

RESERVED ON 19TH AUGUST 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 25TH DAY OF SEPTEMBER, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MRS. JUSTICE K.S. HEMALEKHA

WRIT PETITION NO.35257 OF 2024 (GM-MM S)

BETWEEN:

M/S. NADEEM MINERALS PVT. LTD.,
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT, 2013
HAVING ITS OFFICE AT NO. 59,
BKG SAPPHIRE, 4TH FLOOR,
KUMARA PARK WEST,
BANGALORE- 560020
REPRESENTED BY ITS
AUTHORIZED SIGNATORY
MR. M C DINESH, SENIOR MANAGER - ENVIRONMENT
ALSO ITS BRANCH OFFICE AT
NO.125/B, L.B. COLONY, SANDUR,
BALLARI DISTRICT - 583119.

...PETITIONER

(BY MS. MONICA PATIL, ADVOCATE)

AND:

1. THE ADDITIONAL CHIEF SECRETARY
TO GOVERNMENT, FOREST,
ECOLOGY AND ENVIRONMENT DEPARTMENT,
M.S. BUILDING, BENGALURU - 560 001.
2. THE PRINCIPAL CHIEF CONSERVATOR OF FOREST (FC)
ARANYA BHAVAN, 18TH CROSS,
MALLESHWARAM,
BANGALORE - 560003.

3. THE DEPUTY CONSERVATOR OF FORESTS
BELLARI DIVISION, BALLARI
RADIO PARK, OPP. ITI COLLEGE,
MINI ZOO COMPOUND,
BALLARI - 583 101.
4. THE CHIEF CONSERVATOR OF FORESTS
BALLARI CIRCLE,
NEAR MOTHI TALKIES,
BALLARI - 583 101.
5. THE SECRETARY,
GOVERNMENT OF INDIA,
MINISTRY OF FOREST,
ENVIRONMENT & CLIMATE CHANGE
PARYAVARAN BHAVAN,
JORBAGH ROAD,
NEW DELHI - 110 003.

...RESPONDENTS

(BY SMT. NILOUFER AKBAR, AGA FOR R-1 TO R-4;
SRI. MALLANGOUD, CGSC FOR R-5)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT, ORDER OR DIRECTION IN THE NATURE OF CERTIORARI AND QUASH THE IMPUGNED DEMAND NOTICE DATED SEPTEMBER 26, 2024 BEARING NO. MI/MNG/NADEEM/ML NO.2526/2020-21 ISSUED BY THE RESPONDENT NO.3 (ANNEXURE-A) AND ETC.

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

CORAM: HON'BLE MR. VIBHU BAKHRU ,CHIEF JUSTICE
and
HON'BLE MRS. JUSTICE K.S. HEMALEKHA

C.A.V. ORDER

(PER: HON'BLE MRS. JUSTICE K.S. HEMALEKHA)

1. The petitioner, M/s. Nadeem Minerals Private Limited [**M/s. NM**] has filed the present petition calling in question the demand notice dated 26.09.2024 [**impugned notice**] issued by the Deputy Conservator of Forests, respondent No.3, demanding a sum of ₹9,76,75,200/- towards Compensatory Afforestation [**CA**] charges in respect of 53.20 hectares of forest land, diverted in its favour for mining of iron ore under Mining Lease No.2526.

2. M/s. NM has also sought a direction to respondent Nos.1 to 4 to consider its representations dated 28.10.2024 and 06.11.2024 and to extend the validity of the approval granted under Section 2 of the Forest (Conservation) Act, 1980 [**Act**], so as to make it coterminous with the period of the mining lease as extended under the Mines and Minerals (Development and Regulation) Act, 1957 [**MMDR Act**].

Brief facts:

3. The facts giving rise to the petition may be noted in some detail. The State Government had forwarded a proposal to the Government of India seeking prior approval under Section 2 of the

Act, called as Van (Sanrakshan Evam Samvardhan) Adhiniyam, 1980 for diversion of 53.20 hectares of forest land in Donimalai Range, Sandur Taluk, Bellary District for mining of iron ore in favour of the petitioner.

