

Samaj Parivartana Samudaya & Ors.

v.

State of Karnataka & Ors.

(Writ Petition (Civil) No. 562 of 2009)

14 March 2024

[Sanjiv Khanna, M.M. Sundresh and Bela M. Trivedi, JJ.]

Issue for Consideration

Various applications were filed before the Hon'ble Court seeking directions pertaining to demarcation of land for mining leases, implementation of R & R [Reclamation and Rehabilitation] Plans, imposition of a Maximum permissible annual production [MPAP] and District-level production ceiling for mining leases, etc.

Headnotes

Environmental Law – Background of illegal mining in Bellary, Chitradurga and Tumkur in Karnataka – Temporary ban on mining in the said Districts – Subsequent imposition of production ceiling on mining leases, enhanced from time-to-time – Categorization of mines into Category 'A', 'B' and 'C' based on severity of encroachment by the mines – Issue of demarcation of seven mining leases.

Held: The Hon'ble Court by an Order dated 28.09.2022 had directed a Joint Team to prepare sketches of the seven mining leases – However, the said Order was deferred till the inter-state boundary was demarcated on the ground – The inter-state boundaries were fixed on the ground – Thereafter, a Joint Team was constituted comprising of Officers from the State of Karnataka and Andhra Pradesh to render support to the CEC in surveying the seven mining leases – Direction issued to the National Institute of Technology, Suratkhali, Karnataka to carry out the survey on the ground level, based on the total station method, and satellite images of the seven mining leases – The survey was directed to be undertaken for one mining lease at a time – The CEC was directed to issue notice to the respective lessees after receipt of the survey/demarcation report, and pass appropriate orders – The exercise was directed to be undertaken, even if the leases had expired – The Monitoring Committee

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was also directed to be associated with the aforesaid exercise undertaken by the CEC, after the submission of the survey / demarcation reports. [Paras 5-14]

Environmental law – Maximum permissible annual production [MPAP] and District-level production ceiling for mining leases – CEC fixed implementation of a Reclamation and Rehabilitation (R & R) Plan as a pre-condition for resumption of mining – Object of R & R Plan – CEC proposed implementation of MPAP for each mining lease, accepted by the Court – If total lease-wise annual production from all the leases in the District exceeds the ceiling limit fixed, then the MPAP for each mining lease to be scaled down on a pro-rata basis.

Held: The Hon'ble Court reiterated the object of R & R Plans, and directed implementation of MPAP for mining leases – It was held that the objective of the R & R Plans is to (a) carry out the time-bound reclamation and rehabilitation of the areas found to be under illegal mining; (b) ensure scientific and environmentally sustainable mining; (c) ensure compliance with the various stands stipulated under the environment/mining statutes; and (d) regular and effective monitoring, evaluation and corrective measures – The R & R Plans, with specifying actions to be undertaken for reclamation and rehabilitation works provided for an MPAP [i.e. Maximum Permissible Annual Production] restriction for each mining lease – The upper cap fixed at the district level is mandatory and binding – For the purpose of feasible annual production, the following factors would be kept in mind (a) mineral reserves in the lease area; (b) area available for overburden/waste dumps and subgrade dumps; (c) existing transport facilities vis-à-vis the traffic load of the mining lease and adjoining mining leases – The MPAP [Maximum Permissible Annual Production] is the minimum of the quantity that may be feasible based on the above three parameters – If the total of the lease-wise annual production from all the leases in the district exceeds the ceiling limit fixed for a specific District, then the MPAP for each mining lease is to be scaled down on a pro-rata basis, to ensure that the District level production ceiling is not breached – The CEC, with the Monitoring Committee was requested to aid and advise the Oversight Authority to undertake a complete exercise in the three districts, and submit a Report to the Court – The Report shall also examine whether sub-caps in particular areas should be fixed, or caps should be increased or decreased – The CEC, the

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Monitoring Committee and the Oversight Authority will examine whether any regulation like e-auctioning is required for the sale of the mined material – They will also consider the date with regard to which royalty and other cess is to be required when e-auctioning was mandatory. [Paras 19-29]

Environmental Law – Special Purpose Vehicle viz. Karnataka Mining Environment Restoration Corporation constituted to facilitate ameliorative and mitigative measures for mining – Plea for discontinuation of transfer of 10% levy imposed on sale of iron ore to the SPV i.e. Karnataka Mining Environment Restoration Corporation for implementing the Comprehensive Environment Plan for Mining Impact Zone [CEPMIZ], rejected by the Court.

Held: Reference made to earlier Judgment in Samaj Parivartana Samudaya v. State of Karnataka [2017] 6 SCR 577 : (2017) 5 SCC 434 : 2017 INSC 241, dated 21.03.2017 wherein the Court rejected a plea for discontinuation of transfer of 10% levy imposed on the sale of iron to the SPV observing that the CEPMIZ is a scheme which can be divided into two broad categories (i) socio-economic development; and (ii) integrated mining and railway infrastructure, industrial infrastructure and medical infrastructure – Reference also made to an earlier Order dated 21.03.2018, whereby the Court rejected a similar prayer – The CEPMIZ Plan stated that a tentative expenditure of nearly Rs.25,000 crores is likely to be incurred in various sectors – Thus, at this stage, it will not be appropriate to withdraw the 10% levy imposed, as the CEPMIZ Plan is still at the initial stage of execution – The Hon'ble Court accordingly dismissed applications seeking discontinuation of transfer of 10% levy imposed on sale of iron ore to the SPV i.e. Karnataka Mining Environment Restoration Corporation for implementing the Comprehensive Environment Plan for Mining Impact Zone [CEPMIZ]. [Paras 86-96]

Case Law Cited

State of Andhra Pradesh v. Obulapuram Mining Company (P) Ltd. (2011) 12 SCC 491; Samaj Parivartana Samudaya v. State of Karnataka (2013) 8 SCC 209; State of A.P. v. Obulapuram Mining Co. (P) Ltd. (2013) 8 SCC 213; Samaj Parivartana Samudaya v. State of Karnataka [2017] 6 SCR 577 : (2017) 5 SCC 434 : 2017 INSC 241 – referred to.

