

No. MPS-34011/6/2020-CPIAM

Government of India

Ministry of Coal

Room No. 622-A, Shastri Bhawan,
New Delhi, Date: 8th June, 2021

Subject: Repealing of CMCD Act, 1974 and CMCD Rules, 1975 read with CMCD (Amendment) Rules, 2011–Stakeholder consultation - Reg.

Ministry of Coal had constituted a Dedicated Team to examine the Acts and Regulations under the purview of Ministry of Coal, with the objective of scrutinizing the relevance and requirement of various compliances and rationalizing, reducing and simplifying the related processes. The dedicated team has, inter-alia, recommended that:

- (a) Some relevant provisions of CMCD Rules, 1975 read with CMCD (Amendment) Rules, 2011 may be incorporated in CCR, 2004; and
- (b) CMCD Act, 1974 and CMCD Rules, 1975 read with CMCD (Amendment) Rules, 2011 may be repealed.

2. Considering the above recommendations, it has been decided:

- (a) To incorporate the provisions of Rule 4, 6, 7, 10, 12, 13,14,15, 17 & 18Kof CMCD Rules, 1975 read with CMCD (Amendment) Rules in CCR, 2004; and
- (b) To repeal CMCD Act, 1974 and CMCD Rules, 1975 read with CMCD (Amendment) Rules, 2011

3. Details of the provisions of CMCD Rules, 1975 read with CMCD (Amendment) Rules, 2011, to be incorporated in CCR, 2004 is annexed. Copies of CMCD Act, 1974; CMCD Rules, 1975 and CMCD (Amendment) Rules, 2011 are also attached for ready reference.

4. All stakeholders may provide their comments on the above action of the Ministry of Coal within 30 days from the date of placing on the website of this Ministry at e-mail id: hitlar.singh85@nic.in. Comments received thereafter shall not be considered.

Encl.: As above.

-sd-

(Hitlar Singh)

Under Secretary to the Govt. of India
e-mail id: hitlar.singh85@nic.in

To,

1. NIC – for placing on website of MoC for stakeholder consultation
2. Stakeholders [CIL/SCCL/NLCIL/CCO/other private players]

Provisions of CMCD Rules, 1975 read with CMCD (Amendment) Rules, 2011 to be incorporated in CCR, 2004-

Rule 4: Contravention of Direction – Any order issued under **section 18 of MMDR Act [in respect of conservation of coal and development of coal mines and Power of Inspectors]** shall be complied with by the owner, agent or manager of the coal mine concerned within the period of specified therein and failure to do so shall be deemed to be contravention of these Rules.

Rule 6: Power of the Central Government to recover cost –

(1) The Central Government may recover from the owner, agent or manager of a coal mine either wholly or partly the cost of such measures or operations as are undertaken by it under section 18 of MMDR Act [**in respect of conservation of coal and development of coal mines**], if it is satisfied on consideration of all facts and circumstances that such recovery of cost is justified.

(2) The Central Government may permit the owner to meet either wholly or partially the expenditure on account of recovery of the cost mentioned in sub-rule (1) from out of the moneys at the credit of the Account.

Rule 7- Supply of information –

(1) Every owner, agent or manager shall furnish to the Coal Controller such information regarding production and dispatch of coal, washery products from his mine or mines, washery and process products, working methods and conditions in his mine or mines as may be specified by the Coal Controller.

(2) Every owner, agent or manager shall furnish to the Coal Controller such other information regarding opening, re-opening, closure of mines and any other information as may be required by the Coal Controller in the prescribed media for data transfer.

Coal Conservation and Development Advisory Committee

10. COMPOSITION AND FUNCTIONS OF THE ADVISORY COMMITTEE-

(1) For the purpose of determining the procedure for the reimbursement of funds under Central Sector Schemes, namely, “Conservation, Safety and Infrastructural Development in Coalmines area”, the Central Government may constitute an Advisory Committee, to be called the “Coal Conservation and Development Advisory Committee” to advise that Government.

(2) The Advisory Committee shall consist of the following members, namely-

- (i) Additional Secretary (Coal), Ministry of Coal, ex-officio who shall be the Chairman;

- (ii) Financial Adviser and Joint Secretary, Ministry of Coal, ex-officio (member);
- (iii) Advisor (Projects), Ministry of Coal, (member);
- (iv) Director General of Mine Safety, Ministry of Labour, ex-officio (member);
- (v) Sr. Advisor (Energy), Planning Commission (member);
- (vi) Chairman-cum-Managing Director, BCCL (member);
- (vii) Chairman-cum-Managing Director, ECL (member);
- (viii) Chairman-cum-Managing Director, Central Mine Planning & Design Institute (member);
- (ix) Director (Technical), Coal India Ltd.
- (x) Director (Technical), SCCL
- (xi) Director, Central Institute of Mining & Fuel Research, Dhanbad ex-officio (member);
- (xii) Coal Controller, Ministry of Coal – member secretary;
- (xiii) Two representatives of private/captive coal producing organizations to be nominated by the Central Government.

(3) Without prejudice to the generality of the provisions contained in sub-rule (1), the functions of the Advisory Committee shall be-

- (a) to advise the Central Government regarding the formulation and implementation of a national policy in relation to the conservation, development and scientific utilization of the coal reserves of the country keeping in view the recommendation that may be made in this regard by the Central Mine Planning and Design Institute, Coal Mines Authority Ltd.;
- (b) to recommend measures which should be taken for
 - (i) ensuring the conservation of the coal resources,
 - (ii) undertaking the development of the coal mines in a scientific manner,
 - (iii) undertaking research in relation to conservation of coal, development of coal mines and utilization of coal,
 - (iv) undertaking formulation and implementation of national policy on Mine Closure Plan of Coal (including Lignite) mines and
 - (v) better utilization of coal;
- (c) to recommend the classes, grade or sizes into which coal or coke may be categorized;
- (d) to recommend the rates at which duties of excise may be imposed on coal or coke;
- (e) to advise the Central Government on the disbursement of funds under Central Sector Scheme to the owners, agents or managers of coal mines or to any other person for specified purposes;
- (f) to advise the Central Government on the manner in which and the condition – subject to which financial assistance might be granted;
- (g) to advise the Central Government regarding the procedure that should be adopted for carrying out examination, inquiries and inspection in order to ascertain whether the financial assistance granted under the Central Sector Scheme is being or has been utilized for the purpose for which it was sanctioned, as also to ascertain whether the provision made thereunder are being complied with;

- (h) to recommend to the Central Government the action that should be taken against those who make any default in complying with the provisions, and also in implementing the schemes and measures for conservation and development sanctioned

(4) The Advisory Committee shall meet when required by the Central Government to do so and shall have the power to regulate its own procedure.