4. The Government of India, Ministry of Environment and Forests, by its communication dated 18/21.03.2005, after considering the proposal of the State Government and the recommendation of the Advisory Committee, conveyed its in-principle approval for diversion of the aforesaid extent of forest land.

5. Pursuant thereto, M/s. NM identified 53.20 hectares in Survey No.49 of Harvi Village, Hadagali Taluk, Bellary District for raising of CA. The Deputy Conservator of Forests by communication dated 28.04.2005, reported the compliance furnished by the petitioner. The communication records, amongst other things, the identification of the aforesaid land and deposit of ₹28,83,440/- towards the cost of raising and maintenance of CA, besides payment of Net Present Value [**NPV**], other stipulated charges and demarcation of the diverted forest land.

6. Upon receipt of the compliance report, the Government of India, Ministry of Environment and Forests, by its communication dated 27/30.05.2005, conveyed approval under Section 2 of the Act for diversion of 53.20 hectares of forest land for mining of iron ore in favour of M/s. NM, subject to the conditions stipulated therein. One of the said conditions continued to require that CA over an equivalent extent of non-forest land be raised and maintained at the project cost and that such land be notified as reserved forest/protected forest.

7. The State Government thereafter issued the Order dated 08.08.2005 permitting diversion subject to the conditions enumerated therein. In furtherance thereof, M/s NM executed the requisite Agreement with the State Government on 28.07.2006 and mining lease came to be granted in favour of the diverted forest land.

8. The difficulty, however, arose with regard to the land in Survey No.49 of Harvi Village, which had initially been identified for CA. According to the respondents, though M/s. NM had deposited the CA charges in the year 2005, the said land could not ultimately be transferred and mutated in favour of the Forest Department on account of issues relating to the revenue records and status of the

land. The Additional Deputy Commissioner also declined the request for transfer of the said land for CA purposes. Consequently, respondent No.3 called upon M/s. NM to identify alternative non-forest land for CA. By communication dated 07/18.02.2015, M/s. NM was required to identify a suitable alternative extent. M/s. NM thereafter identified 44.51 hectares in Survey No.343 situated in Varavukaval, Challakere Taluk, Nayakanahatti Hobli, Chitradurga District. M/s. NM's own communication dated 06.11.2024 refers to the said land being furnished towards its CA requirement.

9. For the remaining extent, M/s. NM initially identified land measuring 12.81 hectares in Kolar District. The said land, however, could not ultimately be made available on account of the subsequent action of the revenue authorities. M/s. NM was therefore repeatedly called upon to identify suitable alternative land for the balance extent. Eventually, by its communication dated 28.05.2024, M/s. NM identified alternative lands in Koppal District, Kustigi Taluk, Hanumasagar Hobli, Chandragiri Village bearing Sy. Nos.17, 19/7/3, 19/8, and 19/18/2 to an extent of 12.23 hectares and further alternative lands to an extent of 0.687 hectares at Sy.

No.42/*/3 situated at Mullur village, Sindhanur Taluk, Turvihali Hobli, Raichur District.

10. In the meanwhile, consequent upon the amendment to Section 8A of the MMDR Act, M/s. NM's mining lease stood extended and a Supplementary Mining Lease Deed dated 03.07.2020 came to be executed, extending the mining lease upto 18.07.2056. Relying upon the Central Government Guidelines dated 01.04.2015 relating to the validity of the forest approval for mining projects, M/s. NM sought corresponding extension of the forest clearance so as to make it coterminous with the extended mining lease.

11. In the aforesaid circumstances, respondent No.3 issued impugned demand notice dated 26.09.2024, computing CA charges for 53.20 hectares at the rate of ₹18,36,000/- per hectare and demanding an aggregate amount of ₹9,76,75,200/-. Aggrieved thereby M/s. NM submitted representations dated 28.10.2024 and 06.11.2024. As the said representations were not considered, M/s. NM has approached this Court.

