BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 03.02.2026

CORAM

THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN
and
THE HONOURABLE MRS.JUSTICE R.KALAIMATHI

W.A.(MD)Nos.363 & 364 of 2020 and
C.M.P.(MD)No.2540 and 2544 of 2020

W.A.(MD)No.363 of 2020:-

The District Collector,
Tuticorin,
Tuticorin District. ... Appellant

Vs.

1.V.V.Titanium Pigments Private Ltd.,
Rep. by its General Manager
A.81, SIPCOT Industrial Complex,
South Veerapandiapuram post,
Tuticorin - 628 002.

2.The Commissioner of Customs,
Customs House, Beach Road,
Thoothukudi.

3.The Union of India,
Rep. by its Secretary,
Ministry of Mines,
Shastri Bhawan,
New Delhi.

4.Union of India
Rep. by its Secretary,
Department of Atomic Energy,
C.S.M. Marg, Mumbai.

5.Union of India,
Rep. by its Secretary,
Ministry of Commerce and Industries,
Udyog Bhavan, New Delhi - 110 107.

6.Union of India
Rep.by its Secretary,
Ministry of Finance (Customs),
New Delhi - 110 001. ... Respondents

Prayer : Writ Appeal filed under Clause XV of Letters Patent, to allow the writ appeal by setting aside the order passed in W.P.(MD).No.24396 of 2019 dated 27.02.2020 on the file of this Court.

For Appellant : Mr.Veerakathiranvan,
Addl. Advocate General,
Assisted by Mr.S.Shaji Bino,
Spl. Government Pleader.

For Respondents : Mr.Sricharan Rangarajan, Senior Counsel,
For Mr.J.Kingsly Solomon for R1.
Mr.Gowri Shankar,
Central Govt. Standing Counsel for R2
Mr.S.Jeyasingh,
Central Govt. Standing Counsel for R3 to R6.

W.A.(MD)No.364 of 2020:-

1.The District Collector,
Tirunelveli District,
Tirunelveli.

2.The District Collector,
Tuticorin,
Tuticorin District. ... Appellants

Vs.

1.D.Gnanaraj, Managing Partner,
Raja Agencies, a registered Partnership Firm,
opposite Bharat Petroleum Byepass Road,
Madathur, Korampallam Post, Tuticorin.

2.The Traffic Manager,
V.O.Chidambaranar Port Trust,
Administrative Office,
Harbour Estate, Tuticorin - 4.

3.The Commissioner of Customs,
Customs House, Beach Road,
Thoothukudi.

4.The Assistant Commissioner of Customs
Office of the Commissioner of Customs,
Customs House, near Harbour Estate,
Tuticorin - 4.

5.V.V.Titanium Pigments Private Ltd.,
Rep. by its General Manager
A.81, SIPCOT Industrial Complex,
South Veerapandiapuram post,
Tuticorin - 2.

6The Secretary to Government of India,
Ministry of Atomic Energy,
Department of Atomic Energy,
Anushakti Bhavan,
Chatrapathi Shivaji Maharaj Marg,
Mumbai – 1.

7.The Secretary to Government of India,
Ministry of Commerce and Industry,
Udyog Bhawan,
New Delhi - 110 107.

8.The Secretary to the Government of India,
Ministry of Finance,
Department of Revenue (Customs)
Room No.46, North Block,
New Delhi - 110 001. ... Respondents

Prayer : Writ Appeal filed under Clause XV of Letters Patent, to allow the writ appeal by setting aside the order passed in W.P.(MD).No.22615 of 2019 dated 27.02.2020 on the file of this Court.

For Appellants	:	Mr.Veerakathiranvan, Addl. Advocate General, Assisted by Mr.S.Shaji Bino, Spl. Government Pleader.
For Respondents	:	Mr.Sricharan Rangarajn, Senior Counsel, For Mr.J.Kingsly Solomon for R1 & R5. Mr.A.Arivuchandran for R2 Mr.Gowri Shankar, Central Govt. Standing Counsel for R3 & R4 Mr.P.Paulpandi, Senior Panel Counsel R6 to R8.

COMMON JUDGMENT

(By G.R.SWAMINATHAN, J.)

The question of law arising for consideration in these writ appeals is whether permission/No-objection is required from the jurisdictional District Collector for transporting a validly imported major mineral.

