.07.2048 under Section 8A of Mines and Minerals (Development and Regulation) Act, 1957 ("MMDR Act, 1957"). Subsequently, the Petitioners underwent a Corporate Insolvency Resolution Process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 ("IBC, 2016"), culminating in approval of a Resolution Plan by the NCLT, Cuttack on 30.01.2020. Upon implementation thereof, the management and control of the Petitioner stood transferred to a new Resolution Applicant with effect from 21.09.2020. By operation of Sections 31 and 32A of the IBC, 2016, all liabilities, penalties and consequences of non-compliances

¹ 2025 INSC 718



attributable to the erstwhile management stand permanently extinguished, and the Petitioner under its new management is entitled to a "clean slate". The erstwhile management was operating the Mines without a valid Environmental Clearance under the Environment Protection Act, 1986 ("EP Act, 1986"). In consequence thereof, proceedings were initiated against the said management under Section 15 of the EP Act, 1986, and compensation was levied and recovered under Section 21(5) of the MMDR Act, 1957 and as per the *Common Cause v. Union of India*². It is pertinent to mention that after completion of the CIRP process, the Petitioner No.1 company was taken over by the new management. In furtherance of the revival of its operations, the Petitioners submitted a fresh application dated 09.03.2022 for grant of Environmental Clearance for prospective mining operations in the Katasahi Mining Block. However, SEAC in its meeting held on 20.08.2022, wrongly recommended that the said proposal be processed as a "violation case" and the SEIAA, accordingly, issued Terms of Reference dated 03.11.2022 to that effect. The Petitioners consistently represented that no subsisting or continuing violations exist and, hence, its application ought to be considered afresh.

² (2017) 9 SCC 499



Nevertheless, by the impugned proceedings, namely, the Minutes of the 74th SEAC Meeting dated 17.06.2025 and the consequential rejection letter dated 21.07.2025 issued by SEIAA, the Petitioners' EC proposal has been rejected solely on the purported application of the Supreme Court's decision in *Vanashakti* (supra). It is submitted that the said rejection is wholly contrary to law and based on a manifest misapplication of *Vanashakti* (supra), which is absolutely unapplicable to the facts of the present case.

5. In such view of the matter, let notice be issued to the Opposite Parties.

6. Learned counsel for the Union of India waives of notice on behalf of the Opposite Party No.1. Let one extra copy of the Writ Petition be served on him in order to enable him to take instruction in the matter.

7. Learned counsel for the State waives of notice on behalf of the Opposite Party Nos.2 and 3. Let two extra copies of the Writ Petition be served on her in order to enable her to take instruction in the matter.

8. List this matter on 25.09.2025.



I.A. No.14687 of 2025

9. Heard.

10. As an interim measure, it is directed that recommendations made in the 74th SEAC Meeting dated 17.06.2025 vide Annexure-34 and the consequential rejection letter dated 21.07.2025 issued by SEIAA vide Annexure-35 so far it relates to the Petitioner No.1 is concerned, shall remain stayed till the next date of listing.

(Dr. Sanjeeb K. Panigrahi)
Judge

Gitanjali