(5) The non-constitution of the Advisory Committee or the existence of any vacancy therein shall not render invalid the disbursement of any amounts or any application of the Coal Mines Conservation and Development Account.

Grant of assistance

12. Purposes for which funds under the Central Sector Scheme may be disbursed:

The Central Government may, having regard to the recommendations of the Advisory Committee, make disbursements to the owners, agents or manager of coal mines or to any other person, for the purposes, one or more of the following, namely-

(1) Conservation and safety-

- I. Stowing operations.
- II. Protective Works, including-
 - (a) blanketing with incombustible materials;
 - (b) filling up of subsidence;
 - (c) cutting of branch trenches;
- III. Surface protection measures including vacation of buildings and structures over areas of subsidence and rehabilitation of affected persons;
- IV. Installation of stowing plants, blending plants and plants for the beneficiation of coal;
- V. Schemes for recovery and transportation of sand.

(2) Scientific Development of Coal Mines –

- (i) Development of new coal mining methods, development and utilization of explosives
- (ii) Techno-economic studies of various underground and surface transport systems in mines.
- (iii) Investigation into problems of rock burst in deep mines.
- (iv) Investigation into roof bolting under different mining conditions.
- (v) Introduction of man riding system.
- (vi) IT and other electronic aids for application in mining.

(3) Research and Development-

- (i) Transportation of stowing material.
- (ii) Investigations into suitability of waste materials for stowing in mines.
- (iii) Investigation into problems of mines fires and efficacy of different methods of dealing with them.
- (iv) Assessment of ventilation and other environmental condition in mines.

- (vi) Problems relating to Methane emission and drainage from highly gassy coal seams.
- (vii) Research on surface pollution and environmental control in mining areas.
- (vii) Any other activity for furtherance of conservation as directed by the Central Government.

(4) Meeting the expenses in connection with the work of Advisory

(5) Development of roads and creation of rail infrastructure

13. APPLICATION FOR ASSISTANCE – Every owner, agent or manager of a coal mine or group of coal mines or any other person desirous of obtaining financial assistance, under the Central Sector Scheme, shall submit his proposals to the Coal Controller.

14. QUANTUM OF ASSISTANCE – Assistance shall be granted by the Central Government with due regard to the circumstances of each case.

15. ACCEPTANCE OF CONDITIONS ATTACHING TO THE GRANT OF ASSISTANCE – Before granting assistance under these rules, the Central Government may specify the conditions to be fulfilled by the owner, agent or manager of a coal mine or any other person to whom assistance is proposed, to be granted and secure the acceptance in writing by such owner, agent or manager of the coal mine or any other person of such conditions.

17. SUBMISSION OF ANNUAL REPORTS – Every person to whom the money has been disbursed under the Central Sector Scheme shall submit to the Coal Controller by 30th September in each year an Annual Report regarding the utilization of the assistance received by him during the previous financial year along with a copy of the statement of Receipts and Payments, together with the Auditor's Report in respect of the Account and the Statement of Receipts and Payments.

Rule 18K -- Power to Monitor Mine Closure and operate the escrow account formed for funding Mine Closure Activity. –

The Coal Controller or any other officer authorized by him in writing may with a view to securing compliance of this order, -

(a) Require any owner or agent or monitor of a colliery to give any information in his possession regarding to implementation of approved mine closure plan;

(b) Inspect the closure activities being conducted at the mine and direct for any additional jobs to be carried out to fulfill the conditions of Mine Closure Plan;

(c) Coal Controller shall issue Mine Closure Compliance Certificates based on which the reclaimed leasehold area or any structure thereon which is not to be utilized by the mine owner shall be surrendered to the State Government following a laid down procedure which are in vogue at that point of time.

THE COAL MINES (CONSERVATION AND DEVELOPMENT) ACT, 1974

ARRANGEMENT OF SECTIONS

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PRELIMINARY

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13. Power of Central Government to direct vesting of rights in a Government company.
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17. Protection of action taken in good faith.
18. Power to make rules.
19. *[Repealed.]*

THE COAL MINES (CONSERVATION AND DEVELOPMENT) ACT, 1974

ACT NO. 28 OF 1974

[26th August, 1974.]

An Act to provide for the conservation of coal and development of coal mines and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Twenty-fifth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.—(1) This Act may be called the Coal Mines (Conservation and Development) Act, 1974.

(2) It extends to the whole of India.

(3) It shall come into force on such date¹ as the Central Government may, by notification, appoint in this behalf.

2. Declaration as to expediency of control by Central Government.—It is hereby declared that it is expedient in the public interest that the Central Government should take under its control the regulation and development of coal mines to the extent hereinafter provided.

