

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 7TH DAY OF SEPTEMBER, 2026

PRESENT

THE HON'BLE MRS. JUSTICE ANU SIVARAMAN

AND

THE HON'BLE MR. JUSTICE VENKATESH NAIK T

WRIT PETITION NO.35870 OF 2025 (GM-FOR)

BETWEEN:

VEDANTA IRON & STEEL LIMITED
(DEMERGED IRON ORE ENTITY OF VEDANTA
LIMITED)
(A COMPANY INCORPORATED UNDER
THE COMPANIES ACT, 2013)
REGISTERED OFFICE AT C-103
ATUL PROJECTS, CORPORATE AVENUE NEW LINK
CHAKALA, MIDC
MUMBAI - 400 093
REP. BY ITS POWER OF ATTORNEY HOLDER,
MR. NARAYANA M.P.
HEAD - CORPORATE AFFAIRS - IRON ORE
KARNATAKA
(AMENDMENT CARRIED OUT VIDE COURT ORDER
DATED 05.06.2026)

...PETITIONER

(BY SRI. K.N.PAHNINDRA, SENIOR COUNSEL A/W
SRI. VIKRAM H. BHATT AND
SRI. ARYAN RAO, ADVS. FOR
SMT. VAISHALI HEGDE, ADVOCATE)

Digitally
signed by
RAKSHA
Location:
High Court
of Karnataka



AND:

1. STATE OF KARNATAKA
REPRESENTED BY THE ADDITIONAL CHIEF
SECRETARY, FOREST, ECOLOGY AND ENVIRONMENT
DEPARTMENT M.S. BUILDING, 4TH FLOOR
DR. AMBEDKAR VEEDI
BENGALURU 560 001
 2. THE PRINCIPAL CHIEF CONSERVATOR OF FORESTS
ARANYA BHAVAN
18TH CROSS, MALLESWARAM
BENGALURU 560 003.
 3. THE DEPUTY CONSERVATOR OF FORESTS
KARWAR DIVISION, KARWAR DIVISION
M.G. ROAD, KAJUBAG, KARWAR 581 301
 4. ASSISTANT CONSERVATOR OF FORESTS
ANKOLA SUB-DIVISION
M.G. ROAD, KAJUBAG, KARWAR 581 301.
 5. RANGE FOREST OFFICER
ANKOLA RANGE
M.G. ROAD, KAJUBAG, KARWAR 581 301
- ...RESPONDENTS
- (BY SMT. PRATHIMA HONNAPUR, AAG A/W
SRI. KHAMROZ KHAN, AGA FOR R1 TO R5)

THIS WP IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA, PRAYING TO DIRECT THE RESPONDENTS TO CONSIDER THE REPRESENTATIONS DATED 25.10.2024, 20.11.2024, 07.04.2025, 27.05.2025 AND 09.10.2025 VIDE ANNEXURES 'A' TO A4 IN TERMS OF THE ORDERS PASSED BY THIS COURT IN CRL. PTN. NO.7827/2018 AND CRL. PTN. NO.100029/2023 AND RELEASE THE IRON ORE LYING IN STOCK NO.MC-12 AT BELEKERI PORT TO THE CUSTODY OF THE PETITIONER.

THIS WRIT PETITION HAVING BEEN HEARD AND RESERVED FOR JUDGMENT ON 31.07.2026 AND COMING ON FOR PRONOUNCEMENT OF JUDGMENT THIS DAY, **ANU SIVARAMAN J.**, PRONOUNCED THE FOLLOWING:

CORAM: HON'BLE MRS. JUSTICE ANU SIVARAMAN
and
HON'BLE MR. JUSTICE VENKATESH NAIK T

CAV JUDGMENT

(PER: HON'BLE MRS. JUSTICE ANU SIVARAMAN)

This writ petition is filed seeking a writ of mandamus directing the respondents to consider the representations dated 25.10.2024, 20.11.2024, 07.04.2025, 27.05.2025 and 09.10.2025, produced as Annexures 'A' to 'A4', in terms of the orders passed by this Court in Criminal Petitions No.7827/2018 and 100029/2023 and to release the iron ore lying in Stock No.MC-12 at Belekeri Port to the custody of the writ petitioner. The writ petitioner also seeks a writ of certiorari to quash the letter dated 08.12.2025, issued by respondent No.5, produced as Annexure 'J'.

2. We have heard Shri. K.N. Phanindra, learned senior counsel as instructed by Shri. Vikram H. Bhatt, learned counsel and Smt. Vaishali Hegde, learned counsel

appearing for the writ petitioner and Smt. Prathima Honnapur, learned Additional Advocate General along with Shri. Khamroz Khan, learned Additional Government Advocate appearing for respondents No.1 to 5.

