Madras High Court strikes down Rule 3-A on mineral transport ban

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News

On 17 November 2026 the Madras High Court declared unconstitutional and struck down Rule 3-A of the 'Tamil Nadu Prevention of Illegal Mining, Transportation and Storage of Minerals and Mineral Dealers' Rules, 2011', which empowered the State to impose temporary bans on transporting minerals to other States. The First Bench of Chief Justice S.A. Dharmadhikari and Justice G. Arul Murugan allowed writ petitions filed by leaseholders and crusher operators. Using the rule, inserted by an amendment in July 2026, the Director of Geology and Mining on 27 July 2026 banned for three months the transport of rough stone, aggregates, M-sand and similar material to States other than Puducherry and Karaikal; the ban was extended by three more months from 27 October. The court said Section 23-C of the Mines and Minerals (Development and Regulation) Act, 1957 allows rules only to prevent illegal mining, and cannot be used to stop the transport of minerals mined under a valid lease after seigniorage is paid. The rule exceeded the parent Act (ultra vires) and violated Articles 301, 302 and 304(b) in Part XIII of the Constitution. The Bench clarified that the State may regulate vehicle loads, speed and public safety, but cannot directly stop sales or transport beyond the State's borders.

Key facts for the exam

Point	Details
Court	Madras High Court – First Bench
Judges	CJ S.A. Dharmadhikari, Justice G. Arul Murugan

Point	Details
Verdict	17 November 2026
Rule struck down	Rule 3-A – TN Prevention of Illegal Mining... Mineral Dealers' Rules, 2011
Rule inserted	Amendment of July 2026
Ban order	27 July 2026 – 3 months; extended from 27 Oct; Puducherry, Karaikal exempt
Parent Act	MMDR Act, 1957 – Section 23-C
Violated	Articles 301, 302, 304(b) – Part XIII
Precedent relied on	State of Gujarat v. Jayeshbhai Kanjibhai Kalathiya (SC)

Background

- Constitution – Part XIII (Articles 301–307): Article 301 guarantees freedom of trade, commerce and intercourse throughout India. Parliament may impose restrictions in the public interest (Article 302). A State Legislature may impose reasonable restrictions in the public interest, but such a Bill needs the President's previous sanction (Article 304(b)). Imposing a ban through a subordinate rule without that sanction was the core issue here.
- Minerals – division of powers: in the Seventh Schedule, regulation of mines and mineral development, to the extent declared by Parliament, is Entry 54 of the Union List; subject to it, Entry 23 of the State List empowers the States. The MMDR Act, 1957 is that declaration. Rough stone, gravel and sand are 'minor minerals', and State Governments frame concession rules for them under Section 15. Section 23-C, which allows rules to curb illegal mining, was added by a 1999 amendment.
- Delegated legislation and 'ultra vires': the executive can frame rules (subordinate/delegated legislation) only within the power granted by the parent Act passed by the legislature. A rule that exceeds that limit is struck down as ultra vires. High Courts hear such writ petitions under Article 226.
- Economic background: rough stone, aggregates and M-sand are basic inputs for construction. The State justified the ban citing contractors' associations' representations on local scarcity and infrastructure needs; the court held that, once mining is permitted, banning inter-State transport has no rational link to ensuring local availability.

Tamil Nadu link: A direct Tamil Nadu story: the ban was imposed on 27 July 2026 by the Director of Geology and Mining, Chennai; in August 2026 the Madurai Bench had also sought the State's reply on a plea by a Kanniyakumari district trader. The State's rules for minor minerals are the 'Tamil Nadu Minor Mineral Concession Rules, 1959'.

Frequently asked questions

What is this news about?

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What are the key facts to remember for the exam?

Court: Madras High Court – First Bench; Judges: CJ S.A. Dharmadhikari, Justice G. Arul Murugan; Verdict: 17 November 2026; Rule struck down: Rule 3-A – TN Prevention of Illegal Mining... Mineral Dealers' Rules, 2011.

What is the background to this news?

Constitution – Part XIII (Articles 301–307): Article 301 guarantees freedom of trade, commerce and intercourse throughout India.

Practice questions (with answers)

1. Which Article lets a State Legislature restrict inter-State trade reasonably, but only with the President's previous sanction for the Bill?

A) Article 301

B) Article 304(b)

C) Article 302

D) Article 307

Answer: B – Explanation: Article 304(b). Article 301 – freedom of trade; 302 – restrictions by Parliament; 307 – authority to carry out these Articles.

2. 'Regulation of mines and mineral development' to the extent declared by Parliament falls in which List of the Seventh Schedule?

A) State List

B) Concurrent List

C) Union List

D) Residuary powers

Answer: C – Explanation: Union List, Entry 54. Subject to it, State List Entry 23 gives the States power over mines and minerals.

3. Under the MMDR Act, 1957, who frames the concession rules for 'minor minerals' such as rough stone and gravel?

A) State Governments

B) Union Mines Ministry

C) Indian Bureau of Mines

D) Geological Survey (GSI)

Answer: A – Explanation: State Governments, under Section 15. Tamil Nadu applies the 'Tamil Nadu Minor Mineral Concession Rules, 1959'.

4. Under which doctrine does a court strike down a rule that goes beyond the power given by its parent Act?

A) Res judicata

B) Stare decisis

C) Ultra vires

D) Locus standi

Answer: C – Explanation: Ultra vires – 'beyond the powers'. Res judicata bars re-trying a decided case; stare decisis means following precedent.

5. Apart from its principal seat in Chennai, the Madras High Court has a permanent Bench in which city?

A) Coimbatore

B) Tiruchirappalli

C) Tirunelveli

D) Madurai

Answer: D – Explanation: Madurai – functioning since 24 July 2004 (opened by CJI R.C. Lahoti). In August 2026 the Madurai Bench sent a Kanniyakumari trader's plea against this ban to the Chief Justice to decide where it should be heard.

Sources: Madras High Court judgment (17 Nov 2026); The Hindu / DT Next (17-18 Nov 2026); DT Next (11 Aug 2026); Constitution of India Part XIII; MMDR Act 1957 (indiacode.nic.in). © Shanmugam IAS Academy.