3. Definitions.—In this Act, unless the context otherwise requires,—

(a) “appointed day” means the day on which this Act comes into force;

(b) “blending” means the process of intimately mixing different varieties of coal so as to provide a mixture which on carbonisation results in coke;

(c) “coal” includes coke in all its forms but does not include lignite;

(d) “Chief Inspector” and “Inspector” mean the persons respectively appointed as the Chief Inspector of Mines and Inspector of Mines under the Mines Act, 1952 (35 of 1952), and the provisions of that Act shall apply to the Chief Inspector and to all Inspectors while exercising their powers under this Act or the rules made thereunder;

(e) “notification” means a notification published in the Official Gazette;

(f) “prescribed” means prescribed by rules made under this Act;

(g) “scheduled bank” means a bank for the time being included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934);

(h) “railway” shall have the meaning assigned to it in the Indian Railways Act, 1890 (9 of 1890);

(i) “safety in coal mines” includes the safety of any railway situated on the surface above a coal mine;

(j) “stowing” means the operation of filling, with sand or any other material, or with both, spaces left underground in a coal mine by the extraction of coal;

(k) “washing” means such process or combination of processes as may be approved in this behalf by the Central Government by which the whole or any part of the shaley and mineral matter found in the coal is removed therefrom;

(l) “agent”, “mine” and “owner” have the meanings respectively assigned to them in the Mines Act, 1952 (35 of 1952).

1. 1st April, 1975, *vide* notification No. G.S.R. 164(E), dated 26th March, 1975, *see* Gazette of India, Extraordinary, Part II, sec. 3(i).

CHAPTER II

PROVISIONS RELATING TO CONSERVATION OF COAL AND DEVELOPMENT OF COAL MINES

4. Power of Central Government in respect of conservation of coal and development of coal mines.—(1) The Central Government may, for the purpose of conservation of coal and for the development of coal mines, exercise such powers and take, or cause to be taken, such measures as it may deem necessary or proper or as may be prescribed.

(2) Without prejudice to the generality of the foregoing power, the Central Government may, by order in writing addressed to the owner, agent or manager of a coal mine, require him to take such measures as it may think necessary for the purpose of conservation of coal or for development of coal mines, including—

(a) in any coal mine, stowing for safety, or

(b) the prevention of any factor which may adversely affect the conservation of coal or development of coal mine, or

(c) washing of coal with a view to beneficiating and reducing the ash-contents of coal.

¹[(3) The Central Government may, if it is satisfied after consideration of all the facts and circumstances that the recovery of the cost of measures, if any, undertaken by it under sub-section (1) or sub-section (2) in relation to a coal mine is justified, recover such cost from the owner, agent or manager of the coal mine, either wholly or partly, in the same manner as an arrear of land revenue.]

5. Duty of owner to take steps for the conservation and development of coal mine.—(1) The owner of a coal mine shall take, in relation to each coal mine owned by him, such steps as may be necessary to ensure the conservation of coal and development of the coal mine.

(2) Without prejudice to the generality of the provisions of sub-section (1), the owner of a coal mine shall—

(a) execute such stowing and other operations as may be necessary to be taken in furtherance of the objects of this Act in so far as such objects relate to the conservation of coal or development of the coal mine or the utilisation of coal obtained from the coal mine;

(b) acquire such stowing and other materials as may be necessary for ensuring the conservation of coal, and safety in, the coal mine;

(c) undertake research in relation to conservation of coal, development of coal mines and utilisation of coal;

(d) plan and undertake development of the coal mines in a scientific manner;

(e) undertake such other activity as the Central Government may, for the furtherance of the objects of this Act, direct.

6. Imposition of excise duties.—(1) With effect from the appointed day, there shall be levied and collected on all coal raised and dispatched, and on all coke manufactured and dispatched, from the collieries in India, such duty of excise, not exceeding rupees ten per tonne, as may be fixed from time to time by the Central Government by notification, and different rates of duty may be levied on different grades or description of coal or coke:

Provided that the Central Government may, by general or special order, exempt any special grade or grades or description of coal or coke from the levy of such duty of excise.

(2) For the purposes of sub-section (1), coal shall be graded by the Central Government in accordance with such specifications as may be laid down by that Government from time to time.

(3) All notifications issued under this section shall be laid, as soon as may be, before both Houses of Parliament.

1. Ins. by Act 55 of 1985, s. 2 (w.e.f. 1-1-1986).

7. Imposition of customs duty.—During the period in which any duty of excise is being levied under section 6, the Central Government may, by notification, impose on all coal (including soft and hard coke), imported or brought into India from any place outside India, a duty of customs (which shall be in addition to any duty of customs for the time being leviable under any other law), at the rates equivalent to the rates of duty of excise levied under section 6.

8. Collection of excise duties.—¹[(1)] The duties of excise levied under section 6 shall be collected by such agencies and in such manner as may be prescribed.

²[(2) Where any duty of excise referred to in sub-section (1) cannot be collected in the manner prescribed under that sub-section, it shall be recovered from the owner of the coal mine in the same manner as an arrear of land revenue.]

9. Utilisation of proceeds of duties levied and collected under sections 6 and 7.—In each financial year, a sum not exceeding the net proceeds (determined in such manner as may be prescribed) of the duties of excise and customs levied and collected under sections 6 and 7, respectively, during the preceding financial year or years shall be disbursed by the Central Government in accordance with such procedure as may be prescribed, to the owners, agents or managers of coal mines or to any other person for one or more of the following purposes, namely:—

- (a) conservation of coal and development of coal mines;
- (b) grant of stowing materials and other assistance for stowing operations;
- (c) execution of stowing and other operations for the safety in coal mines or conservation of coal;
- (d) prosecution of research work connected with conservation and utilisation of coal; and
- (e) any other purpose connected with the conservation of coal or development of coal mines, or transportation, distribution or utilisation of coal:

Provided that the Central Government may disburse to the owners, agents or managers of coal mines or to any other person, a sum not exceeding the aggregate of the net proceeds of the duties of excise collected under section 8 of the Coal Mines (Conservation, Safety and Development) Act, 1952 (12 of 1952), and remaining undischursed before the commencement of this Act, for all or any of the purposes specified in this section.

10. Duty of owner to open Coal Mine Conservation and Development Account.—(1) The owner of every coal mine, to whom any money is disbursed under section 9, shall open a separate account in a scheduled bank, to be known as the “Coal Mine Conservation and Development Account” and shall credit to the said Account all sums so disbursed to him:

Provided that where it is necessary so to do in relation to the different groups of coal mines owned by an owner, separate accounts may be opened in relation to each such group of coal mines.

