

**(2026) 01 KL CK 1698**  
**In the High Court Of Kerala**  
**Case No : Writ Petition (C) No. 47819 Of 2025**

Darshan Granites

APPELLANT

Vs

State Of Kerala, Represented By Its Additional Secretary

RESPONDENT

**Date of Decision :** 23-01-2026

**Acts Referred:**

Transfer of Property Act, 1882 — Section 105

Kerala Minor Mineral Concession Rules, 1967 — Rule 27, 27(2)(d)

**Citation :** (2026) 01 KL CK 1698

**Hon'ble Judges :** C. Jayachandran, J

**Bench :** Single Bench

**Advocate :** Philip J.Vettickattu, Neenu Bernath, Saju S. Dominic, Manu Santhosh, Aswin Sethumadhavan

**Final Decision :** Dismissed

## Judgement

C. Jayachandran, J

1. Petitioner, a registered partnership firm, has been granted a N.O.C by the 2nd respondent for conducting quarrying operations in respect of 1.5777 hectares of Government puramboke land. One among the conditions in Ext.P1 N.O.C is that Environmental Clearance (E.C) has to be obtained and submitted within six months. Ext.P5 application preferred by the petitioner for issuance of E.C is still under process and time was being extended for production of E.C. by the 2nd respondent. The grievance of the petitioner is that while extending the time limit in the last occasion, vide Ext.P13, the petitioner has been called upon to pay security deposit and lease rent. By Ext.P14, there is a slight modification to Ext.P13, but the pre-condition of security deposit and lease rent has been retained. The contention urged by the learned counsel for the petitioner is that the demand for security deposit and lease rent, acting upon Ext.P15 Government Order, is illegal, inasmuch as such condition was not incorporated at the time of granting the original N.O.C. Ext.P15 is dated 28.01.2021, whereas Ext.P1 N.O.C has been granted in the year 2018. Therefore, acting upon Ext.P15, no condition

can be imposed, is the first submission made. The second submission is that there is no provision in the Kerala Minor Mineral Concession Rules ('K.M.M.C Rules', for short) in terms of Rule 27(2)(d) to impose a condition for security deposit or lease rent, while granting N.O.C.

2. Learned Senior Government Pleader would submit that the N.O.C was granted originally in the year 2018 and for a period of seven years, there was no mining activity going on for want of E.C to be obtained by the petitioner. According to the learned Senior Government Pleader, the land was remaining idle, without deriving any benefit to the Government, for the past seven years.

3. Having heard the learned counsel appearing for the respective parties, this Court finds little merit in the case advanced by the petitioner. The land in question is admittedly Government puramboke land, over which, the petitioner cannot stake any claim, unless permitted. It may be true that while granting Ext.P1 N.O.C in the year 2018, no condition would have been imposed by the Government as regards security deposit or lease rent. It also remains a fact that, more than seven years had elapsed from the date of grant of N.O.C, vide Ext.P1. There is no quarrel that the quarrying operations have not been commenced on the premises for the past seven years for want of E.C to be obtained by the petitioner. By any reckoning, the Government is not at fault for the property remaining idle for the past seven years.

4. The question which requires consideration is not whether there is a provision enabling the Government to collect lease rent. Instead, the right question to be posed is, whether the petitioner has a right to conduct quarrying in a Government land without paying any lease rent? It is foundational that the petitioner has no vested right to get a Government land on lease, unsaddled by any condition imposed on it. The moment, the petitioner admits that the land belongs to the Government, it is upto the Government to decide whether the subject property has to be given on lease for the purpose of quarrying or not. It is equally within the domain of the Government to decide whether such lease shall be subject to certain conditions, especially conditions like lease rent etc.

5. The very concept of lease implies payment of lease rent, unless waived by the owner of the property, that is to say, the Government, in the instant case. Lease, as defined under Section 105 of the Transfer of Property Act, 1882 ('T.P. Act', for short) – leave alone the question whether the provisions of T.P. Act governs Government grants, for, we are concerned here only with the conceptual significance of a lease – is transfer of right to enjoy an immovable property for a certain time in consideration of a price paid or promised by the lessee to the lessor.

6. This Court is not impressed by the submission made by the learned counsel for the petitioner that it is Ext.P15 dated 28.01.2021, which enables the Government to claim lease rent. A perusal of Ext.P15 would indicate that it changed the methodology for grant of Government lands on lease by introducing

a regular tender process, where the highest bidder is entitled to be selected for grant of lease, as also, for N.O.C. Ext.P15 also refers to levy of lease rent, at page no.68 of the Writ Petition. The said methodology is not the one, which is being followed in the case of the petitioner admittedly. Petitioner has been selected, without there being any selection process or any tender. It could thus be seen that it is not Ext.P15 which confers power on the Government to levy lease rent. The purpose and purport of Ext.P15 is different altogether. At best, it could be comprehended that Ext.P15 recognises the pre-existing power of the Government to levy lease rent, while granting lease of its properties. This Court should also notice that levy of royalty cannot be confused with the levy of lease rent. While the former is paid for the mineral extracted in consideration of the mineral rights which vests with the Government, the latter is paid for the user of Government land given on lease. It may have to be reiterated that the lease rent, if any imposed, as also, the security deposit, can only be on the basis of the Government's absolute title over the property and the same can be viewed only as a condition/consideration for grant of lease.

7. Learned counsel for the petitioner would point out that Ext.P13 has been modified by Ext.P14, wherein all what is insisted is the security deposit. Disputing this submission, learned Senior Government Pleader points out that, the last but one paragraph of Ext.P14 (the last line) insist for lease rent, as well. According to the learned counsel for the petitioner, the lease rent has to be levied only after issuance of N.O.C and before the grant of mining lease. This Court need not dwell upon the point of time at which the lease rent has to be levied. It will be up to the concerned department to insist for lease rent, in accordance with law, at the appropriate time, as envisaged by law. Any way, the contention of the petitioner that the Government has no power to levy lease rent, as also, to insist for security deposit, has no legs in law.

8. This Court will now consider the contention based on Rule 27(2)(d), which is extracted here below:

"27. Application for grant of quarrying lease.-

(1) xxxx

(2) Every such application shall be accompanied by -

(a) xxxx

(b) xxxx

(c) xxxx

(d) No Objection Certificate, in the case of revenue poramboke lands or lands owned by Local Self Government or forest lands, from the District Collector or Secretary of the Local Self Government Institution or Divisional Forest Officer, as the case may be, to the effect that they have no objection for the extraction of minor mineral by the applicant subject to the provisions contained in these rules;"

9. It requires to be noticed that Rule 27 deals with an application for grant of quarrying lease and going by Rule 27(2)(d), a project proponent cannot make an application for quarrying lease in respect of Government/Revenue/puramboke lands, unless accompanied by a No Objection Certificate to be issued by the competent person. That doesn't, however, foreclose or preclude the Government's right to insist for a lease rent. A condition specified in Rule 27(2) (d) during the course of prescribing the procedure as to 'how an application for quarrying lease is to be made', cannot be read as exhaustive, insofar as the Government's right to levy lease rent or security deposit is concerned, so long as the land in question indisputably belongs to the Government. When lease rent is a concept which inheres with every lease, the petitioner's contention that there is no provision enabling the Government to insist for lease rent is wholly fallacious in law. The doctrine of incidental or ancillary powers being read into the main power expressly granted also negates the petitioner's case, for, the Government's power to grant its property on lease remains unassailed.

The Writ Petition fails and the same will stand dismissed.