Digital Supreme Court Reports**List of Keywords**

Environmental laws; Illegal Mining; Maximum permissible annual production [MPAP] and District-level production ceiling for mining leases; Reclamation and Rehabilitation Plans.

Case Arising From

CIVIL ORIGINAL JURISDICTION: Writ Petition (Civil) No. 562 of 2009

(Under Article 32 of The Constitution of India)

With

W.P.(C) Nos. 505 of 2020 and 768 of 2013

Appearances for Parties

K. M. Nataraj, A.S.G., Nishanth Patil, A.A.G., Shyam Divan, A.D.N. Rao, Kapil Sibal, Vikas Singh, Mukul Rohtagi, Arvind Datar, Dr. S. Muralidhar, Dhruv Mehta, Gopal Sankaranarayanan, V. Giri, R Balasubramanian, Gopal Jain, S. N. Bhat, Sr. Advs., Siddharth Chowdhary, Prashant Bhushan, G.S. Makkar, Shubhranshu Padhi, Kumar Dushyant Singh, Ankur S. Kulkarni, Ms. Surbhi Mehta, Sanjay Kapur, B.V. Balram Das, Rakesh K. Sharma, E.C. Agrawala, O.P. Badani, Sridhar Potaraju, N. Ganapathy, K.V. Sreekumar, Jayant Mohan, D. L. Chidananda, Ishaan George, Gaichangpou Gangmei, M/S. Khaitan & Co., Anantha Narayana M.G., M/S. Aura & Co., Gaurav Sharma, Dhawal Mohan, Ms. Deepika Kalia, Ms. Manisha Singh, Ms. Adya Shree Datta, Anurag Tiwary, Debadutta Kanungo, S. Hari Haran, Rajarajeshwaran S., Amaan Shreyas, Ms. Mannat Tipnis, Vikash Singh, Ms. Aparna Bhat, P. S. Sudheer, Rishi Maheshwari, Ms. Anne Mathew, Bharat Sood, Ms. Miranda Solaman, Mrs. Anjani Aiyagari, Mrs. Anil Katiyar, M/S. Parekh & Co., Adarsh Upadhyay, Mrs. Sudha Gupta, Chanchal Kumar Ganguli, Bhargava V. Desai, Munawwar Naseem, Arvind Kumar Sharma, S. K. Kulkarni, M. Gireesh Kumar, Ms. Uditha Chakravarthy, Ms. Shalaka Srivastava, Nishant Sharma, Anil Kumar Mishra-I, M/S. Ap & J Chambers, Sunil Dogra, Vivek Vishnoi, Abhishek Sharma, K. Raghavacharyulu, Kailash Pandey, Ranjeet Singh, Krishna Yadav, Mrs. Kirti Renu Mishra, T.L.V. Ramachari, Hitesh Kumar Sharma, Sandeep Singh Dingra, Akhileshwar Jha, Amit Kumar Chawla, T.N. Rao, S.S. Reddy, G. N. Reddy, Samir Ali Khan, Vikas Mehta, Ms. Ranjeeta Rohatgi, Balaji Srinivasan, Dr. Sushil

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Balwada, Nandlal Kumar Mishra, Srilok Nath Rath, Ms. Reena Rao, M/S. Karanjawala & Co., Rajeev Maheshwaranand Roy, P. V. Dinesh, A. Raghunath, V. N. Raghupathy, Omkar Kambi, Manendra Pal Gupta, Ayush P. Shah, Vignesh Adithiya S, Akhil Anand, Ms. Manjula Gupta, Prashant Kumar, Merusagar Samantaray, Yashraj Singh Deora, Niroop Sukirthy V., Joy Nirupam, Girish Kumar, Pranav Giri, Snehasish Mukherjee, Rohit Sharma, Aditya Narayan, Nikhil Purohit, Jatin Lalwani, Ms. Pratiksha Nagayach, Vishal Sinha, Ishan George, Archit Jain, Mrs. Dr. Rukma George, Prakash Kumar Singh, Ms. Pooja Singh, Ms. Poornima Jauhari, Brij Bhushan Jauhari, Raj Bahadur Yadav, Ms. Indira Bhakar, Shubranshu Padhi, Rajat Nair, Ms. Vimla Sinha, Rajeeva Ranjan Rajesh, B K Satija, Pranay Ranjan, Dinesh Kumar Garg, Neeraj Shekhar, Rajesh Kumar Maurya, Ms. Baby Rajput, Nirnimesh Dube, Susheel Joseph Cyriac, Ms. Priya S. Bhalerao, Varun Kanwal, M/S. Lex Regis Law Offices, Mrs. Vaijayanthi Girish, Rajesh Mahale, Kunal Verma, Mukesh Kumar Maroria, Mrs. Shraddha Deshmukh, Shailesh Madiyal, T. S. Sabarish, Chandra Prakash, Ms. A. Sumathi, Sanjeev Kapoor, Aakash Bajaj, Avirat Kumar, Ms. Aarushi Yadav, Gurmeet Singh Makker, Kanu Agrawal, Ms. Suhasini Sen, S.K. Singhania, Ms. Bina Madhavan, S. Udaya Kumar Sagar, Eeshan D Khaire, M/s. Lawyers Knit & Co, S. S. Shroff, Ms. Hetu Arora Sethi, Pulkit Tare, Rituraj Biswas, Sameer Rohatgi, Ms. Nidhi Jaswal, Ms. Sonali Gaur, Ashwin Garg, Kartikey, Ms. Rohini Musa, Abdul Azeem Kalebudde, Mahesh Thakur, Mrs. Anuparna Bordoloi, Ms. Anusha R, Ms. Mythili Srinivasamurthy, Shivamm Sharrma, Amrish Kumar, Ashwin Kumar D. S., Ishan Roy Chowdhury, Advs. for the appearing parties.