(2) The money standing to the credit of the Coal Mine Conservation and Development Account and accretions thereto shall be applied by the owner of the coal mine to—

- (a) the furtherance of the objects of this Act;
- (b) the acquisition of stowing or other materials needed for stowing operations in coal mines;
- (c) the execution of stowing and other operations in furtherance of the objects of this Act;
- (d) the prosecution of research work connected with the conservation, development and utilisation of coal and safety in coal mines;
- (e) the planning and development of coal mines in a scientific manner; and
- (f) any other expenditure which the Central Government may direct to be defrayed out of the money standing to the credit of the Account.

1. Section 8 re-numbered as sub-section (1) thereof by Act 55 of 1985, s. 3 (w.e.f. 1-1-1986).

2. Ins. by s. 3, *ibid.* (w.e.f. 1-1-1986).

(3) The Account, referred to in sub-section (1), shall be kept in such manner and in such form as may be prescribed, and every such account shall be audited by the same person by whom the accounts of the owner of the coal mine are audited.

11. Power of Inspectors.—(1) The Chief Inspector or any Inspector may make such examination and inquiries as he thinks fit in order to ascertain whether the provisions of this Act or of any rules and orders made thereunder are being complied with.

(2) The Chief Inspector or any Inspector may, with such assistance, if any, as he thinks fit, enter, inspect and examine at any time by day or night any coal mine in order to ensure that stowing or any other operation has been, or is being, done effectively:

Provided that the power conferred by this sub-section shall not be exercised in such a manner as unreasonably to impede or obstruct the working of the mine.

(3) Without prejudice to the provisions of the Mines Act, 1952 (35 of 1952), the Chief Inspector or any Inspector may, by order in writing, addressed to the owner, agent or manager of a coal mine, require him to take such protective measures, including stowing, in the mine as the Chief Inspector or the Inspector may think necessary, if in the opinion of the Chief Inspector or Inspector—

(a) the extraction or reduction of pillars in any part of the coal mine is likely to cause the crushing of pillars or the premature collapse of any part of the workings or otherwise endanger human life or the coal mine or a railway, or

(b) adequate provision against the outbreak of fire or flooding has not been made by providing for the sealing off and isolation of any part of the coal mine or for restricting the area that might be affected by fire or flooding as the case may be.

(4) The powers conferred on the Inspector under sub-sections (1), (2) and (3) may also be exercised by such officer of the Central Government as that Government may, by notification, specify in this behalf.

CHAPTER III

DISSOLUTION OF THE COAL BOARD AND TRANSFER OF EMPLOYEES THEREOF

12. Dissolution of the Coal Board.—(1) On the appointed day, the Coal Board, established under section 4 of the Coal Mines (Conservation, Safety and Development) Act, 1952 (12 of 1952), shall stand dissolved.

(2) On the dissolution of the Coal Board,—

(a) all rights and privileges of the Coal Board shall become the rights and privileges, respectively, of the Central Government;

(b) the Central Government shall be deemed to be the lessee of all properties held by the Coal Board, immediately before the appointed day, under any lease and that Government shall hold the lease under the same terms and conditions under which the lease was held by the Coal Board;

(c) all other properties, movable and immovable, including cash balances, reserve funds, investments and moneys lying to the credit of the Coal Mines Safety and Conservation Fund and the Coal Development Fund, and all other rights and interests in, or arising out of, such properties as were, immediately before the appointed day, in the ownership, possession power or control of the Coal Board, and all books of account, registers, records and all other documents of whatever nature relating thereto, shall vest in the Central Government;

(d) all borrowings, liabilities and obligations of the Coal Board, of whatever kind and subsisting immediately before the appointed day, shall be deemed, on and from the appointed day to be the borrowings, liabilities or obligations, as the case may be, of the Central Government;

(e) all contracts entered into, and all matters and things engaged to be done by, with or for, the Coal Board and subsisting immediately before the appointed day, shall be deemed, on and from the appointed day, to have been entered into or engaged to be done by, with or for, the Central Government;

(f) all licences and permits granted to the Coal Board and in force immediately before the appointed day shall be deemed, on and from the appointed day, to have been granted to the Central Government and shall have effect accordingly.

13. Power of Central Government to direct vesting of rights in a Government company.—Notwithstanding anything contained in section 12, the Central Government may, if it is satisfied that a Central Government company is willing to comply, or has complied with such terms and conditions as that Government may think fit to impose, direct, by an order in writing, that the right, title and interest of the Coal Board in relation to any property shall, instead of continuing to vest in it, vest in the Government company either on the date of publication of the direction or on such earlier or later date (not being a date earlier than the appointed day) as may be specified in the direction, and on such vesting the liability or obligation, as the case may be, of the Coal Board in relation to such property shall, instead of continuing to be the liability or obligation of the Central Government, become the liability or obligation, as the case may be, of the Government company.

14. Continuation of suits, etc., against the Central Government.—(1) If, on the appointed day, any suit, appeal or other proceeding of whatever nature in relation to the Coal Board is pending by or against such Board, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the dissolution of the Coal Board; but the suit appeal or other proceeding may be continued, prosecuted and enforced by or against the Central Government or the Government company in which the property of the Coal Board has become vested, as the case may be.

(2) Where, before the appointed day, any cause of action for any suit or proceeding or any right to appeal arose in favour of, or against, the Coal Board, and the institution of any suit or proceeding on such cause of action or the filing of such appeal was not barred before the appointed day, such suit or proceeding may be instituted or appeal may be filed by or against the Central Government or the Government company referred to in sub-section (1), as the case may be.