2.The petitioner in WP(MD)No.24396 of 2019 (V.V.Titanium Pigments Private Limited) imported 10,500 metric tones of ilmenite from Norway. They manufacture Titanium Dioxide and ilmenite is said to be a raw material for the said product. After the imported goods reached the shores of India, the Port Trust informed the District Collectors of Thoothukudi and Tirunelveli about the arrival of the goods vide letter dated 18.10.2019. In response thereto, the District Collector, Thoothukudi vide communication dated 21.10.2019 called upon the Chairman, Port Trust, Thoothukudi to hold back the goods and stop their transportation from the Port Trust to the importer's godown. The Traffic Manager of the Port Trust vide letter dated 22.10.2019 informed the Custom House Agent of the petitioner about the refusal of allotment of birthing for the said vessel until clearance is obtained from the State authorities. Questioning the said communication, the writ petitioner's customs house agent / D.Gnanaraj filed WP(MD)No.22615 of 2019 seeking certiorarified mandamus and a direction to the respondents not to interfere with import of ilmenite, when supported with relevant import documents. Interim order staying the communication of the traffic manager was passed on 24.10.2019. Since the Customs House Agent was prevented from transporting the mineral outside the Port, an injunction petition came to be filed in WMP (MD)19738/2019. Vide order dated 31.10.2019, it was closed with liberty since the goods came to be cleared after issuance of gate pass by the Traffic Manager.

3.When the imported ilmenite was attempted to be transported, the Tahsildar inspected the premises of the Petitioner in the presence of VAO and seized them. Aggrieved by the conduct of the State Authorities, WP(MD) No. 24396/2019 came to be filed. V.V.Titanium Pigments Private Limited submitted that the State authorities, particularly, the jurisdictional District Collector has no power to interfere with their import of ilmenite from other countries including discharge, transportation, storage and usage thereof. The learned Single Judge upheld the contention of the importer and allowed their writ petition as prayed for. Since the goods had been cleared, the writ petition filed by the customs house agent was closed as infructuous. Questioning the common order dated 27.02.2020 passed by the learned Single Judge in W.P.(MD)Nos.24396 and 22615 of 2019, these writ appeals have been filed by the State.

4.The learned Additional Advocate General appearing for the State reiterated all the contentions set out in the grounds of appeal. He also filed elaborate written submissions and took us through the contents set out therein. He placed particular reliance on Rules 4, 5 and 6 of the Tamil Nadu Prevention of Illegal Mining, Transportation and Storage of Minerals and Mineral Dealers Rules, 2011 and Rule 45 of the Mineral Conservation and Development Rules, 2017. He also painted the writ petitioner in fairly dark colours. He drew our attention to the stinging criticism and levy of huge penalty made against the writ petitioner vide order dated 17.02.2025 passed by the Division Bench in Suo.Motu. W.P.No.1592 of 2015. He also pointed out that in their official website, the writ petitioner had indicated that they are sourcing their raw material from their sister concern namely, V.V.Mineral. He expressed his apprehension that if there is no oversight, minerals illegally excavated from India might be passed off as if they were lawfully imported from outside. He, therefore, called upon us to set aside the order of the learned Single Judge and allow the writ appeals as prayed for.

5.Per contra, the learned Senior Counsel appearing for the writ petitioner submitted that the order of the learned Single Judge is well reasoned and that it is supported by the precedents of the Hon'ble Supreme Court. He filed detailed notes of arguments and took us through its contents. He called upon us to sustain the order of the learned Single Judge and pressed for dismissal of these writ appeals.

6.The learned standing counsel for the Port Trust submitted that they would abide by the orders of this Court. He admitted that the Port Trust did not allow the writ petitioner to unload the imported mineral only in view of the objection raised by the District Collector.

