

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.6951 of 2025

M/s Rajmahal Traders, a Partnership firm having its Office at Ground Floor-947, Rasaikapur Chowk, P.O.-Dumka, P.S.-Dumka (Town), District Dumka, Jharkhand through its Partner Ram Kumar Singh aged about 45 Years (Male) Son of Parameshwar Singh, Resident of House no. 17/3566, Main Road Kangoi, Mihijam, P.O. Mihijam, P.S. Mihijam, District -Jamtara, Jharkhand.

... .. Petitioner/s

Versus

1. The State of Bihar through the Commissioner-Cum-Principal Secretary, Department of Mines and Feology, Government of Bihar, Vikas BHawan, Bailey Road, Patna. 800001.
2. The Principal Secretary Cum Commissioner Mines, Department of Mines and Geology, Government of Bihar, Vikas BHawan, Bailey Road, Patna. 800001.
3. The Director, Mines and Geology Department, Government of Bihar, Vikas Bhawan, Bailey Road, Patna.
4. The Collector Cum District Magistrate, Banka.
5. The Mineral Development Officer, Banka.

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr.Avinash Shekhar, Advocate
For the State	:	Mr. Birju Prasad, GP-13
		Ms. Shweta Anand, AC to GP-13

CORAM: HONOURABLE MR. JUSTICE SANDEEP KUMAR
ORAL ORDER

4 27-11-2025 Heard learned counsel for the petitioner; learned counsel for the State and learned counsel for the Mining Department.

The petitioner has moved the Court for the following reliefs:

“(i) For issuance of a writ order or direction in the nature of certiorari for quashing letter no. 108 dated 05.02.2025 issued by the Respondent Collector, Banka (Annexure 10), whereby and whereunder



petitioner's request contained in letter dated 03.08.2024 to proportionality reduce the royalty amount for settlement of Kurar Unit Sand Ghat falling in the district of Banka on account of reduction in the total mineable reserve, has been rejected and the petitioner has been directed to furnish a revised mining plan for approval.

(ii) Consequent thereto, this Hon'ble Court may issue a writ, order or direction in the nature of mandamus commanding the Respondents to reduce the settlement amount of Rs. 4,09,46,400/- by 28% since the total mineable area of Kurar Unit Sand Ghat in the district of Banka has been reduced by 28%.

(iii) Alternatively, for issuance of a writ, order or direction in the nature of mandamus commanding the Respondents to refund the earnest money deposit of Rs. 93,06,000/- deposited by the petitioner for settlement of Kurar Unit Sand Ghat in the district of Banka, since the proposed contract between the petitioner and the Department of Mines and Geology stands frustrated due to unforeseen events which have occurred after formation of the contract, rendering its performance impossible and fundamentally different from what the parties originally intended.

(iv) This Hon'ble Court may adjudicate and hold that the petitioner cannot be compelled to pay the entire settlement amount when the total mineral reserve of Kurar Unit Sand Ghat in the district of Banka has been reduced by 28% that too for no fault on the part of the petitioner.

(v) This Hon'ble Court may further adjudicate and hold that the respondents cannot be permitted to unreasonably enrich themselves at the cost of the petitioner by demanding the entire royalty amount of Rs. 4,09,46,400/- when the petitioner has been left to conduct mining activity on only 72% of the leased land.



(vi) This Hon'ble Court may further adjudicate and hold that according to Rule 51(4) of the Bihar Minerals (Concession, Prevention of Illegal Mining, Transportation and Storage) Rules, 2019, a settlee is obligated to pay royalty only with respect to mineral "extracted" and "removed" by it."

The primary submission of the learned counsel for the petitioner is that the petitioner was issued L.O.I. for mining of 41.36 hectares of land, however, subsequently, the mining is not possible for the entire aforesaid 41.36 hectares of land for which L.O.I. was issued to the petitioner but mining can only be done in 29.76 hectares.

Accordingly, the petitioner had preferred a representation on 04.05.2023 praying for reduction of the royalty proportionately. Learned counsel for the petitioner further submits that the representation of the petitioner is pending before the District Mining Officer, Banka though the representation of one M/s Poonam Enterprises has been considered by the respondents and proportionate reduction in the royalty has been allowed.

In these circumstances, this application is disposed of with a direction to the District Mining Officer, Banka to consider the representation of the petitioner in accordance with law and also in view of the fact that similar relief has been



granted to others similarly situated mining lease holders. The representation must be considered and disposed of within two weeks of receipt/ communication of a copy of this order after hearing the petitioner or his authorized representative and the order be communicated to the petitioner.

With the aforesaid direction and observation, this application is disposed of.

(Sandeep Kumar, J)

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