15. Transfer of service of existing employees of Coal Board.—(1) Notwithstanding anything contained in any other law for the time being in force or in any contract to the contrary, every officer or other employee of the Coal Board shall, on and from the appointed day, become an officer or other employee, as the case may be, of such Government company or organisation as the Central Government may, in writing, specify and shall hold his office or service in such Government company or organisation, as the case may be, on the same terms and conditions and with the same rights to pension, gratuity and other matters as would have been admissible to him if the Coal Board had not been abolished, and shall continue to do so unless and until his employment in the Government company or organisation is terminated or until his remuneration or terms and conditions of service are duly altered by the Government company or organisation, as the case may be:

Provided that the tenure, remuneration and other terms and conditions of service of any such officer or other employee shall not be altered to his disadvantage except with the previous approval of the Central Government or without such approval, except as a measure of punishment, under the rules of the Government company or the organisation concerned.

(2) Where any officer or other employee of the Coal Board becomes, under sub-section (1), an officer or other employee of any Government company or organisation, the period of service rendered, or deemed to have been rendered, by him under the Coal Board before the appointed day shall be deemed, for the purposes of fixation of pay and other emoluments, pension and other retirement benefits, to be the period of service rendered by him under the said Government company or organisation, as the case may be, as if the Government company or the organisation were in existence during the said period.

16. No compensation to be paid for the transfer of services of any officer or other employee.—Notwithstanding anything contained in any other law for the time being in force, the transfer of the services of any officer or other employee from the Coal Board to any Government company or organisation shall not entitle such officer or other employee to any compensation under this Act or under any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

CHAPTER IV
MISCELLANEOUS

17. Protection of action taken in good faith.—No suit, prosecution or other legal proceedings shall lie against the Central Government or against the Chairman or any other member of the Coal Board or any officer thereof or any other person in respect of anything which is in good faith done or intended to be done in pursuance of this Act or of any rules or orders made thereunder, or in pursuance of the Coal Mines (Conservation, Safety and Development) Act, 1952 (12 of 1952) or any rule made thereunder.

18. Power to make rules.—(1) The Central Government may, by notification and subject to the condition of previous publication, make rules to carry out the provisions of this Act.

(2) Without prejudice to the generality of the forgoing power such rules may provide for all or any of the following matters, namely:—

- (a) the measures to be taken for the purpose of conservation of coal and maintenance of safety in coal mines;
- (b) the measures to be taken for the development of coal mines;
- (c) the manner in which, and the conditions subject to which, sums at the credit of the Coal Mine Conservation and Development Account may be applied;
- (d) the form in which the Coal Mine Conservation and Development Account shall be kept;
- (e) any other matter which is required to be, or may be, prescribed.

(3) Any rule made under the provisions of this Act may provide that the contravention thereof shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to two thousand rupees, or with both.

(4) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the sessions or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

19.[Repeal.] *Rep. by Repealing and Amending Act, 1978 (38 of 1978), s. 2 and the First Schedule (w.e.f. 26-11-1978).*



भारत का राजपत्र

The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उपखण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० ८७]

नई दिल्ली, मंगलवार, अप्रैल १, १९७५/चक्र ११, १८९७

No. 87]

NEW DELHI, TUESDAY, APRIL 1, 1975/CHAKRA 11, 1897

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF ENERGY

(Department of Coal)

NOTIFICATION

New Delhi, the 1st April 1975

G.S.R. 184(E).—Whereas the draft of certain rules which the Central Government propose to make in exercise of the powers conferred by section 18 of the Coal Mines (Conservation and Development) Act, 1974 (28 of 1974) were published as required by sub-section (1) of that section at pages 233 to 241 of the Gazette of India Extraordinary, Part II, Section 3, Sub-section (i) dated the 12th February, 1975 under the notification of the Government of India in the Ministry of Energy (Department of Coal) No. G.S.R. 48(E), dated the 12th February, 1975 inviting objections and suggestions from all persons likely to be affected thereby on or before the expiry of a period of thirty-five days from the date of publication of the said notification in the Official Gazette;

And whereas the said Gazette was made available to the public on the 12th February, 1975;

And whereas the objections and suggestions received on the said draft have been considered by the Government;

Now, therefore, in exercise of the powers conferred by section 18 of the said Act, the Central Government hereby makes the following rules, namely:—

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(1) These rules may be called the Coal Mines (Conservation and Development) Rules, 1975.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. **Definitions.**—In these rules, under the context otherwise requires.—

- (a) "Account" means the "Coal Mines Conservation and Development Account" opened under Section 10 of the Act;
- (b) "Act" means the Coal Mines (Conservation and Development) Act, 1974 (No. 28 of 1974);
- (c) "Advisory Committee" means the Coal Conservation and Development Advisory Committee constituted under rule 10;
- (d) "Coal Controller" means the person appointed as the Coal Controller by the Government of India;
- (e) "Form" means a form appended to these Rules;
- (f) "Section" means a section of the Act;
- (g) "Treasury" means any Government treasury or sub-treasury.

CHAPTER II

MEASURES FOR CONSERVATION AND DEVELOPMENT OF COAL MINES

3. **Stowing for conservation.**—For the purpose of conservation of coal the Central Government may under section 4 issue or cause to be issued an order in writing requiring the owner, agent or manager of any coal mine to undertake stowing in such manner and within such period as may be specified in the order.

4. **Contravention of directions.**—Any order issued under section 4 or sub-section (3) of section 11 shall be complied with by the owner, agent or manager of the coal mine concerned within the period specified therein and failure to do so shall be deemed to be a contravention of these Rules.

5. **Washing of coal and other steps for conservation.**—For the purpose of conservation of coal under section 4 the Central Government may, by order in writing—

- (i) require the owner, agent or manager of any coal mine to undertake washing of coal in such manner and within such period as may be specified in the order;
- (ii) restrict the supply of coal of any grade or grades or qualities to specified consumers in accordance with any policy of coal conservation as may be determined by it from time to time;
- (iii) require the owner of any steel works, blast furnace or coke oven, using coking coal to undertake blending of coal for conservation of coal in accordance with such procedure as may be determined by it from time to time;
- (iv) issue such directions as it deems fit for ensuring economy in the use of coal and, for the purpose of verifying whether such directions have been or are being complied with, call for such information and returns from consumers as it considers necessary and arrange for the inspection of stocks of coal and coke held by consumers.