Judgment / Order of the Supreme Court**Order**

1. The present applications relate to mining activities being undertaken in Districts - Bellary, Chitradurga and Tumkur in Karnataka.
2. In 2009, the petitioner - Samaj Parivartana Samudaya had filed a writ petition praying for this Court's intervention on grounds of the illegality of such mining activities and consequent harm caused to the environment. This Court intervened and has passed several directions and orders.

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3. To avoid prolixity, we will not be referring to the catena of orders passed by this Court in depth and detail. However, to appreciate the present applications, we have summarized the relevant developments below:
- The genesis of the Central Empowered Committee¹ goes back to this Court's order dated 09.09.2002 in "*T.N. Godavarman Thirumalpad v. Union of India & Ors.*", where the Court was concerned with the rampant pilferage and illegal extraction of natural resources, particularly iron ore, and the environmental degradation and disaster that may have resulted from unchecked intrusion into the forest areas.
 - The CEC was constituted to monitor the situation, implement this Courts' orders, and delineate the steps to be taken.
 - On 19.11.2010, the CEC was directed by this Court to submit a report with respect to certain mining leases granted by the State of Karnataka in District – Bellary.
 - The initial reports of CEC indicated large-scale illegal mining being undertaken.
 - On 06.05.2011, this Court constituted a 'Joint Team' to determine the boundaries of the specific mines since a large number of mining lessees were carrying out operations beyond the lease boundaries, thereby causing environmental degradation.
 - On 29.07.2011, this Court imposed a temporary ban on mining operations in District – Bellary.²
 - On 26.08.2011, this Court extended the temporary ban on mining operations to Districts – Chitradurga and Tumkur.³
 - On 05.08.2011 and 26.08.2011, this Court directed the Indian Council of Forest Research and Education⁴ to conduct a macro-level environmental impact assessment, in collaboration with domain experts to determine the extent of environmental degradation due to illegal mining.

1 For short, "CEC".

2 See *State of Andhra Pradesh v. Obulapuram Mining Company (P) Ltd*, 2011 (12) SCC 491.

3 See *Samaj Parivartana Samudaya v. State of Karnataka*, (2013) 8 SCC 209.

4 For short, "ICFRE".

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- On 14.08.2011, ICFRE submitted its report wherein it *inter alia* recommended: (i) imposition of district-level production ceiling; and (ii) preparation of Reclamation and Rehabilitation Plans⁵ for each mining lease which apart from prescribing actions for reclamation and rehabilitation works would also prescribe a Maximum Permissible Annual Production⁶ restricting the total quantity of iron ore that could be produced at the specific mining lease.
- Based on ICFRE report and CEC's recommendations, this Court imposed differing production ceilings on mining leases in the three districts, which have been enhanced from time to time:
 - *vide* order dated 13.04.2012, production ceiling of 25 Million Metric Tons⁷ was fixed on mines in the Bellary District and 5 MMT in Tumkur and Chitradurga Districts;
 - these caps were enhanced to 28 MMT for the Bellary District and 7 MMT for Tumkar and Chitradurga Districts *vide* order dated 14.12.2017; and
 - these caps were further enhanced to 35 MMT for Bellary District and 15 MMT for the Tumkar and Chitradurga Districts *vide* order dated 26.08.2022.
- *Vide* report dated 03.02.2012, the CEC recommended the categorization of the mines into Categories A, B and C based on the severity of encroachment by the mines and overburden dumps, determined in terms of the percentage in relation to the total lease area. In such categorization, Category A mining leases bear no/marginal illegality and Category C mining leases stand in flagrant violation of laws.
- To strike a balance between environmental protection and development, a central public sector undertaking – National Minerals Development Corporation was allowed to operate two mining leases in District – Bellary.