3. A quantity of 34,544.61 MT of iron ore claimed by the writ petitioner formed part of the stock seized at Belekeri Port in connection with FIR No.17/2009-10. The application filed by the writ petitioner seeking release of the said iron ore was rejected by the CBI Court, Bengaluru by order dated 03.09.2018 in Spl.C.C.No.268/2013. The writ petitioner challenged the said order in Criminal Petition No.7827/2018. By order dated 25.09.2023, this Court set aside the order dated 03.09.2018 passed by the CBI Court and directed the competent Forest authorities to determine the available quantity and value of the iron ore and thereafter release it to the writ petitioner upon furnishing one surety and executing an indemnity bond for the value determined.

4. The State Government challenged the order dated 25.09.2023 before the Apex Court in SLP (Crl.) Diary

No.18017/2024. The Special Leave Petition was dismissed by order dated 17.05.2024. The State Government thereafter filed a "Memo for Being Spoken To" in Criminal Petition No.7827/2018 seeking inclusion of a condition requiring surety for a like sum. The memo was rejected by this Court on 26.06.2024. Thereafter, in the proceedings instituted before the Apex Court, the State sought permission to withdraw the said memo. By order dated 28.03.2025, the Apex Court permitted its withdrawal and set aside the order dated 26.06.2024 as a consequence thereof, while clarifying that it had not adjudicated upon the correctness of the factual observations contained therein.

5. Pursuant to the order dated 25.09.2023, the Senior Geologist submitted a report dated 02.08.2024 determining the available quantity of the iron ore at 20,083.95 MT and its value at Rs.7,71,42,452/-. By communication dated 23.08.2024, the Assistant Conservator of Forests directed the writ petitioner to approach the Range Forest Officer for release of the iron ore after submitting the requisite bonds. The writ petitioner thereafter executed an

indemnity bond dated 17.09.2024 and furnished a surety bond dated 23.09.2024 in compliance with the order dated 25.09.2023. By order dated 02.06.2025 passed in Criminal Petition No.100029/2023, this Court permitted the State Government to take custody of and auction the available iron ore. By a subsequent order dated 02.09.2025 passed on the interlocutory applications filed by the affected parties, this Court clarified that the order dated 02.06.2025 was subject to the earlier orders passed in Criminal Petition No.7827/2018.

6. The writ petitioner submitted representations dated 25.10.2024, 20.11.2024, 07.04.2025, 27.05.2025 and 09.10.2025 seeking release of the iron ore. During the pendency of the writ petition, respondent No.5 issued the communication dated 08.12.2025 stating that the writ petitioner's request for release would be considered after the conclusion of the proceedings pending before the Apex Court.

7. The learned senior counsel appearing for the writ petitioner contends that despite the order dated 25.09.2023

passed in Criminal Petition No.7827/2018 directing release of the iron ore and the subsequent clarification dated 02.09.2025 passed in Criminal Petition No.100029/2023, respondent No.5 has failed to release the iron ore lying in Stock No.MC-12 at Belekeri Port. It is submitted that the writ petitioner has complied with all the conditions imposed by executing the requisite indemnity bond and furnishing surety for the value determined by the Senior Geologist.

8. It is contended that the State Government's challenge to the order dated 25.09.2023 was dismissed by the Apex Court and that no order staying its operation is presently in force. The pendency of proceedings before the Apex Court, in the absence of an order of stay, cannot justify postponement of its implementation. The impugned communication dated 08.12.2025 is, therefore, contrary to the binding directions issued by this Court.

9. It is further submitted that the order dated 02.09.2025 expressly clarified that the permission granted to the State Government to take custody of and auction the available iron ore was subject to the earlier orders passed in

Criminal Petition No.7827/2018. The respondents cannot rely upon the order dated 02.06.2025 to defeat the writ petitioner's entitlement under the order dated 25.09.2023.

10. It is further submitted that no criminal case was registered against the writ petitioner in relation to the seized iron ore. The SIT, upon investigation, filed a 'B' Report, which was accepted by the competent Court and was not challenged. The objections now raised regarding ownership, the scope of the CBI and SIT investigations and the pendency of other criminal proceedings are stated to constitute an impermissible attempt to reopen matters concluded by the order dated 25.09.2023.

11. It is further submitted that, despite the writ petitioner having complied with the conditions imposed by the order dated 25.09.2023, the respondents have failed to release the iron ore. Out of the 34,544.61 MT of iron ore seized in the year 2010, only 20,083.95 MT is presently stated to be available, the balance allegedly having been depleted owing to prolonged exposure to rain and wind. Any further delay, according to the writ petitioner, would result

in continued depletion of the remaining stock and cause irreparable financial loss.