6. **Power of the Central Government to recover cost.**—(1) The Central Government may recover from the owner, agent or manager of a coal mine either wholly or partly the cost of such measures or operations as are undertaken by it under section 4, if it satisfied on consideration of all facts and circumstances that such recovery of cost is justified.

(2) The Central Government may permit the owner to meet either wholly or partly the expenditure on account of recovery of the cost mentioned in sub-rule (1) from out of the moneys at the credit of the Account.

7. **Supply of information.**—Every owner, agent or manager shall furnish to the Coal Controller such information regarding production and despatch of coal from his mine or mines and working conditions in his mine or mines as may be specified by the Coal Controller. He shall also furnish to the Coal Controller such other information regarding opening, re-opening and closure of mines as may be required by the Coal Controller.

CHAPTER III

COLLECTION OF EXCISE DUTY

8. **Collection and assessment of excise duty.**—(1) The duties of excise levied under section 6 shall be shown separately by the owner, agent or manager of a coal mine in the bill prepared for the sale of coal and coke.

(2) When raw coal is despatched from the mine for coke making to a coke plant or, as the case may be, for beneficiation to a coal washery under the same ownership as the coal mine, the duties of excise shall not be collected on raw coal despatched from the mine but on the final product of the coke plant or coal washery, that is on hard coke, soft coke, washed coal, middlings, rejects or other final product.

(3) When raw coal is despatched from a mine for coke making to a coke plant or, as the case may be, for beneficiation to a coal washery, which is not under the same ownership as the coal mine, the duties of excise shall be collected by the owner, agent or manager of the coal mine on the raw coal despatched and not on the final product of the coke plant or coal washery.

(4) Every owner, agent or manager of a coal mine shall maintain a register in Form 'A' showing the quantities of coal or coke actually despatched during a month, particulars of the parties to whom these were despatched and the prices charged therefor, and the amount of excise duty payable during a month at the rates fixed under section 6 shall be calculated and recorded in the register before the last day of the month following the month during which the despatches were effected.

(5) Every owner shall be deemed to have been provisionally assessed to an amount calculated and recorded under sub-rule (4) as payable during a month and he shall pay the same into the treasury, the remittance being creditable to the Central Government in a special account. The payment shall be made within a period of ninety days from the close of the month during which despatches were effected.

(6) The payment under sub-rule (5) shall be made by means of a challan. The treasury shall return one copy of the challan to the depositor who shall transmit this copy under sub-rule (7) to the Coal Controller.

(7) As soon as may be after the date of the payment of the duties of excise in the manner provided in sub-rule (6) and in any case not later than thirty days from the date of such payment, every owner of a coal mine shall submit to the Coal Controller a return in Form 'B' showing the quantities of coal or coke despatched during the month in respect of which the payment has been made, the amount paid under sub-rule (6) and other particulars specified in that Form. The return shall be accompanied by the copy of the challan returned under sub-rule (6) by the treasury.

(8) The final assessment of the duties of excise due from the owner of a coal mine shall be made by the Coal Controller after examination of the said return and other relevant documents, if any. For the purpose of final assessment under this sub-rule, the Coal Controller may depute a duly authorized officer to inspect and examine the account books and other records maintained at the premises of a coal mine and may by notice require, the owner to produce either personally or by his authorised representative the said records before the authorised officer at the time and place specified in the notice.

(9) If the owner has paid the duties of excise provisionally assessed under sub-rule (5) and has submitted the monthly return under sub-rule (7), the Coal Controller shall either confirm that the amount of duty provisionally assessed under sub-rule (5) is final and send an intimation to that effect to the owner or assess the additional amount found due and issue a notice calling upon the owner to pay into the treasury by a specified date the additional amount so found due in the manner prescribed in sub-rule (6) or if the amount paid under sub-rule (5) is found to be in excess of the amount due refund the excess so paid to the owner.

(10) If the owner has not made any payment under sub-rule (5), and has not submitted the monthly return under sub-rule (7), the Coal Controller shall, after giving the owner a reasonable opportunity of being heard, assess him to such an amount of duties of excise as in his opinion is fit and proper and issue a notice calling upon him to pay the full amount into the treasury, by a specified date, in the manner prescribed in sub-rule (6).

(11) Any dues of excise duty remaining unpaid after the date specified by the Coal Controller shall be recovered from the owner of the coal mine as an arrear of land revenue and shall be credited to the Central Government.

(12) In calculating the amount of duties of excise payable on any one consignment any paise shall be rounded off to the nearest five paise or multiple of five paise and the actual weight of a consignment shall be rounded off to the nearest tonne.

9. Review of assessment of excise duty.—(1) Any owner of a coal mine, aggrieved by an order of final assessment under sub-rule (8) of rule 8 may submit an application to the Coal Controller for the review of the order of final assessment within thirty days of the receipt of notice of such assessment.

Provided that no such application shall be entertained unless the amount assessed has already been paid in the manner specified in sub-rule (6) of that rule.

(2) After examination of the records relating to the assessment and after hearing the owner, if such owner requests for such hearing,—

(a) if the Coal Controller is satisfied that the excise duty assessed and paid by the owner is in excess of the amount due, he shall order refund to the owner of such amount as may have been paid in excess; or

(b) if, on the other hand, the Coal Controller is satisfied that the assessment has been made correctly he shall confirm his order of assessment.

CHAPTER IV

COAL CONSERVATION AND DEVELOPMENT ADVISORY COMMITTEE

10. Composition and functions of the Advisory Committee.—(1) For the purpose of determining the procedure for the disbursement of the net proceeds under section 9 and the manner in which, and the conditions subject to which, sums at the credit of the Coal Mine Conservation and Development Account may be applied, the Central Government may constitute an Advisory Committee, to be called the "Coal Conservation and Development Advisory Committee" to advise that Government.