Contentions:

12. The learned counsel appearing for M/s. NM contends that the demand notice has been issued without taking into consideration the amounts already deposited by M/s. NM in the year 2005 and the CA activities already undertaken in Survey No.49 of Harvi Village. It is contended that M/s. NM had complied with the financial conditions stipulated in the original forest approval and deposited ₹28,83,440/- towards CA over the non-forest land, besides NPV and other charges. It is further contended that M/s. NM's representations specifically brought to the notice of the authorities that Survey No.49 had originally been identified and accepted for the purposes of CA. It is submitted that, when subsequently directed to furnish alternative lands, M/s. NM identified the lands in Chitradurga and Kolar and thereafter, the balance lands in Koppal and Raichur. According to M/s. NM, these aspects, including the applicable official memorandum/Government Order dated 22.08.2023, ought to have been considered before raising a demand at the presently applicable rate for the entire 53.20 hectares.

13. *Per contra*, the learned Additional Government Advocate submits that mere payment of CA charges in 2005 did not

discharge M/s. NM's obligation. The approval specifically required an equivalent extent of suitable non-forest land to be transferred and mutated in favour of the Forest Department and CA to be raised thereon. Survey No.49 could not ultimately be transferred and mutated as contemplated and was subsequently treated as a deemed forest. This necessitated identification of alternative CA land, a fact that is borne out of M/s. NM's own correspondence. She further submits that M/s. NM itself identified 44.51 hectares in Chitradurga District and thereafter, identified the balance extent in Koppal and Raichur District. Therefore, according to the State, M/s. NM cannot now contend that initial identification of Survey No.49 completely discharged its obligation towards CA.

14. At this stage, it is relevant to note the order of this Court dated 09.07.2026.

"1. After some arguments, the learned Additional Government Advocate seeks time to file an affidavit as to what is the state of plantations to the extent of 30 hectares in Sy. No. 49 of Haravi - Siddapura as is reflected in Annexure-X, the documents produced by the petitioner.

2. List on 20.07.2026."

15. Pursuant to the order of this Court dated 09.07.2026, the State has filed affidavit submitting that an extent of 30 hectares of plantation was raised by the Karnataka Forest Department during

the year 2012-2013 under CAMPA Scheme in Sy. No.49 of Haravi Village, Huvinahadagali Taluk, now Vijayanagar District.

Reasons and conclusions:

16. There can be no dispute that diversion of 53.20 hectares of land in favour of M/s. NM was subject to a condition of CA over an equivalent extent of forest land at the project cost. The letter of the Government of India, whereby the Central Government agreed in-principle to the diversion of 53.20 hectares of forest land for mining iron ore in favour of M/s. NM in Donimalai Range, Sandur Taluk, Bellary District, Karnataka subject to the fulfillment of following conditions:

1. User agency shall carry out immediate transfer and mutation of equivalent non-forest land in favour of State Forest Department.
2. The User Agency shall deposit the cost of raising and maintaining compensatory afforestation over equivalent non-forest land with the State Forest Department.
3. The non-forest land for compensatory afforestation shall be notified by the State Government as RF under section - 4 or PF under section - 29 of the Indian Forest Act, 1927 or the State Forest Act within a period of 6 months and Nodal Officer (Forest Conservation) shall report the compliance.
4. User Agency shall deposit the Net Present Value (NPV) of the diverted forest land of 53.20 ha., with the State Forest Department as per the orders of the Hon'ble Supreme Court dated 30-10-2002 & 1-8-2003 in I.A No.566 in WP (C) No.202/1995 and the guidelines issued by this Ministry vide

letter No.5-1/98-FC(Pt-II) dated 18-9-2003 and 22-9-2003 in this regard.

5. The user agency shall raise and maintain a Safety Zone and will also raise and maintain the plantation over an area one and half times of the extent of the safety zone, over degraded forest land elsewhere at the project cost.

6. The State Government shall deposit all the above-mentioned funds in form of Fixed Deposits in the name of concerned DFO/ Nodal Officer of the State, till such time the CAMPA intimates the Head of Account for deposition of fund.

