



W.P(MD)No.436 of 2022

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 07.03.2024

CORAM:

**THE HONOURABLE MR.JUSTICE B.PUGALENDHI**

**W.P.(MD)No.436 of 2022**  
**and W.M.P(MD)No.337 of 2022**

M/s.Beach Minerals (Sands) Company,  
Represented by its Managing Partner,  
S.Sukumar

...Petitioner

**Vs.**

1.The Union of India,  
Through the Secretary,  
Ministry of Mines,  
Government of India,  
Krishi Bhawan,  
Dr.Rajendra Prasad Road,  
New Delhi 110 001.

2.The Principal Secretary to the Government,  
Industries (MMD.2) Department,  
Secretariat, Chennai – 9.

3.The Director of Geology and Mining,  
Guindy, Chennai – 32

4.The District Collector,  
Tirunelveli District,  
Tirunelveli.

...Respondents



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**Prayer:** Writ Petition is filed under Article 226 of the Constitution of India, seeking for the issuance of Writ of Certiorarified Mandamus calling for the records relating to the impugned order of the 2<sup>nd</sup> respondent in G.O.(Ms)No.274, Industries (MMD.2) Department dated 13.10.2021 and quash the same and consequently not interfere with the leasehold right of the petitioner granted vide Proc.Rc.No.4631/MM3/99 18.01.2001 valid till 18.02.2031.

For Petitioner : Mr.H.Arumugam

For R1 : Mr.K.R.Laxman  
Central Govt. Standing Counsel

For R2 to R4 : Mr.M.Sarangan  
Additional Government Pleader

### **ORDER**

The petitioner was granted license for conducting mining lease for Beach Minerals (Garnet, Ilmenite and Rutile) over an extent of 2.46.5 hectares of patta lands in S.No.597/1, 597/2 and 597/3 of Kuttam Village, Radhapuram Taluk, Tirunelveli District. The petitioner has filed this Writ Petition as against the Government Order in G.O.(Ms.)No.274, Industries (MMD.2) Department, dated



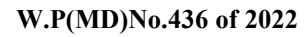
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13.10.2021 terminating the lease of the petitioner pending the lease period.

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2. The learned counsel appearing on behalf of the petitioner submits that the petitioner company is governed by the Mines and Minerals (Development and Regulation) Act, 1957 read with Mineral Concession Rules 1960 and the Mineral Conservation and Development Rules 1988. The petitioner company fulfilled the eligibility as well as norms and therefore lease was granted by the 2<sup>nd</sup> respondent. The learned counsel for the petitioner also submits that the 2<sup>nd</sup> respondent has passed the impugned order in G.O.(Ms.) 274, Industries (MMD.2) Department dated 13.10.2021 terminating the lease issued to the petitioner, which is valid till 18.02.2031.

3. According to the learned counsel, termination of lease, which has been given to the petitioner for conducting the mining lease for a period of 30 years, is affecting the right of the petitioner.



4. The learned counsel has also relied upon the order passed by the High Court of Andhra Pradesh at Amaravati in **W.P.No.4055 of 2019**, wherein the Hon'ble Andhra Pradesh High Court has granted an order of *status quo* to a similarly placed quarry operator.

5. The learned counsel for the petitioner also submits that the 1<sup>st</sup> respondent is the competent authority to pass the impugned order, but the impugned order has been passed by the 2<sup>nd</sup> respondent. Pointing out the above mentioned points, the learned counsel prays for quashing the impugned order.



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6. The learned counsel appearing for the 1<sup>st</sup> respondent submits that 'Beach Sand Minerals' contains atomic minerals namely, monazite as per the amendment made to the Minerals (Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016 and the threshold values for Beach Sand Minerals is notified as 0.00% monazite in total heavy minerals irrespective of the monazite grade. Since Minerals (Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016 has been amended, there cannot be any quarry operations of atomic mineral.

7. By adopting the same line of arguments, the learned Additional Government Pleader appearing for the respondents 2 to 4 also submits that the 2<sup>nd</sup> respondent has rightly passed the Government Order in G.O.(Ms.)No.274, Industries (MMD.2) Department dated 13.10.2021.



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8. This Court has given its anxious consideration to the submissions made and carefully perused the materials available on record.

9. It is useful to extract the relevant portion of G.O(Ms.)No.274, Industries (MMD.2) Department dated 13.10.2021.

*“5. The Government of India, Ministry of Mines, in exercise of the powers conferred under Section 11B of the Mines and Minerals (Development and Regulation) Act, 1957 and Rule 36 of the AMCR, 2016, has amended AMCR, 2016 called the Atomic Minerals Concession (Second Amendment) Rules, 2019 vide Notification No.G.S.R.134(E), dated 20.02.2019. Whereas, the Schedule A of the AMCR, 2016 prescribing the particulars of threshold value for atomic minerals has been substituted by a new Schedule-A and the threshold values for the following minerals viz.,*

*(i) Titanium bearing minerals and ores (Ilmenite, Rutile and Leucoxene);*

*(ii) Uraniferous allanite, monazite and other*



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*thorium minerals;*

*(iii) Zirconium bearing minerals and ores including zircon;*

*iv) Beach Sand Minerals i.e. economic heavy minerals found in the te or beach sand, which include Ilmenite, Rutile, Leucoxene, Garne Monazite, Zircon and Sillimanite;*

*occurring in Beach Sand Minerals and other placer deposits in associate with monazite are notified as above threshold (i.e. the threshold is 0.00 monazite in Total Heavy Minerals), irrespective of monazite grade.*

*6. In view of the above amendment made to Schedule A of the Atomic Minerals Concession Rules, 2016, all the existing Mine Concessions of Beach Sand Minerals are above the threshold value. As a consequence of the amended threshold value, mining operations Beach Sand Minerals and other Placer Deposits can only be carried out Central Government/ State Government Companies/Corporations own or controlled by it as stipulated under Rule 3(1) 4(5)(b) , 5 and 6 Atomic Minerals Concession Rules, 2016.*

*7. The Government of India, Ministry of Mines in its order read above, has stated that in view of the*



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*discussion held on February 2019, between the State Governments and the Ministry of Mines it has been decided to invoke Section 4A(1) of the Mines and Mine (Development and Regulation) Act, 1957 to prematurely terminate all existing mineral concessions of Beach Sand Minerals held by private persons/companies by the State Government and directed the State Governments to take necessary action as per provisions of Section 4 and 4A(3) of MMDR Act, 1957..”.*

**10.** From the above amendment, it is made clear that by invoking Section 4A(1) of the Mines and Mine (Development and Regulation) Act, 1957, not only the petitioner's license, all existing mineral concessions of Beach Sand Minerals held by private persons/companies by the State Government are terminated and therefore, the question of conducting mining lease of Beach Sand Minerals by private party does not arise.

**11.** This Court finds no reason to interfere with the impugned order. Accordingly, this Writ Petition is dismissed. No costs. Consequently, connected miscellaneous petition is closed.



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Index : Yes / No  
NCC : Yes / No  
CM

To,  
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New Delhi 110 001.

2.The Principal Secretary to the Government,  
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**B.PUGALENDHI, J.**

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