(2) The Advisory Committee shall consist of the following members, namely:—

- (i) Joint Secretary, Ministry of Energy (Department of Coal), ex-officio, who shall be the Chairman;
- (ii) Financial Adviser and Joint Secretary, Ministry of Finance (Department of Expenditure), ex-officio;
- (iii) Three representatives of coal producing organisations to be nominated by the Central Government;
- (iv) Managing Director, Central Mine Planning and Design Institute, Coal Mines Authority Limited, ex-officio;
- (v) Director General, Mines Safety, Ministry of Labour, ex-officio;
- (vi) Director, Central Fuel Research Institute, Dhanbad, ex-officio;
- (vii) Director, Central Mining Research Station, Dhanbad, ex-officio;
- (viii) Coal Controller, Ministry of Energy (Department of Coal), ex-officio;
- (ix) Director or, as the case may be Deputy Secretary, Ministry of Energy (Department of Coal), ex-officio, who shall be the member-secretary.

(3) Without prejudice to the generality of the provisions contained in sub-rule (1), the functions of the Advisory Committee shall be—

- (a) to advise the Central Government regarding the formulation and implementation of a national policy in relation to the conservation, development and scientific utilisation of the coal reserves of the country keeping in view the recommendations that may be made in this regard by the Central Mine Planning and Design Institute, Coal Mines Authority Limited;
- (b) to recommend measures which should be taken for—
 - (i) ensuring the conservation of the coal resources;
 - (ii) undertaking the development of the coal mines in a scientific manner;

- (iii) undertaking research in relation to conservation of coal, development of coal mines and utilisation of coal
- (iv) improving transportation by various means and distribution of coal, and
- (v) better utilisation of coal;
- (c) to recommend the classes, grades or sizes into which coal or coke may be categorised;
- (d) to recommend the rates at which duties of excise may be imposed on coal or coke;
- (e) to advise the Central Government on the disbursement of net proceeds of duties of excise and customs levied and collected under section 6 and 7 respectively, as also the net proceeds of the duties of excise collected under section 8 of the Coal Mines (Conservation, Safety and Development) Act, 1952 and remaining undisbursed to the owners, agents or managers of coal mines or to any other person for all or any of the purposes mentioned in section 9;
- (f) to advise the Central Government on the manner in which and the conditions subject to which financial assistance might be granted under the Act;
- (g) to advise the Central Government regarding the procedure that should be adopted for carrying out examinations, inquiries and inspections in order to ascertain whether the financial assistance granted under the Act is being or has been utilised for the purposes for which it was sanctioned, as also to ascertain whether the provisions of the Act or rules and orders made thereunder are being complied with;
- (h) to recommend to the Central Government the action that should be taken against those who make any default in complying with the provisions of the Act, or of the rules and orders made thereunder, as also in implementing the schemes and measures for conservation and development sanctioned under the Act.

(4) The Advisory Committee shall meet when required by the Central Government to do so and shall have the power to regulate its own procedure.

(5) The non-constitution of the Advisory Committee or the existence of any vacancy therein shall not render invalid the disbursement of any amounts under section 9 or any application of sums out of the sums standing to the credit of the Coal Mine Conservation and Development Account.

CHAPTER V

GRANT OF ASSISTANCE

11. **Determination of net proceeds of the duties of excise.**—For the purpose of section 9, the net proceeds of the duties of excise and customs levied and collected under sections 6 and 7 respectively, in a financial year, shall be determined after taking into account the total amount of the duties collected, the refunds granted, the amounts written off and the deduction towards the cost of collection of such duties as fixed by the Central Government.

12. **Purposes for which net proceeds of the duties may be disbursed.**—For carrying out the purposes specified in section 9, the Central Government may, having regard to the recommendations of the Advisory Committee make disbursements to the owners, agents or managers of coal mines or to any other person from out of the amounts lying in credit with the Government on account of duties of excise and customs collected under the Act, and the said purposes may include one or more of the following, namely:—

- (1) Conservation and safety:—
 - (i) Stowing operations.
 - (ii) Protective works, including—
 - (a) blanketing with incombustible materials;
 - (b) filling up of a subsidence;
 - (c) cutting of trenches;
 - (d) construction of dams;
 - (e) artificial barriers.

- (iii) Special mining techniques obviating sand stowing.
 - (iv) Surface protection measures including vacation of buildings and structures over areas of subsidence.
 - (v) Installation of stowing plants, blending plants and plants for the beneficiation of coal.
 - (vi) Schemes for recovery and transportation of sand.
- (2) Scientific Development of Coal Mines:—
- (i) Development of new coal mining methods, development and utilisation of explosives.
 - (ii) Improvements in exploration, and drilling techniques.
 - (iii) Techno-economic studies of various underground and surface transport systems in mines.
 - (iv) Investigations into problems of rock burst in deep mines.
 - (v) Investigations into roof bolting under different mining conditions.
 - (vi) Development of standardised designs for coal mines and mining machinery.
 - (vii) Development of television and other electronic aids for application in mining.
- (3) Establishment and organisation of Central Mine Planning and Design Institute.
- (4) Utilisation of Coal.
- (i) Low Temperature Carbonisation projects.
 - (ii) Formed coke projects.
 - (iii) Coal Gasification projects.
 - (iv) Project for conversion of coal into oil and chemicals.
- (5) Research and Development.
- (i) Transportation of coal and sand through pipelines.
 - (ii) Other modes of transport, including inland waterways.
 - (iii) Investigations into suitability of waste materials for stowing in mines.
 - (iv) Investigations into problems of mines fires and efficacy of different methods of dealing with them.
 - (v) Assessment of ventilation and other environmental conditions in mines and development of standards.
 - (vi) Problems relating to Methane emission and drainage from highly gassy coal seams.
 - (vii) Development of instruments for measuring and recording mine gases.
 - (viii) Research on surface pollution and environmental control in mining areas.
- (6) Meeting the expenses in connection with the work of Advisory Committee.

13. **Application for assistance.**—Every owner, agent, or manager of a coal mine or group of coal mines or any other person desirous of obtaining financial assistance, under the Act, shall submit his proposals to the Central Government.