7. The User Agency shall demarcate the area by erecting 4 feet high RCC pillars at the project cost indicating forward and back bearings and distance between adjacent pillars on them.

8. The user agency shall protect the top soil at the project cost.

9. Concurrent Reclamation plan shall be executed by the user agency from the very first year, and an annual report shall be sent to the Nodal Officer and the Regional CCF. Bhubaneswar. If it is found from the Annual Report that the annual programme mentioned in Concurrent Reclamation Plan is not being adhered to by the user agency, the mining activities shall remain suspended till such time the annual programme is completed for that year.

10. The mining lease shall be coterminus with the current lease granted under MMDR Act, 1957.

11. Other standard conditions as applicable in respect of mining projects shall apply in the instant case also."

17. Among the conditions so imposed, M/s. NM, the user agency, was required to transfer and cause mutation of an equivalent extent of non-forest land in favour of the State Forest Department; deposit the cost of raising and maintaining CA over such equivalent non-forest land; deposit the NPV of the entire

diverted forest land measuring 53.20 hectares in accordance with the orders passed by the Supreme Court and guidelines issued by the Ministry; ensure that the non-forest land identified for CA was also required to be notified as a reserved forest under Section 4 or as a protected forest under Section 29 of the Indian Forest Act, 1927, or under the corresponding State enactment. M/s. NM was further required to raise and maintain the safety zone and plantation over an area equivalent to one and a half times of the extent of safety zone over degraded forest land elsewhere, at the project cost, apart from demarcating the diverted area by erecting RCC pillars at its cost. The communication specifically contemplated that, upon receipt of the compliance report regarding fulfillment of the stipulated condition, further approval would follow.

18. Pursuant to the said in-principle approval, M/s. NM proceeded to comply with the conditions. This is borne out by a communication dated 28.04.2005 addressed by the Deputy Conservator of Forests, Bellary to the Conservator of Forests, Bellary. The said communication is extracted below:

"No: M1/MNG/BLY/NM/96-97
Encl: four D.Ds. for an amount of 3555940/-
and safety zone sketch

Office of the
Deputy Conservator of Forests,
Bellary Division, Bellary

Dated 28-04-2005.

To,
The Conservator of Forests,
Bellary Division, Bellary

Sir,

Sub: Diversion of 53.20 ha Forest land for grant of mining lease of mining of Iron ore favour of M/s. Nadeem Minerals, Bangalore in D.M. Block, Sandur Taluk, Bellary Dist.- Reg.,

- Ref: (1) letter No.8/15/2005 F.C.(MOEF) New Delhi dated: 21.03.2005 of Government of India
- (2) Letter No. FEE-33-FFM-2005 dated: 24.03.2005 of Government of Karnataka
- (3) Your letter No: M1/MNG/CR-64/97-98 dated: 02.04.2005 of Principal Conservator of Forests, Bangalore
- (4) Your letter No: M1/MNG/CR-64/97-98 date : 06.04.2005
- (5) Assistant Conservator of forests, Bellary letter dated: 28.04.2005.
- (6) Letter No. Sandur/Nadeem minerals/2005-06 dated: 28.04.2005.

With reference to the above subject, I write to submit that the additional information as called for by the Government of India in respect of grant of mining lease of M/S Nadeem minerals in D.M.Block, Sandur taluk, Bellary Dist., to an extent of 53.20 ha forest land for taking further action in this regard.

- 1) The lessee has identified 53.20 ha of non-forest land i.e. C & D Class land in Sy.No.49 of Harvi village Hadagali Taluk, Bellary Dist., for raising of Compensatory afforestation and the same is mutated in favour of the Forest Department.
- 2) The lessee has deposited the cost of raising and maintenance of Compensatory afforestation over an equivalent non-forest land. The details are as follows.

1) <u>D.D.No.</u> 078534 Dt: 27.04.2005	Rs. 950000.00
2) <u>D.D.No.</u> 078535 Dt: 27.04.2005	Rs. 950000.00
3) <u>D.D.No.</u> 078536 Dt: 27.04.2005	Rs. 983440.00
Total	Rs. 2883440.00

The above DDs are purchased in favour of Deputy Conservator of Forests, Bellary Division, Bellary.

