

THE HONOURABLE SRI JUSTICE M.S. RAMACHANDRA RAO

WP.No.3326 of 2016

ORDER :

This Writ Petition is filed by petitioner challenging the action of respondents in not permitting the petitioner to operate quarry operations in Mantralaya Sand Reach, and not refunding Rs.1,52,41,130/- to petitioner.

2. It is not in dispute that respondents conducted an auction on 19.05.2011 for conferring lease-hold rights of Mantralayam Sand Reach for a period of two years, that petitioner participated in the said auction and offered Rs.1.27 crores as the bid amount and became the highest bidder. This was confirmed by the District Collector, Kurnool and leasehold rights were conferred on petitioner for carrying out sand quarry operations in the said Reach. Thereafter, quarry lease was sanctioned by the District Collector on 23.05.2011.

3. Initially, the lease period was for two years from the date of execution of the lease deed, subject to payment of 20 per cent enhancement on the knocked down amount for the second year ending 31.03.2013. A lease deed was also executed on 28.05.2011 in favour of petitioner. After expiry of the first year lease period, the petitioner paid the second year bid amount of Rs.1,52,41,130/- on 31.03.2012. But, on 21.03.2012, this Court in WP.Nos.18822 and 29487 of 2011 passed orders restraining the respondents therein from giving any sand

mining / sand quarrying lease to persons from 01.04.2012. Therefore, all sand quarrying operations were stopped from that date in the State of Andhra Pradesh.

4. Thereafter, the matter was carried to the Supreme Court of India by the State Government, and the matter is said to be pending there.

5. Subsequently, the State Government did not extend the lease period of petitioner as was done in the case of others, even though it had collected second year lease amount on the ground that petitioner did not obtain an environmental clearance from the Central Government. Though the petitioner initially hoped for getting the extension, in view of the inability of respondents to grant lease for the second year, the petitioner has now confined himself to the relief of seeking refund of Rs.1,52,41,130/- paid by him for the second year for which he was not allowed to carry on any quarrying operations.

6. Counter-affidavit was filed by 4th respondent stating that the 1st respondent did not consider grant of extension of lease period to petitioner and, in fact, it had announced a new Sand Policy with effect from 02.03.2016. It however stated that refund of the amount paid by petitioner is under process. It admitted that the petitioner paid a sum of Rs.1,52,40,000/-

7. The learned Government Pleader for Industries (Andhra Pradesh), appearing for respondent nos.1 to 4, states that out of

Rs.1,52,41,130/- due to the petitioner on 05.08.2016, the petitioner was paid Rs.1,32,74,056/-, leaving a balance of Rs.19,67,074/-.

8. The learned Government Pleader for Industries states that a sum of Rs.12,06,320/- was transferred by 1st respondent to the Mandal Zilla Parishad, Mantralayam, and that the 1st respondent would be able to refund only Rs.7,60,754/- to petitioner.

9. No such stand has been taken in the counter-affidavit filed by respondents.

10. Since the entire amount of Rs.1,52,41,130/- was received by 4th respondent on behalf of respondent nos.1 to 4, it is the obligation of respondent nos.1 to 4 to refund the entire amount to petitioner and they cannot compel the petitioner to litigate against the Mandal Praja Parishad, Mantralayam for the amount of Rs.12,06,320/-.

11. Therefore, the respondent nos.1 to 4 are directed to refund the balance amount of Rs.19,67,074/- to the petitioner with interest at the rate of 9 per cent per annum from 31.03.2012 till the date of payment, within a period of two (02) months from the date of receipt of a copy of this order.

12. Accordingly, the Writ Petition is disposed of with the above directions. No order as to costs.

JUSTICE M.S.RAMACHANDRA RAO

Date: 13-10-2016

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