5 For short, “R&R Plans”.

6 For short, “MPAP”.

7 For short, “MMT”.

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- Further, permission to sell old stock of iron ore by e-auction was granted through a Monitoring Committee set up by this Court.
 - *Vide* report dated 13.03.2012, the CEC recommended the implementation of R&R Plans, as a precondition to resumption of mining operations.⁸ In due course of time, mining was permitted to resume in specific Category A and B mines based on the reports of the CEC and on judgments/orders of this Court.
 - Category C mining licenses were cancelled, and the proceeds from sale of iron ore from Category C mines were ordered to be forfeited to the State.
 - Some of the Category C mining leases have been auctioned and have subsequently commenced production. The new leaseholders have undertaken to implement R&R Plans as a precondition to commence operations.
 - *Vide* order dated 28.09.2012, this Court constituted a Special Purpose Vehicle,⁹ namely, Karnataka Mining Environment Restoration Corporation¹⁰ to facilitate ameliorative and mitigative measures around the mining leases in the three districts.
 - *Vide* order dated 21.04.2022, this Court constituted the Justice B. Sudarshan Reddy Committee as an Oversight Authority to oversee the work of the SPV.¹¹
 - *Vide* order dated 28.09.2022, this Court directed the Joint Team to prepare sketches of 7 mining leases placed in Category B-1.
4. The seven B-1 Category mining leases (listed below) lie between the States of Karnataka and Andhra Pradesh. They require demarcation on the ground.

⁸ See this Court's judgment/order dated 13.04.2012 where the Court directed the implementation of R&R Plans in all the three categories of mines.

⁹ For short, "SPV".

¹⁰ For short, "KMERC".

¹¹ For short, "Oversight Authority".

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S. No.	Lease Names	ML No.	Location	Extent in Ha.	Village	Taluka	Division
1.	T. Narayan Reddy	2527	Sy. No. 01	32.65	Thumati	Sandur	Bellary
2.	N. Rathnaiah	670	Sy. No.01	14.16	Thumati	Sandur	Bellary
3.	Hind Traders	2548	Sy. No. 01	19.63	Vitalapura	Sandur	Bellary
4.	Mehaboob Transport Co.	2568	Sy. No. 106 & 01 Vitalapura	16.19	Thumati and vitalapura	Sandur	Bellary
5.	Vibhuti Gudda Mines Private Ltd.	2542	Sy. No. 283	137.00	Hunahalli	Bellary	Bellary
6.	Suggallamma Gudda Mining & Co.	2541	Sy. No. 90	10.11	Bellagala	Bellary	Bellary
7.	Bellary Mining Corporation	2651	Sy.No. 465	15.80	Halakundi	Bellary	Bellary

5. This Court's order dated 28.09.2022, directing the Joint Team to prepare sketches of these seven mining leases, was deferred till the inter-state boundary was demarcated on the ground.
6. *Vide* letter dated 09.01.2023, the State of Karnataka informed the CEC that inter-state boundaries between the states of Karnataka and Andhra Pradesh had been fixed on the ground.
7. However, it is apparent that further work must be undertaken at the ground level by deploying the total station survey method along with the satellite images of the mining sites.
8. By letter dated 29.02.2024, the government of Andhra Pradesh, had stated it would be represented by the following four officers, as a part of the Joint Team which was directed to render support to the CEC in surveying the seven mining leases:-

S. No.	Name of the Officer	Designation
1.	Sri Vineeth Kumar, I.F.S.	Divisional Forest Officer, Ananthapuramu
2.	Dr. Rani Sushmita	Revenue Divisional Officer, Kalyanadurgam
3.	Sri Eslavath Rupla Naik	Asst. Director Survey & Land Records, Ananthapuramu
4.	Sri Y. Nagaiah	District Mines and Geology Officer, (FACT), Ananthapuramu

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9. By letter dated 20.01.2023, the State of Karnataka stated that it would be represented by the following three officers in the Joint Team:

S. No.	Name of the Officer	Designation
1.	Sri T. Heeralal	Chief Conservator of Forest, Ballari Circle Ballari (Incharge Working Plan Ballari)
2.	Dr. Bagadi Goutham	IAS, Director, Mines and Geology, Bengaluru
3.	Sri Prashant Kumar Thakur	IPS, Additional Director General of Police, Karnataka Lokayukta, Bengaluru

10. We clarify that if there is a change of the aforesaid named officers of the States of Karnataka and Andhra Pradesh, the replacement/designated officer would be co-opted in the Joint Team.
11. The CEC has requested the National Institute of Technology, Suratkhali, Karnataka,¹² to carry out the aforesaid survey at the ground level, based on the total station method and satellite images of the seven mining leases. The members of the 'Joint Team' will be associated and shall cooperate with representatives of NIT Karnataka.
12. The survey will be undertaken for one mining lease at a time. The report will be submitted with the joint signatures of the 'Joint Team' to the states of Karnataka and Andhra Pradesh. A copy thereof will be filed before this Court. The said exercise would be completed no later than six months from today.
13. The CEC after receiving the survey/demarcation report will issue notice to the respective lessees and pass appropriate orders. This exercise will be undertaken even if the leases have expired in the due course of time. Orders passed by the CEC will be communicated to the parties, and a report will be filed before this Court within a period of seven months from today.
14. The Monitoring Committee will also be associated with the aforesaid exercise undertaken by the CEC, post the submission of the survey/demarcation report(s).

¹² For short, "NIT Karnataka".

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15. The State of Karnataka will be empowered and entitled to participate in the proceedings before the CEC and raise all objections and contentions.
16. Re-list all pending applications in W.P.(C) no. 562/2009 and 768/2013 on 03.04.2024.