- 3) The lessee has deposited the cost of NPV for an extent of 53.20 ha vide D.D.No. 920/872 Dt: 27.04.2005 for Rs. 37216000/- in favour of Principal Chief Conservator of Forests, Bangalore.
- 4) The lessee has deposited the cost of raising and maintenance of safety zone area to an extent of 2.95 ha or 3 ha and also cost of raising and maintenance of the plantation over an area of one and half times the extent of the safety zone area @3 haX1.5-4.5 ha and the cost of fencing to a length of 3923 mtr or 4 Km vide D.D.No. 328992 dt: 25.04.2005 for Rs. 672500/- in favour of the Deputy conservator of forests, Bellary Division, Bellary.
- 5) The user agency has demarcated the area and erected four feet tall R.C.C. pillars at an interval of 20-25 mtrs.

This is for your kind information and necessary action.

Your faithfully
Sd/-

Deputy Conservator of Forests,
Bellary Division, Bellary.

- 1) Copy submitted along with safety zone sketch to the of Principal Chief Conservator of Forests, Bangalore for favour of kind information."

19. It records that M/s. NM had identified 53.20 hectares of non-forest land in Survey No.49 of Harvi Village, Hadagali Taluk, Bellary District for raising CA. It further records that M/s. NM had

deposited a sum of ₹28,83,440/- towards cost of raising and maintaining CA and had furnished the requisite demand drafts in favour of the Deputy Conservator of Forests, Bellary. The communication dated 28.04.2005 further records compliance with the requirement relating to payment of NPV in respect of the entire diverted land measuring 53.20 hectares. M/s. NM had also deposited the amount towards raising and maintenance of the safety zone over an extent of 2.95 or 3 hectares and towards raising and maintenance of plantation over an area equivalent to one and a half times the safety zone area. A further sum of ₹6,72,500/- was deposited in that regard. The diverted area has also been demarcated on the ground by erecting a four feet high RCC pillars at an interval of approximately 20 to 25 meters. Thus, the material on record indicates that the competent Forest Officer himself reported compliance with the material conditions imposed under the in-principle approval.

20. Upon such compliance being reported, the Government of India, Ministry of Environment and Forests, by communication dated 27/30.05.2025 conveyed the approval under Section 2 of the Act for diversion of 53.20 hectares of forest land for mining in favour of M/s. NM. The final approval also required that the legal

status of the forest land remained unchanged and that CA over an equivalent extent of non-forest land be raised and maintained at the project cost. It also reiterated the requirements concerning notification of CA land, safety zone plantations, NPV, demarcation, protection of top soil, concurrent reclamation protection of wildlife and other conditions governing the mining operation. Significantly, the final approval also stipulated that the lease period could be coterminous with the current mining lease granted under the MMDR Act.

21. Consequent upon the aforesaid approval, the mining lease came to be executed and registered, and Mining Lease No.2526 in respect of the said extent of 53.20 hectares was granted with effect from 19.07.2006.

22. However, it is evident from the material on record that Survey No.49 did not ultimately result in the transfer and mutation of the requisite equivalent extent of non-forest land in favour of the Forest Department. M/s. NM's own correspondence demonstrates that, pursuant to the directions of the Forest Department, it proceeded to identify alternative CA lands. It would be apposite to consider the representations dated 28.10.2024 and 06.11.2024, which contain

substantially similar words and grounds. We would refer to the letter dated 28.10.2024, which is extracted below:

"NM-B/PCCF/2024-25/006

Date: 28.10.2024

To,
The Principal Chief Conservator Forests (FC),
Aranya Bhavan,
Malleshwaram,
Banaglore-560 003.