7.We carefully considered the rival contentions and went through the materials on record in the light of the statutory scheme. Let us first address the submission made by the learned Senior Counsel for the writ petitioner that Mines and Minerals (Development and Regulation) Act, 1957 will have no application to imports of minerals. The learned Single Judge endorsed the said submission by relying on the decision rendered in ***W.A.(MD)No.1454 of 2017 (The District Collector Vs. M/s.M.R.M.Ramaiya Enterprises)*** in which it was held that Mines and Minerals (Development and Regulation) Act does not deal with imports of minerals from other countries. It is seen that this decision of the Hon'ble Division Bench has been stayed by the Hon'ble Supreme Court in S.L.P.(C)No.2831 of 2018. De hors the interim order granted by the Hon'ble Supreme Court, we negative the contention of the learned Senior Counsel for the writ petitioner. The preamble of the Act reads that the Act provides for the development and regulation of mines and minerals under the control of the Union. The learned Senior Counsel wants us to hold that the statute would apply only to those minerals excavated within the territory of India. We do not agree. The expression employed in the preamble is "**under the control of the Union**". Once goods are imported from abroad and brought into the territory of India, they would definitely fall within the control of the Union subject to due process of law. Section 4 (1) of the Act deals with reconnaissance, prospecting or mining operations. In the very nature of things, this provision deals with operations within the country. Section 4(1-A) of the Act states that no person shall transport or store or cause to be transported or stored any mineral otherwise than in accordance with the provisions of the Act and the rules thereunder. The learned Senior Counsel for the writ petitioner would want us to construe Section 4(1-A) as referring to mineral mined pursuant to permission granted under the Act. Again, we do not agree. The word found in this provision is “any mineral”. This would obviously include not only mineral excavated in India but imported mineral also. “Any” means “all, each, or every” (***P.Ramanatha Aiyar's Advanced Law Lexicon)***. If the lawmakers intended that the expression “mineral” occurring in Section 4(1-A) of the Act should have a restrictive meaning, they would not have employed the word “any”. Some qualifying adjective would have been used so as to restrict its scope. We are conscious that the word “any” can partake the meaning “some” at times. But then, the statutory context must suggest ascription of such a narrow meaning. The fact that in Rule 45 of Mineral Conservation and Development Rules and in Form L and Form M annexed to it, exports and imports are referred to leads us to infer that the expression "any" occurring in Section 4(1-A) should be given its natural expansive meaning and not any limited connotation. We are therefore of the view that imports of minerals cannot be excluded from the purview of the MMDR Act. We cannot subscribe to the proposition laid down in ***M.R.M.Ramaiya***'s case.

8.We, however, fully endorse the submission of the learned Senior Counsel for the writ petitioner that permission from the District Collector is not necessary to clear such imports. This is for more than one reason. Ilmenite is a freely importable commodity. Obviously, the District Collector cannot have any say in the matter of imports. If he can veto the clearance of the imported goods, then the goods will have to go back as they cannot be indefinitely kept in the Port. Thus, the District Collector will get power to do indirectly what he cannot do directly. Nowhere in the Act or in the Rules framed thereunder, the District Collector has been conferred with the power to restrain the importer from clearing the goods or transporting the same from one place to another.

9.The learned Additional Advocate General relied heavily on Rule 45(1)&(7) of the Mineral Conservation and Development Rules, 2017. The said provisions read as under:-

*"**45. Monthly and annual returns. –** (1) The holder of a mining lease, or any person or company engaged in trading or storage or end-use or export of minerals mined in the country, shall cause himself to be registered online with the Indian Bureau of Mines as per application specified in Form K of the Schedule and the registration number so allotted by the Indian Bureau of Mines shall be used for all purposes of online reporting and correspondence connected therewith.*

(7) If it is found that the holder of a mining lease or the person or company engaged in trading or storage or end-use or export of minerals, as the case may be, has submitted incomplete or wrong or false information in daily or monthly or annual returns or fails to submit a return within the date specified; then,–

(a) in the case of mining of minerals by the holder of a mining lease, the Regional Controller of Mines may advise the State Government to,-

(i) order suspension of all mining operations in the mine and to revoke the order of suspension only after ensuring proper compliance;

(ii) take action to initiate prosecution under these rules; (iii) recommend termination of the mining lease, in case such suppression or misrepresentation of information indicates abetment or connivance of illegal mining;

(b) in the case of trading or storage or end-use of minerals, the State Government, where the person or company engaged in trading or storage or end-use of minerals is sourcing the minerals, shall order suspension of–

(i) trading licence (by whatever name it is called);

(ii) all transportation permits issued to such person or company for mineral transportation (by whatever name it is called);

(iii) storage licence for stocking minerals (by whatever name it is called);

(iv) permits for end-use industry of minerals (by whatever name it is called);

as the case may be, of such person or company engaged in trading or storage or end-use of minerals, and may revoke the order of suspension only after ensuring proper compliance;

(c) in the case of export of minerals, the Directorate General of Foreign Trade shall order suspension of permits for carrying out such exports of minerals of such person or company engaged in export of minerals, and may revoke the order of suspension only after ensuring proper compliance:

Provided that the holder of a mining lease or the person of company engaged in trading of storage or end user or export of minerals, as the case may be, referred to in clause (a), (b) and (c) above, shall be informed in writing about the violation and if the violation is not rectified within a period of forty-five days, a show cause notice shall be given asking reasons why the mining operations should not be suspended and, further, if no satisfactory reply is received within a period of thirty days, the mining operations may be suspended.