I.A. No. 225561 of 2023**MPAP and District-Level Production Ceiling**

17. As noticed in the summary of developments above, this Court had fixed a district-level production ceiling for all mining leases in the Districts – Bellary, Tumkur and Chitradurga. These caps were enhanced from time to time. The final enhancement of production ceilings was done *vide* order dated 26.08.2022 whereby a production ceiling of 35 MMT for Bellary District and 15 MMT for the Tumkar and Chitradurga Districts was specified.
18. The district-level production ceilings apply to Category A and Category B mining leases. Category 'C' mining leases were cancelled and were thereafter e-auctioned, and hence are under a different legal regime.
19. Parallelly, in its report dated 13.03.2012, the CEC fixed the guidelines for the preparation and/or implementation of the R&R Plans as a pre-condition to the resumption of mining in the three districts. This was done given the devastation and degradation of the environment on account of unregulated and illegal mining activities. The objective of the R&R Plans is to:-
 - (a) carry out the time-bound reclamation and rehabilitation of the areas found to be under illegal mining;
 - (b) ensure scientific and environmentally sustainable mining;
 - (c) ensure compliance with the various standards stipulated under the environment/mining statutes; and
 - (d) regular and effective monitoring, evaluation and corrective measures.
20. As noticed above, the R&R Plans, together with specifying actions to be undertaken for reclamation and rehabilitation works, provided for an MPAP restriction for each mining lease. However, the upper cap fixed at the district level is mandatory and binding.

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21. This Court, *vide* judgment/order dated 14.12.2017, directed that a production cap of the individual mining leases will be regulated through the MPAP limits prescribed in the R&R Plans, without reference to the upper or general cap fixed at the district level.
22. The CEC states that the lease-wise R&R Plans have been prepared for all mining leases, which have been submitted by the Joint Team. It consists of two broad components: (a) R&R Plans for areas found to be under illegal mining by the Joint Team and (b) Supplementary Environment Management Plan. In addition, Comprehensive Environment Plans for the Mining Impact Zone¹³ for the areas surrounding the mining leases, would be prepared.
23. Accordingly, the CEC and CEPMZ had proposed, and it was accepted by this Court, that MPAP for each of the mining leases should be implemented and executed. This figure may be substantially lower than permissible limits specified under the Environment Clearance, Approved Mining Plan, and/or the Consent to Operate, granted for the respective mining leases. For the purpose of feasible annual production, the following factors would be kept in mind:-
 - (a) mineral reserves in the lease area;
 - (b) area available for overburden/waste dump(s) and subgrade dump(s); and
 - (c) existing transport facilities *vis-a-vis* the traffic load of the mining lease and adjoining mining leases.
24. The MPAP is the minimum of the quantity that may be feasible based on the above three parameters. Further, if the total of the lease-wise annual production from all the leases in the district exceeds the ceiling limit fixed for a specific district, then the MPAP for each mining lease was/is to be scaled down on a *pro-rata* basis, to ensure that the district-level production ceiling is not breached.
25. The aforesaid parameters were accepted by this Court by the order dated 13.04.2012. We respectfully concur and state that these directions shall continue.

13 For short, "CEPMIZ".

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26. Our attention has been drawn to the CEC report dated 14.07.2017 and the orders passed by this Court on 14.12.2017 and 26.08.2022.
27. Keeping in view the aforesaid position, we would request the CEC, together with the Monitoring Committee and aid and advice of the Oversight Authority, to undertake a complete exercise in the three districts, and the respective mining leases situated therein, and submit a report before this Court. While undertaking the said exercise, they shall keep in mind the parameters referred to in the report dated 13.03.2012. The CEC will be entitled to take help and assistance of the scientific domain experts who will examine data, including environmental pollution data available/recoded in the districts from time to time.
28. A copy of the said report will be filed before this Court within a period of four months from today. While submitting the report, it shall also be examined whether sub-caps in particular areas should be fixed or caps should be increased or decreased. In other words, the CEC will also examine whether a mining cap must be imposed in an area for better compliance and regulation.
29. Further, the CEC, the Monitoring Committee and the Oversight Authority will examine whether any form of regulation like e-auctioning is required to be put in place for the sale of the mined material. While examining this question, they will take into consideration the data with regard to the royalty and other cess etc., which were recovered when e-auctioning was mandatory and post the order dated 20.05.2022, whereby private sales have been permitted.
30. The question of whether satellite mappings/images should be undertaken with regard to each mine for the purpose of ascertaining the mining activities including the sale and disposal of the waste etc., will be examined by the CEC, the Monitoring Committee and the Oversight Authority.
31. The CEC, the Monitoring Committee and the Oversight Authority will be entitled to examine any other aspect, which they feel is relevant for consideration of the issues and questions referred to them.
32. In view of the directions given today, the application in I.A No. 225561 of 2023 shall await the report of the CEC. Accordingly, the application is not finally decided.

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33. It is stated by the learned counsel for the applicant(s) that in view of the subsequent development, the present application has become infructuous.
34. In view of the statement made, the present application is dismissed as infructuous.

I.A. No. 189 of 2013

35. None is present to press the present application.
36. Accordingly, the present application is dismissed in default.

I.A. No. 191 of 2013

37. It is stated by the learned counsel for the applicant(s) that the present application, which was filed as a contempt petition, has become infructuous, as the petitioner has filed a substantive writ petition and other proceedings.
38. In view of the statement made and without commenting on the merits, the present application is dismissed.