Sub: Diversion of 53.20 hectare (as per CEC 52.82 ha) of forest land in Donimalai Block, Sandur Range, Ballari District, Karnataka State for mining of iron ore (ML No.2526) in favour of M/s.Nadeem Minerals Private Limited (Transfer & Deemed extension of FC) - reg

Ref:

1. DCF Ballari (Demand Notice for CA charges) letter M1/MNG/Nadeem/ML.NO.2526/2020-21 dtd. 26.09.2024
2. Letter from PCCF (FC), Bangalore to The Deputy Conservator of Forests, Ballari Division, vide letter no. KFD/HOFF/A5-1 (MNG)/76/2019-FC dated 28.06.2024
3. Our request letter no.NM-B/PCCF/2024-25/001 dated 11.06.2024 to PCCF (FC) regarding Deemed extension and name change of forest clearance.
4. Our letter to DCF, Ballari dated 28.05.2024
5. PCCF Office Circular regarding Revised CA land safety zone charges dated 22.08.2023
6. Proceedings of the meeting held under the chairmanship of Hon'ble Minister of Forest, Food and Civil Supplies dtd. 29.06.2022 at 11 AM
7. Transfer of Mining Lease No.2526 executed by Director, Department of Mines and Geology, Bangaluru on 18.05.2022

8. Deemed extension notification No. CI 147 MMM 2020 dated 29.04.2022 from Secretary, Commerce & Industries, Vikasa Soudha, Bengaluru.

With reference to the above subject matter, we would like to bring your kind notice that the Department of Mines and Geology already executed the transfer of the lease deed (both transfer and deemed extension) on May 18, 2022. Further, we have requested to the forest department for the transfer and deemed extension of FC to the forest land over an extent of 53.20 ha. (as per CEC 52.82 ha) in Donimalai Range, Sandur Taluk, Ballari District, for mining of iron ore (ML No. 2526) in favor of M/s. Nadeem Minerals Private Limited.

Earlier, we identified the land in Sy. No.49, Haravi Village, Hadagali Taluk, Ballari District which was accepted by the Forest Department.

Subsequently, the Forest Department directed us to identify another suitable area for compensatory afforestation (CA). Accordingly, we have identified the following land for CA purposes, in lieu of the forest land diverted for mining activities:

Sl. No.	Name of the Division	Village	Sy. No.	Extent (in Acres)	Extent (in Ha.)
1	Chitradurga (Which is already transferred in the name of Forest Department)	Varavukaval, Challekere Taluk, Nayakanahatti Hobli	343	110.00	44.51
2	Kolar (Pending for transfer to the Forest Department)	Venkatapura, Kolar Taluk, Vakkleri Hobli	1,41	31.65	12.81
		Maderahalli, Kolar Taluk, Vakkleri Hobli.	91/P1		
Total				141.65	57.32

The aforementioned land was identified and transferred in the name of the Forest Department, pending the issuance of the PF notification by the State Government. In the meantime, the land at Kolar was subsequently cancelled by the Revenue Department. We have since identified an alternative land in Kolar District, and the matter was pending with no fault from our

side. This was duly recorded in the proceedings of the meeting held under the Chairmanship of the Hon'ble Minister for Forest and Civil Supplies at Aranya Bhavan on 29.06.2022. A copy is enclosed for your reference.

Due to delay in Kolar District, we Identified and purchased the land in Chandragiri Village of Koppal District and Mullur village of Raichur Dist. The details are as under:

Sl. No.	Name of the Division	Location	Sy. No.	Extent (in Acres)	Extent (in Ha.)
1	Koppal	Chandragiri Village, Kustigi taluk, Hanumasagar Hobli, Koppal Dist.	17, 19/7/3, 19/8 & 19/18/2	30.22	12.230
2	Raichur	Mallur Village, Sindhanur Taluk, Turvihal Hobli, Raichur Dist.	42/*/3	1.70	0.687
Total				31.92	12.917

These private lands have already been transferred and mutated in the name of the respective District Forest Offices and are in the process of being converted under Section 33. This is an internal process and procedure within the Forest Department, which is currently pending.

We would like to bring to your attention that all the compensatory afforestation (CA) land required for M/s. Nadeem Minerals Pvt. Ltd., with ML No. 2526, totaling 141.92 acres, has been identified and handed over to the Forest Department. In this regard, we have already paid the CA charges prior to receiving Stage-II clearance from the Government of India. We have also requested your esteemed office and the DCF, Ballari, to process the application for deemed extension and transfer of the mining lease.