12. The learned Additional Advocate General appearing for respondents No.1 to 5 contends that the writ petition, though framed as one seeking consideration of the representations, is in substance an attempt to secure release of seized property by converting the writ Court into an executing Court for enforcement of the order dated 25.09.2023 passed in Criminal Petition No.7827/2018. It is submitted that the iron ore continues to be seized property in FIR No.17/2009-10 and remains subject to the custody and jurisdiction of the JMFC, Ankola.

13. It is contended that the writ petitioner has failed to disclose the order dated 23.09.2023 passed by the JMFC, Ankola, rejecting its application under Sections 451 and 457 of the Code of Criminal Procedure, 1973, on the ground that it had failed to establish ownership over the seized iron ore. Neither the acceptance of the 'B' Report filed by the SIT nor the dismissal of the Special Leave Petition challenging the order dated 25.09.2023 is stated to constitute an

adjudication establishing the writ petitioner's ownership over the seized iron ore.

14. It is further submitted that the order dated 25.09.2023 proceeded on an erroneous understanding of the distinct investigations entrusted to the CBI and the SIT pursuant to the orders of the Apex Court in ***Samaj Parivartana Samudaya and others v. State of Karnataka and others***. While the CBI investigation concerned the iron ore seized in FIR No.17/2009-10, the SIT investigation in Crime No.2/2014 concerned iron ore allegedly exported from Belekeri Port. The 'B' Report filed by the SIT, therefore, had no bearing on the writ petitioner's ownership over or entitlement to release of the seized iron ore.

15. It is also submitted that C.C.No.312/2012 arising out of Crime No.189/2010, concerning the alleged theft of the seized iron ore, remains pending against the writ petitioner. The failure of the CBI to investigate the writ petitioner's claim of ownership cannot be treated as

establishing such ownership or entitling it to release of the seized iron ore.

16. It is contended that the condition requiring surety was intended to safeguard public revenue and secure recovery of the value of the mineral under Section 21(5) of the Mines and Minerals (Development and Regulation) Act, 1957, if the iron ore is ultimately found to have been illegally extracted. In these circumstances, and in view of the proceedings pending before the Apex Court, the decision to defer the writ petitioner's request for release is stated to be justified. It is further contended that the dismissal of the Special Leave Petition against the order dated 25.09.2023 does not amount to an affirmation of the findings contained therein on merits or an adjudication of the writ petitioner's ownership over the seized iron ore.

17. We have considered the contentions advanced on either side and perused the material placed on record. The question that arises for consideration is whether the respondents are justified in withholding release of the iron ore despite the order dated 25.09.2023 passed in Criminal

Petition No.7827/2018 and the subsequent clarification dated 02.09.2025 passed in Criminal Petition No.100029/2023.

18. We notice that the Apex Court had directed the CBI to investigate all aspects of illegality relating to iron ore seized at Belekeri Port. However, by Order dated 16.09.2013, the Apex Court permitted the CBI to refer cases involving exports of less than 50,000 metric tonnes of iron ore to the State Government. The relevant portion of the order dated 16.09.2013 reads as under:-

"x x x x x

(a) The CBI is permitted to register criminal case against those exporters who were enquired into in the preliminary enquiry and who had exported iron ore of more than 50,000 MT without valid permits and as recommended by the Central Empowered Committee in its report dated 5th September, 2012.

(b) The CBI is permitted to refer the matter with respect to the exporters who had exported less than 50,000 MT and were not enquired into in the preliminary enquiry, to the Government of Karnataka for taking further necessary action under the relevant laws, as recommended by the Central Empowered Committee in its Report dated 5th September, 2012.

(c) We also permit the Central Bureau of Investigation to refer to the Government of Karnataka for taking further action under relevant laws with regard to those exporters who were enquired into in the preliminary enquiry and who had exported less than 50,000 MT of iron ore without valid permits as recommended by the Central Empowered Committee in its Report dated 5th September, 2012.

(d) We direct the State of Karnataka to take further necessary action under the relevant laws as recommended by the CEC in its Report dated 5th September, 2012 with regard to those exporters who have exported less than 50,000 MT and report compliance within a period of four weeks from the date of receipt of communication of this order.

x x x x x"

19. The quantity claimed by the writ petitioner was 34,544.61 MT and was, therefore, below the threshold of 50,000 MT. Pursuant to the liberty granted by the Apex Court, the matter was investigated by the State authorities. The investigation culminated in the filing of a 'B' Report, which was accepted by the competent Court. The order accepting the 'B' Report has not been challenged. The respondents cannot, therefore, contend that an investigation by the CBI is necessarily required merely because the iron

ore had originally formed part of the stock seized at Belekeri Port.