I.A. No. 203 of 2014

39. None is present to press the present application.
40. Accordingly, the present application is dismissed in default.

I.A. No. 204 of 2014

41. None is present to press the present application.
42. Accordingly, the present application is dismissed in default.

I.A. No. 213 of 2014

43. None is present to press the present application.
44. Accordingly, the present application is dismissed in default.

I.A. No. 214 of 2014

45. None is present to press the present application.
46. Accordingly, the present application is dismissed in default.

I.A. No.222 of 2014 in I.A. No. 214 of 2014

47. None is present to press the present application.
48. Accordingly, the present application is dismissed in default.

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49. None is present to press the present application.
50. Accordingly, the present application is dismissed in default.

I.A. No.228 of 2014

51. None is present to press the present application.
52. Accordingly, the present application is dismissed in default.

I.A. No. 229 of 2014

53. None is present to press the present application.
54. Accordingly, the present application is dismissed in default.

I.A. No.232 of 2014

55. The CEC, in consultation with the Monitoring Committee, will file their report on the assertions and prayer made in the present application, within a period of six weeks from today.
56. Liberty is granted to the State of Karnataka to file their reply/response within six weeks to the present application.
57. Reply/response to the report will be filed within period of six weeks from the date of service of the report.
58. The application is not disposed of today.

I.A. No. 234 of 2014

59. None is present to press the present application.
60. Accordingly, the present application is dismissed in default.

I.A. No.124132 of 2022

61. The CEC, in consultation with the Monitoring Committee, will file a status report to the assertions and prayer made in the present application. The application is not disposed of today.

I.A. No. 21884 of 2020

62. The CEC, in consultation with the Monitoring Committee, will file a status report on the assertions and prayer made in the present application, within a period of six weeks from today.
63. The application is not disposed of today.

Digital Supreme Court Reports**I.A. No.149994 of 2018**

64. We are not inclined to accept the prayer(s) made in the present application by the applicant – National Mineral Development Corporation Limited¹⁴ in view of specific orders passed by this Court on 23.09.2011, and subsequent order dated 28.09.2012.
65. It is to be noted that the applicant – NMDC, by a subsequent order dated 22.02.2023, was directed a refund of 10% of the sale proceeds, deposited towards SPV w.e.f 01.01.2019 onwards. This order, according to us, balances out the equities and hence, the prayer for reducing the amount to be deposited towards the SPV from 10% for the period prior to 31.12.2018, is rejected. We clarify that the applicant – NMDC will be liable to pay contribution to the SPV at the rate of 10% of the sale proceeds w.e.f 01.01.2019 and thereafter. Any excess amount above 10%, collected/paid by the applicant – NMDC, on and with effect from 01.01.2019 will be refunded to them by the Monitoring Committee within a period of six weeks from today.

66. Accordingly, the present application is disposed of.

I.A. Nos. 43677/2024 and 52570/2024

67. I.A. no. 52570/2024 seeking permission to file application for directions is allowed.
68. I.A. no. 43677/2024 has been filed seeking certain directions.
69. We are not inclined to grant any relief to the applicant(s) and hence, the application is disposed of.

I.A. No. 233 of 2014 and I.A. No. 235 of 2014 in I.A. No. 233 of 2014

70. Learned counsel for the applicant(s) states that the present applications have become infructuous.
71. In view of the statement made, the applications are dismissed as infructuous.

I.A. No. 217 of 2014

72. Learned counsel for the applicant(s) seeks permission to withdraw the present application.

14 For short, “NDMC”.

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73. In view of the statement made, the application is dismissed as withdrawn.

I.A. No. 190 of 2013

74. Learned counsel for the applicant(s) states that he is satisfied with the orders dated 09.12.2013 and 06.01.2014. He states that in view of the said orders, the application may be disposed of.
75. In view of the statement made, the application will be treated as disposed of.

I.A. No. 212 of 2014

76. We are not inclined to examine the merits of the said application in view of the notification/corrigendum dated 04.08.2014. In case the said notification/corrigendum is set aside or modified, it will be open to the applicant(s) to raise pleas and contentions before this Court or before the High Court.
77. All pending applications in I.A. no. 212/2014 shall stand disposed of.

I.A. No. 208 of 2014

78. We are not inclined to examine the merits of the assertions made in the application, as the issue involved is rather secondary to the issue pending consideration in W.P.(C) no. 562/2009. In case the applicant(s) has any grievance or issue, it will be open to the applicant(s) to file appropriate proceedings before the jurisdictional High Court or any other authority.
79. The stay order passed by this order on 10.02.2014 will continue for a further period of two months in order to enable the applicant(s) to take steps in accordance with law.
80. We clarify that we have not made any comments either way on the merits.
81. The application is disposed of.

I.A. No. 197 of 2013

82. This application has become infructuous and is dismissed as such.
83. It will be open for the applicant(s) to press for hearing of SLP(C) nos. 1684/2017 titled “*Dhruvdesh Metasteel Pvt. Ltd. v. Kiocl Ltd. & Ors.*” and 6854/2017 titled “*M. Babanna v. Kiocl Ltd. & Ors.*”, before the appropriate Bench.