We were uttershock after receiving the demand notice from the DCF, Ballari, vide Ref. No.1 dated 26.09.2024, for payment of Rs.9,76,75,200/- (Rupees Nine Crores Seventy-Six Lakhs Seventy-Five Thousand Two Hundred Only). They calculated the rate per hectare at Rs.18,36,000/-. In fact, we do not have any outstanding CA charges as of date. Additionally, the State

Forest Department has already undertaken compensatory afforestation and maintenance of plantations in Sy. No.49 of Haravi village, Hadagali Taluk, Ballari District.

Such being the case, issuing the demand notice again is not justified. We would also like to bring to your kind attention that, as per the office circular dated 22.08.2023, there is no provision for the collection of CA charges where Stage-II clearance has already been granted by the Government of India. This applies only to fresh cases with in-principal approval, where Stage-II clearance is still pending. A copy of the office circular is enclosed for your reference.

Since the DCF office has raised the demand notice, we kindly request your good office to issue necessary directions to the DCF, Ballari, to withdraw the unlawful demand notice dated 26.09.2024. Furthermore, we request that the DCF, Ballari, be directed to submit the proposal for the transfer and deemed extension of ML No. 2526 over an extent of 53.20 Ha. in favor of M/s. Nadeem Minerals Private Limited.

We sincerely hope that your esteemed office will take the necessary steps in the interest of justice and equity.

Thanking You,

Yours faithfully,
For Nadeem Minerals Private Limited

Sd/-
(Authorised Signatory)"

23. Therefore, M/s. NM cannot contend that the mere initial identification of Survey No.49 by itself completely discharged its obligation to furnish suitable non-forest land for CA. However, there is, another aspect of the matter which requires consideration.

24. In the additional affidavit filed by the respondents on 29.07.2026, sworn to by Dr. Basavaraj, son of Naganagouda K., it is stated at paragraph Nos.6, 7, and 8 as under:

"6. I further submit that the District Level Committee (DLC) constituted for verifying and classifying deemed forests vide Government of Karnataka order dated 15.05.2014 has identified and included an extent of 155.24 hectares as deemed Forest in Sy.No.49 of Haravi Village of Huvinahadagalli Taluk, Vijayanagara District. Further, the same has been notified as 'Deemed Forest' vide Notification No. APaJI 185 FAF 2011 dated 05.05.2022 of Government of Karnataka and these details of Deemed Forest areas have been submitted in the Affidavit filed before the Hon'ble Supreme Court of India by the State in W.P.No.202/1995 of T.N.Godavarman Thirumulpad Union of India and others. This area is presently under the custody and control of the Forest Department. Hence, the same cannot be taken as a compensatory afforestation land in favour of the Petitioner. The Plantation of 30 Hectares in Sy.No 49 is maintained by the Forest Department out of the funds.

7. Photographs evidencing the status of the Compensatory afforestation done on 30 hectares of land in Survey No. 49 of Haravi Village, Hoovinahadagali Taluk now Vijayanagar District is produced herewith. The cost that was incurred then for this plantation is Rs.18,80,000/- documents evidencing the same is produced as **ANNEXURE-R1 to R3.**

8. I humbly submit that only on 16.11.2016 that the Petitioners handed over 44.31 hectares in Survey No. 343 of Varavu Kaval Village, Chalakere Taluk, Nayakana Hatti Hobli, Chitradurga District, and 12.81 hectares on 18.05.2024 in Kopal and Raichur Districts for compensatory afforestation which has to be raised on this 53.20 hectares of land provided by the petitioners, for which the impugned demand notice has been issued. Out of compensatory afforestation charges of Rs.28,83,440/- previously paid by the petitioner on 25.03.2005 Rs.18,80,000/- will be adjusted against the revised demand while calculating the balance amount payable by the petitioner."

