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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\# **CNR No. DLHC010465272017**

\+ W.P.(C) 1259/2017 & CM APPL. 5722/2017

HINDALCO INDUSTRIES LIMITED & ANR .....Petitioners

Through: Ms. Vanita Bhargava (through VC) with Mr. Ajay Bhargava, Mr. Aseem Chaturvedi, Mr. Arpit Kumar Singh & Ms. Sanjana Lal, Advs.

versus

UNION OF INDIA & ORS .....Respondents

Through: Mr. Piyush Beriwal, Adv. for R-1.
Mr. Rohan Jaitley, CGSC with Mr. Akshay Sharma, GP, Mr. Varun Partap Singh & Mr. Yogya Bhatia, Advs. for UOI.
Mr. Anil Mittal & Mr. Atul Chauhan, Advs. for R-4/UP.
Mr. Tarkeshwar Nath, Mr. Harshit Singh & Mr. Anant Dev, Advs. for R-6/SECL.
Mr. Karan Singh Bhati & Mr. Hemendra Sharma, Advs. for R-8 to 12.

CORAM:
HON'BLE MR. JUSTICE AVNEESH JHINGAN
HON'BLE MS. JUSTICE SHAIL JAIN

O R D E R

% 01.10.2026

1. This petition is filed with the following prayers:

"(a) Issue an appropriate writ, order or direction to declare the

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Notification dated 31.08.2016 bearing Notification No. G.S.R. 837(E) issued by the Respondent No. 1 to be ultra vires the Mines and Mineral (Development and Regulation) Act, 1957 and hence illegal, null and void and bad in law;

(b) Issue an appropriate writ, order or direction to quash the Notification dated 31.08.2016 bearing Notification No. G. S. R. 837 (E) issued by the Respondent No.1;

(c) Issue an appropriate writ, order or direction to set aside/quash the Impugned DMF Notices (Annexure -P/15 to Annexure -P/18 and Impugned DMF Bills issued by the Respondent Nos. 8 to 11, with respect to the contribution to/establishment of DMF w.e.f. 12.01.2015."

2. Learned counsel for the parties are *ad idem* that prayers (a) and (b) no longer survive in view of the fact that Supreme Court in ***Federation of Indian Mineral Industries & Ors. v. Union of India & Anr.*** 2017 INSC 1042 struck down the notification dated 31.08.2016 being ultra vires the rule making power of the Central Government under the Mines and Minerals (Development and Regulation) Act, 1957. The operational part of the judgment is reproduced below:

"46. Having considered the issues raised by the petitioners and by the learned Additional Solicitor General in different perspectives, we hold: (i) Merely because the DMFs have been established or are deemed to have been established from a date prior to the issuance of the relevant notifications does not make their operation retrospective. (ii) In any event, the establishment of the DMFs (assuming the establishment is retrospective) from 12th January, 2015 does not prejudicially affect any holder of a mining lease or a prospecting licence-cum-mining lease. (iii) In view of the failure of the Central Government to prescribe the rate on 12th January, 2015 at which contributions are required to be made to the DMF, the contributions to the DMF cannot be insisted upon with effect from 12th January, 2015. Fixing the maximum rate of

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contribution to the DMF is insufficient compliance with the law laid down by the Constitution Bench in ***Vatika.*** (iv) Contributions to the DMF are required to be made by the holder of a mining lease or a prospecting licence-cum-mining lease in the case of minerals other than coal, lignite and sand for stowing with effect from 17th September, 2015 when the rates were prescribed by the Central Government. (v) Contributions to the DMF are required to be made by the holder of a mining lease or a prospecting licence-cum-mining lease in the case of coal, lignite and sand for stowing with effect from 20th October, 2015 when the rates were prescribed by the Central Government or with effect from the date on which the DMF was established by the State Government by a notification, whichever is later. (vi) The notification dated 31 st August, 2016 issued by the Central Government is invalid and is struck down being ultra vires the rule making power of the Central Government under the MMDR Act.

47. We fervently hope the State Governments recognize their responsibilities and utilize the contributions to the District Mineral Funds quickly and for the object for which they have been established, particularly since the amounts involved are huge."

3. The only surviving grievance relates to the directions of the Supreme Court that contributions made to the District Mineral Foundation (DMF) by the holders of mining leases or prospecting licence-cum-mining leases for the period prior to the date determined by the Supreme Court shall not be refunded but may be adjusted against future contributions, without any interest.

4. Learned counsel for respondent no.6 has produced a photocopy of the communication dated 03.03.2018 addressed to the Director, Geology and Mining to comply with the directions of the Supreme Court and true copy of the communication has been taken on record.

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5. Learned counsel for respondent nos.8 to 12 on instructions submits that the directions of the Supreme Court are already being complied with.

6. In view of the above, no further orders are called for. The petition is disposed of.

7. Pending application stands disposed of.

AVNEESH JHINGAN, J

SHAIL JAIN, J

OCTOBER 1, 2026
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