Digital Supreme Court Reports**I.A. No. 160407 of 2022**

84. Arguments have been addressed by the learned counsel for the applicants. The issue is whether a 10% levy imposed on the sale of the iron ore and transferred to the SPV for implementing the CEPMIZ, in terms of the judgment/order of this Court dated 13.04.2012,¹⁵ should be discontinued.
85. It has been pointed out that Rs.24,464 crores are available to the SPV, namely, KMER, which is to prepare and implement the CEPMIZ to mitigate the environmental damage in the Mining Impact Zone¹⁶ in the three districts.
86. Our attention has been drawn to the judgment of this Court dated 21.03.2017,¹⁷ wherein a similar plea upon being raised, was considered, but rejected by this Court, observing that CEPMIZ is a scheme, which can be divided into two broad categories: (i) socio-economic development; and (ii) integrated mining and railway infrastructure, industrial infrastructure and medical infrastructure. The said order noted that the total cost of implementation of the CEPMIZ over a period of ten years was Rs.15,742.35 crores. The prayer was rejected, observing that at that stage, the CEPMIZ was a vision document with all concrete measures, steps and proposals left to be worked out at a later stage, that is, the stage of the preparation of the Detailed Project Report.¹⁸ We would like to reproduce a portion of the said judgment:

“15. What had happened in Bellary, Chitradurga and Tumkur, has already been noticed by this Court in para 37 of the judgment dated 18-4-2013 [*Samaj Parivartana Samudaya v. State of Karnataka*, (2013) 8 SCC 154] i.e. systematic, extraordinary and unprecedented plunder of the natural wealth and environment. This Court has specifically observed in para 37 that: (*Samaj Parivartana case* [*Samaj Parivartana Samudaya v. State of Karnataka*, (2013) 8 SCC 154], SCC p. 187)

15 (2013) 8 SCC 213.

16 For short, “MIA”.

17 (2017) 5 SCC 434.

18 For short, “DPR”.

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"37. ... The situation being extraordinary the remedy, indeed, must also be extraordinary."

(emphasis supplied)

It is to deal with such an extraordinary situation that the necessity of CEPMZ and implementation thereof by a special purpose vehicle out of funds in credit with the Monitoring Committee was contemplated. The special funds in deposit with the Monitoring Committee being the proceeds of illegal mining were meant to be deployed for re-creation of what had been lost due to such illegal activities. It is for the aforesaid purpose that CEPMZ was required to be drawn up and thereafter implemented. The state of implementation of the Scheme has not yet commenced. Funds in huge proportions would be necessary. A full and clear picture is yet to emerge. In a situation lessees who may be even remotely connected with the degradation and destruction of nature must continue to pay their share in the process of restitution by contributing to the Monitoring Committee from their present sale proceeds. Even the new lessees who may not have been involved with such degradation are contributing to the process of reclamation and restoration. In such a situation, we do not see how we can vary or modify our earlier orders that require all existing lessees to pay 10% of the sale proceeds and/or to depart from the requirement of payment of what has been already ordered, namely, 10% of the sale proceeds to the Monitoring Committee/SPV."

87. The Court did not make comments on the CEPMZ, except to state that insofar as socio-economic measures are concerned, different heads under which restoration and implementation work was proposed to be done, details thereof were to be worked out. It is to be noted that at that stage, funds to the extent of Rs.10,336 crores were available.
88. This aspect was again examined in the order dated 21.03.2018 on an application filed by the Federation of Indian Mineral Industries, Southern Region¹⁹ enclosing therewith reports of the CEC dated

19 For short, "FIMI, South".

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19.03.2018. In this report, the CEC, with reference to the CEPMIZ, had suggested submission of a project report by KMERC indicating very broadly, different facets of the CEPMIZ, the work to be undertaken and the cost, which is reasonably expected to be incurred. Accordingly, this Court rejected the prayer made in the application, and stated that the same would be considered subsequently. Directions were issued to KMERC to prepare and submit within six months, a revised comprehensive proposal of socio-economic development and eco-restoration including those relating to road infrastructure with short-term and long-term targets and study relating to the railway backbone required to support the mining activity, as suggested by certain authorities/experts.

89. This Court, in the order dated 21.04.2022, granted in-principle approval to the CEPMIZ submitted by the State of Karnataka, as recommended by the CEC in its reports dated 22.10.2018 and 16.04.2019. However, this order also records that the parties are at liberty to place any objections or submissions before the Oversight Authority with regard to the CEPMIZ. The order states that the Oversight Authority shall decide the objections or suggest modifications after hearing the parties and taking assistance of any expert including the CEC, as may be required. Further, if any clarification is required, the parties were granted liberty to approach this Court.
90. The Oversight Authority constituted by this order was to oversee the works and progress being carried out by KMERC.
91. Our attention was also drawn to the report of the CEC, dated 10.04.2022, which states that the SPV amount maintained by the Monitoring Committee exceeds Rs.20,000 crores as of 31.03.2022. This amount including the interest, which will accrue, would be adequate to meet the expenses incurred with the activities proposed to be undertaken under the CEPMIZ. This report recommends that 10% of the sale value (20% of the sale value from NMDC) being contributed towards the SPV, may be discontinued.
92. At this stage, we may record that this Court *vide* order dated 22.02.2023, reduced the contribution of NMDC to the SPV from 20% to 10% w.e.f. 01.01.2019 and accordingly, an amount of Rs.1,326 crores has been refunded to them.
93. As per the figures placed before us, the CEPMIZ Plan, as provisionally approved by this Court, states that a tentative expenditure of nearly

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Rs.25,000 crores is likely to be incurred for various sectors, as tabulated below:-