(emphasis ours)

25. It is stated that Survey No.49 of Harvi Village, Hoovinahadagali Taluk, Vijayanagar District came to be identified as a deemed forest and is presently under the custody and control of Forest Department and therefore, cannot be treated as a non-forest CA land furnished by M/s. NM. The State has also referred to the plantation having been raised over a portion of Survey No.49.

26. More importantly, the Annual Plan of Operation under Compensatory Afforestation Fund Management and Planning Authority (State CAMPA) of Bellary Division has been produced along with the affidavit. The Annual Plan of Operation for the year 2011-12, at serial No.17 makes the following reference, which is extracted below:

17	Hadagali	Kumaraswamy Minerals Export Bellary, ML No.2148 M/s. Nadeem Minerals ML No.2526	Holalu Sy.No. 49 Harvi Sy.No.49	30.00	36800	11.040	Pit Planning
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27. Under State CAMPA (Compensatory Afforestation Funds Management and Planning Authority), in column No.6, it is mentioned as under:

Sl. No.	Range	Name of the Mining Company	Lease extemt (in lla.)	Proposed Area	Proposed Ext	Work executed area	Plantation Extent (in lla.)	Unit Cost Rs.	Amount	Model
6	Hadagali	Kumaraswamy Mineral Export, Bellary ML No.2142 M/s. Nadeem Minerals		Holalu Sy.No. 49 Harvi Sy. N'o.49	30.00	Holalu Sy. No.49	30.00	25870	7.76	Ripping-cum -Pit Planting

28. Thus, there is material emanating from the respondents' own records indicating that the plantation over an extent of 30 hectares in Survey No.49 was associated with Mining Lease No.2526.

29. On one hand, M/s. NM's own subsequent correspondence shows that alternative CA lands were identified by it. On the other hand, the respondents' own records indicate that the plantation over 30 hectares in Survey No.49 was associated to M/s. NM's mining lease. The impugned demand notice is conspicuously silent on this aspect. It does not indicate whether the said plantation was undertaken towards the CA obligation of M/s. NM; whether the amount deposited by M/s. NM was utilized for that purpose, or what consequence the expenditure, if any, would have while determining the amount presently payable by M/s. NM. The M/s. NM's identification of alternative lands also cannot be ignored while undertaking the actual exercise as to whether, in fact, CA was

undertaken in respect of Survey No.49 and whether the plantation over 30 hectares in Survey No.49 was utilized. However, the impugned demand notice, being silent on all these aspects and the representations submitted by M/s. NM's requiring consideration, the demand notice is to be treated as a show cause notice and respondent No.3 to undertake a fresh determination after considering M/s. NM's representations.

30. The Authorities shall also consider the applicability and effect of the Government Order / Official Memorandum dated 22.08.2023, the amounts already deposited by M/s. NM, the expenditure if any, already incurred towards CA attributable to M/s. NM's project. Accordingly, the writ petition is disposed of with the following directions:

- a. The demand notice dated 26.09.2024 shall be treated as a show-cause notice.
- b. The representations submitted by M/s. NM shall be treated as an objection to the show cause notice.
- c. M/s. NM is at liberty to file additional documents, objections, and material, if any, in support of its contention.

- d. Respondent No.3 shall consider M/s. NM's representations and additional material, if any, together with the relevant departmental CAMPA records concerning the plantation shown to have been raised over 30 hectares in Survey No.49 Harvi Village with reference to Mining Lease No.2526 and also consider the amount paid by the petitioner acknowledged by respondent in letter dated 28.04.2005.
- e. The entire exercise shall be undertaken after affording M/s. NM a reasonable opportunity of hearing.
- f. Respondent No.3 shall pass a reasoned and speaking order dealing with the aforesaid aspects.
- g. The entire exercise shall be completed within a period of eight weeks from date.
- h. M/s. NM is at liberty to file additional documents for consideration before the concerned authority and the request of M/s. NM for extension of the validity of the forest clearance shall also be considered by the competent authority in accordance with law.

The pending interlocutory applications also stand disposed of.

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

**Sd/-
(K.S. HEMALEKHA)
JUDGE**

MBM