10.It is seen that the expression “export and import” were introduced into the Rule only with effect from 03.11.2021. The communication impugned in the writ petition was issued prior to this amendment. Therefore, the validity of the impugned communication cannot be tested with reference to these subsequent amendments in the Rules. Be that as it may, a careful reading of Rule 45 of the Mineral Conservation and Development Rules, 2017 makes it clear that what is envisaged is only intimation about the import of minerals to the concerned State Government / its authorized officers. In the case on hand, after the imported goods reached the shores of India, the Port Trust informed the jurisdictional District Collector about their arrival. Rule 45 of Mineral Conservation and Development Rules, 2017 nowhere provides that the District Collector will have the authority to restrain the Port Trust from permitting transportation of the goods from the Port Trust to the purchaser's godown.

11.Of course, registration with The Indian Bureau of Mines is required. It is seen that following the amendment, the writ petitioner herein promptly registered themselves with Indian Bureau of Mines in the year 2017 itself. It is further seen that they have also been periodically submitting their returns.

12.Rule 45(7) of Mineral Conservation and Development Rules, 2017 has three components (a, b and c) ; (a) deals with mining of minerals by the holder of mining lease ; (b) deals with trading or storage or end-use of minerals and (c) deals with export or imports of minerals. Since Rule 45(7)(c) specifically deals with imports of minerals and the authority is vested with Directorate General of Foreign Trades, he alone will have the power to deal in case of any infraction of procedure or rules.

13.The learned Additional Advocate General placed more reliance on Tamil Nadu Prevention of Illegal Mining, Transportation and Storage of Minerals and Mineral Dealers Rules, 2011. The said Rules were made in exercise of the power conferred under Sections 15(1)(A) and 23C(1) of Mines and Minerals (Development and Regulation) Act, 1957. Section 15(1) and (1A) are clearly not applicable. It is because the said provisions deal with minor minerals and ilmenite is admittedly a major mineral. Of course, Section 23C will have application because it deals with both major and minor minerals. The Hon'ble Supreme Court reported in ***(2019) 16 SCC 513 (State of Gujarat and Others Vs. Jayeshbhai Kanjibhai Kalathiya and Others)*** dealt with the scope of rule-making power under this provision. It was held therein that Section 23C empowers the State Government to make rules to prevent illegal mining, transportation, storage of minerals and that no power flows from this provision to make rules for regulating transportation of legally excavated minerals. Section 23C can be invoked to enact rules to prevent and deal with illegally mined minerals only. Any major mineral lawfully imported cannot by any stretch of imagination be termed as unlawfully mined mineral. Therefore, the said Rules cannot be pressed into service to prevent the writ petitioner from importing ilmenite or transporting the same from one place to another including Port Trust to the purchaser's godown. The authorities can interfere with the right of any individual or entity from carrying on their business activities only in the manner known to law. The authorities do not have any inherent power. Their action must have foundation in law. Without such legal backing, there cannot be any restraint of one's conduct of lawful business. The District Collector has not been able to satisfy us that his action against the writ petitioner is traceable to any statutory provision. That is why, we hold that the impugned action of the District Collector was rightly held to be lacking in jurisdiction by the learned Single Judge.

14.Having held so, we would add a caveat. The authorities can have a broad oversight and check to ensure that in the guise of transporting lawfully imported mineral, no person is allowed to transport illegally mined or excavated minerals. As and when the writ petitioner is called upon to account, it will be their duty to satisfy the authority that they are transporting lawfully imported ilmenite. But we make it clear that this observation cannot be used to convert inspection into a tool of harassment. We hold that the District Collector will not have any jurisdiction to restrain the writ petitioner from either importing or transporting the imported ilminite from Port Trust to their godown or from one place to another.

15.The writ appeals stand dismissed. No costs. Consequently, connected miscellaneous petitions are closed.

(G.R.S. J.,) & (R.K.M. J.,)
03.02.2026

NCC : Yes/No
Index : Yes / No
Internet : Yes/ No
ias/skm

To:

1.The District Collector,
Tuticorin,
Tuticorin District.

2.The District Collector,
Tirunelveli District,
Tirunelveli.

G.R.SWAMINATHAN, J.
and
R.KALAIMATHI, J.

ias/skm

W.A.(MD)Nos.363 & 364 of 2020 and
C.M.P.(MD)No.2540 and 2544 of 2020

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(1/2)