S. No.	Sector/Districts	Bellary(Rs. Cr.)	Chitradurga (Rs. Cr.)	Tumkur (Rs. Cr.)	Total (Rs. Cr.)
1	Eco-Restoration	1584.79	555.64	515.23	2655.75
2	Agriculture & allied	881.93	391.04	330.08	1603.05
3	Drinking Water, Sanitation & Rural Roads	3464.70	978.68	486.52	4929.90
4	Health	1450.17	255.94	209.67	1915.78
5	Education	643.49	330.58	192.28	1166.35
6	Development of vulnerable sections	695.60	188.54	198.42	1082.56
7	Housing	1027	106.88	60	1193.88
8	Skill Development	436.19	70.79	31.27	538.25
9	Tourism	148	34	7	189
10	Irrigation	799	154.70	53	1006.70
11	Physical Infrastructure	734.99	105.29	44.08	884.36
12	Roads & Communication	1512.55	620.22	426.40	2559.17
13	Railway Infrastructure				5271.96
	Grand Total	13378.41	3792.30	2554.05	24996.71

94. The total expenditure to be incurred on the projects, which stand approved, is about Rs.7,000 crores.
95. It is an accepted and admitted position that in respect of 51 Category C mining leases, ICFRE had approved R&R Plans of 28 leases. In respect of the remaining 23 leases, inputs have not been provided to ICFRE to approve the R&R Plans. It is also stated that 23 lessees of Category C have not submitted any data. In three cases, R&R Plans submitted have not been approved by the CEC.

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96. We do not think, at this stage, it will be appropriate to withdraw the 10% levy imposed by this Court in terms of the order dated 13.04.2012, as the CEPMIZ Plan is still at the initial stage of execution. The proposed plan was provisionally approved by this Court only *vide* order dated 21.04.2022. Objections and suggestions have been invited and are pending consideration by the Oversight Authority. This apart, we feel certain directions are required to be given for preparation of R&R Plans and execution thereof in respect of Category C leases, which were terminated/cancelled, but thereafter no progress has been made for submission of the plans or execution or implementation of R&R Plans.
97. Accordingly, we deem it appropriate to direct the Principal Chief Conservator of Forests,²⁰ State of Karnataka to undertake a detailed scrutiny and survey of all Category C mines, where data and R&R Plans have not been submitted and submit R&R Plans after conducting their scrutiny and survey. PCCF, Karnataka will be entitled to procure assistance from domain experts, specialized agencies or institutions. The cost incurred will be paid in the interim from the funds available with the SPV. The R&R Plans will be thereupon implemented and executed either through KMERC or if more appropriate, through any other agency, which may be nominated for this purpose after moving an application before this Court by the CEC, the Monitoring Committee, and the Oversight Authority.
98. The directions given above will equally apply to other cases of Categories A and B mines, where R&R Plans have not been submitted or approved.
99. The amount incurred for R&R Plans must be collected from the erstwhile Category C lease holders or the Category A and B lease holders, as appropriate. The amount will be collected as arrears of land revenue. However, no amount shall be refunded to the new lease holders. The amount collected will be deposited with the SPV.

I.A. No. 41984/2023

100. This application has become infructuous and is disposed of.

20 For short, "PCCF".

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101. We clarify that the applicant will be entitled to file a fresh application after this Court has received a report from the CEC in terms of the directions given above.

I.A. Nos.17247/2020 and 17249/2020 and 17250/2020

102. I.A. nos. 17247/2020 seeks permission to file application for impleadment and 17249/2020 seeks impleadment. I.A. no. 17250/2020 has been filed seeking certain directions.

103. We see no reason to grant the prayer in the applications seeking directions to shift the category of the applicant from Category C to B. We have also examined the CEC report no. 23 of 2022.

104. All the applications accordingly stand dismissed.

105. In view of the aforesaid, I.A. Nos. 121324/2022, 121326/2022, and I. A. No. 173897/2022 (Application for Additional Documents) shall also stand disposed of.

I.A. No. 21886 of 2020

106. We are not inclined to accept the prayer made in the present application in view of the facts and hence, the same is dismissed.

I.A. No. 172166/2023

107. We are not inclined to accept the prayer made in the present application in view of the facts and hence, the same is dismissed.

I.A. 49701 in W.P.(C) No. 768/2013

108. The application is not taken up for hearing today.

Writ Petition No. 505 of 2020

109. Learned counsel appearing on behalf of respondent no. 2 – State of Karnataka has drawn our attention to the order dated 28.09.2022 passed in “*M/s Arjun Ladha v. The State of Odisha*”²¹ The said order specifically refers to the present Writ Petition(C) No. 505 of 2020.

110. The period of the lease has expired by flux of time. We do not think any relief can be granted to the petitioner(s) in the present writ petition, and the same is dismissed.

²¹ Writ Petition (C) No. 539 of 2022.

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111. It is stated by the learned counsel for the petitioner(s) that the petitioner(s) would like to challenge the fresh auction. It will be open to the petitioner(s) to challenge the fresh auction in accordance with law. However, we make no comments either way in this regard.
112. Pending application(s), if any, shall stand disposed of.

Headnotes prepared by:

Vidhi Thaker, Hon'y. Associate Editor
(Verified by: Liz Mathew, Sr. Adv.)

Result of the case:

Directions issued in IAS
Main Writ Petition pending.