20. The respondents contend that the 'B' Report filed by the SIT in Crime No.2/2014 did not concern the ownership of the iron ore seized in FIR No.17/2009-10. The writ petitioner's claim for release of the very same iron ore was specifically considered by this Court in Criminal Petition No.7827/2018. By order dated 25.09.2023, this Court set aside the order dated 03.09.2018 passed by the CBI Court and directed the competent Forest authorities to determine the available quantity and value of the iron ore and thereafter release it to the writ petitioner upon furnishing one surety and executing an indemnity bond for the value so determined. The direction to release the iron ore is explicit and admits of no ambiguity.

21. The State Government challenged the said order before the Apex Court. The Special Leave Petition was dismissed on 17.05.2024. The State thereafter filed a "Memo for Being Spoken To", seeking inclusion of a condition requiring surety for a like sum. The memo was

rejected by this Court and was subsequently withdrawn by the State in the proceedings before the Apex Court. Consequently, the order dated 25.09.2023 remains unmodified and operative. The respondents have also relied upon the order dated 23.09.2023 passed by the JMFC, Ankola, rejecting the writ petitioner's application under Sections 451 and 457 of the Code of Criminal Procedure. The said order preceded the order dated 25.09.2023 passed by this Court. The subsequent order of this Court contains a specific direction to the competent Forest authorities to release the iron ore subject to the conditions stipulated therein.

22. The objections now raised regarding ownership, the distinction between the CBI and SIT investigations, the pendency of other criminal proceedings and the nature and extent of the surety cannot be made the basis for refusing to comply with the order dated 25.09.2023. Such objections cannot now be relied upon to reopen matters concluded by the order dated 25.09.2023 or to render the direction contained therein ineffective.

23. The respondents also cannot rely upon the order dated 02.06.2025 passed in Criminal Petition No.100029/2023, permitting the State Government to take custody of and auction the available iron ore. By the subsequent order dated 02.09.2025, this Court expressly clarified that the order dated 02.06.2025 was subject to the earlier orders passed in Criminal Petition No.7827/2018. The direction for release contained in the order dated 25.09.2023 was thus expressly preserved.

24. Pursuant to the order dated 25.09.2023, the Senior Geologist determined the available quantity of iron ore at 20,083.95 MT and its value at Rs.7,71,42,452/-. The writ petitioner thereafter executed the indemnity bond and furnished the surety contemplated by the said order. The execution of these documents is not disputed. The conditions imposed upon the writ petitioner having been complied with, nothing further remained to be performed by it for securing release of the iron ore.

25. The impugned communication dated 08.12.2025 postpones the release of iron ore until the conclusion of the

proceedings pending before the Apex Court. The pendency of a review petition or any other proceeding before the Apex Court does not, in the absence of an order of stay, suspend the operation of the order dated 25.09.2023. The Apex Court in ***Collector of Customs, Bombay v. Krishna Sales (P) Ltd***, reported in ***1994 Supp (3) SCC 73***, held that the mere filing of an appeal does not operate as a stay or suspension of the order appealed against and that, if the authorities considered it necessary to withhold implementation of the order pending the appeal, the proper course was to obtain an order of stay or other appropriate direction from the competent Court and without such an order, the authorities could not refuse to implement the order under appeal. Similarly, in ***State of Haryana v. State of Punjab*** reported in ***(2004) 12 SCC 673***, the Apex Court held that while dealing with successive proceedings assailing an operative decree, including proceedings before the Supreme Court, in the absence of any order of stay, the mere filing of proceedings does not operate as a stay.

26. We are, therefore, of the opinion that the objections raised by the respondents do not furnish any legally sustainable ground for withholding release of the iron ore. The direction contained in the order dated 25.09.2023 remains operative, the subsequent order dated 02.09.2025 expressly preserves it and the writ petitioner has complied with the conditions imposed therein. The communication dated 08.12.2025 is, therefore, unsustainable.

27. In the result,

- (i) The writ petition is ***allowed***.
- (ii) The communication dated 08.12.2025 issued by respondent No.5, produced as Annexure 'J', is set aside.
- (iii) Respondents No.1 to 5 are directed to release the available quantity of 20,083.95 MT of iron ore lying in Stock No.MC-12 at Belekeri Port to the writ petitioner, in terms of the order dated 25.09.2023 passed in Criminal Petition No.7827/2018.

- (iv) The release of iron ore shall be completed within a period of two weeks from the date of receipt of a copy of this judgment.

All pending interlocutory applications shall stand disposed of.

**Sd/-
(ANU SIVARAMAN)
JUDGE**

**Sd/-
(VENKATESH NAIK T)
JUDGE**

cp*