14. **Quantum of assistance.**—Assistance shall be granted by the Central Government with due regard to the circumstances of each case.

15. **Acceptance of conditions attaching to the grant of assistance.**—Before granting assistance under these rules, the Central Government may specify the conditions to be fulfilled by the owner, agent or manager of a coal mine or any other person to whom assistance is proposed to be granted, and secure the acceptance in writing by such owner, agent or manager of the coal mine or other person of such conditions.

16. **Maintenance of accounts.**—(1) The owner, agent or manager of a coal mine or group of coal mines or any other person to whom any money is disbursed under section 9 shall maintain or cause to be maintained a Statement of Receipts and Payments in respect of the Account.

(2) Such Statement shall be examined and audited as provided in sub-section (3) of section 10.

17. Submission of Annual Reports.—Every person to whom the money has been disbursed under section 9 shall submit to the Central Government by 30th September in each year an Annual Report regarding the utilisation of the assistance received by him during the previous financial year along with a copy of the Statement of Receipts and Payments, together with the Auditor's Report in respect of the Account and the Statement of Receipts and Payments.

18. Duties regarding information and inspection.—(1) Every owner, agent or manager of a coal mines or any other person who has obtained financial assistance under the Act shall on request promptly furnish to the Central Government, the Coal Controller or any other person duly authorised by the Central Government such information, plans and drawings, as may be required by the Central Government, for any purpose in furtherance of the objects of the Act.

(2) Every owner, agent or manager of a coal mine or any other person who has obtained assistance under the Act shall afford the Chairman and the Members of the Advisory Committee, the Coal Controller or any other person duly authorised by the Central Government in this behalf all reasonable facilities for inspection of the coal mine and the records in relation to the utilisation of the assistance as may be necessary for carrying out the objects of the Act.

CHAPTER VI

MISCELLANEOUS

19. Penalty for contraventions.—Any contravention of these rules shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to two thousand rupees or with both.

20. Repeal.—The Coal Mines (Conservation and Safety) Rules, 1954 are hereby repealed.

FORM 'A'

[See rule 8 (4)]

Form of register showing coal and coke despatched, price charged and excise duty.

Name of Coal Mine

Full Address

Month

Owner

Year

Name of consignee	Destination	Date of despatch	Grade and size of coal	Quantity despatched and pit head price	Rate of excise duty per tonne	Amount of excise duty collected	Date of remittance into treasury	Treasury into which paid and Challan No.
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Station :

Date :

Signature and seal of Owner/Agent/Manager.

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THE GAZETTE OF INDIA EXTRAORDINARY

[PART II]

[See rule 8 (7)]

Form of return of duties of excise realized on despatches of coal and coke

Name of Coal Mine

Owner

Full Address

Month

Year

Quantity of Coal/ Coke despatched during the month	Grade	Size	Quantity	Pit head price per tonne	Total price chargeable	Rate of excise duty per tonne.	Total excise duty payable.	Excise duty actually realised.	Amount paid into treasury.	Remarks

Certified that the above statements are true to the best of my knowledge and belief and are based on records maintained in my coal mine.

Station :

Signature and Seal of Owner/Agent/Manager.

Date :

[No. 55019/8/75-GPC]

S. B. LAL, Jt. Secy.



***THE
COAL MINES
(CONSERVATION AND DEVELOPMENT)
AMENDMENT RULES, 2011***

**MINISTRY OF COAL
NOTIFICATION**

New Delhi, the 27TH December, 2011

G.S.R. 902 (E).- The following draft of certain rules further to amend the Coal Mines (Conservation and Development) Rules, 1975, which the Central Government propose to make in exercise of the powers conferred by section 18 of the Coal Mines (Conservation and Development) Act, 1974 (28 of 1974), were published as required by sub-section (1) of section 18 of the said Act in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) dated the 27th September, 2011 under the notification of the Government of India in the Ministry of Coal vide number G.S.R. 722 (E) dated the 27th September, 2011 inviting objections and suggestions from all persons likely to be affected thereby on or before the expiry of a period of forty-five days from the date of publication of the said notification in the Official Gazette;

And whereas the said Gazette was made available to the public on the 27th September, 2011;

And whereas no objections and suggestions have been received on the said draft within the stipulated period of forty-five days.

Now, therefore, in exercise of the powers conferred by section 18 of the said Act, the Central Government hereby makes the following rules, namely:-

CHAPTER – I**Preliminary****1. Short title and commencement**

- (1) These rules may be called **The Coal Mines (Conservation and Development) Amendment Rules, 2011.**
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions in these Rules, unless the context otherwise requires

- (a) 'Account' means the "Coal Mines Conservation and Development Account" opened under Section 10 of the Act;
- (b) "Act" means the Coal Mines (Conservation and Development) Act, 1974 (No. 28 of 1974);

- (c) "Advisory Committee" means the Coal Conservation and Development Advisory Committee Constituted under rule 10;
- (ca)* *"agent", "manager" and "owner" when used in relation to a colliery shall have the meaning respectively assigned to them in the Mines Act, 1952 (35 of 1952);*
- (caa)* *"Bank" means the Accredited Bank;*
- (caaa)* *"coal" includes anthracite, bituminous coal or any other form of carbonaceous matter produced, sold, imported or marketed as coal; "colliery" means any mine or open working where winning or extraction of coal is the principal object of the mining, quarrying or any other operation carried on therein and includes a plant for the production of coke or for the washing of coal;*
- (d) "Coal Controller" means the person appointed as the Coal Controller by the Government of India;
- (da)* *"Disposal" includes agreeing or offering to dispose of, and the disposal of ownership or any proprietary interest, the right of possession and possession whether or not accompanied by any disposal of ownership or any proprietary interest or of the right to possession.*
- (e) "Form" means a form appended to these Rules;
- (f) "Section" means a section of the Act;
- (fa)* *'size' when used in relation to coal shall have the same specification as given, from time to time, by the Bureau of Indian Standards in their specifications number:IS437-1979.*
- (g) "Treasury" means any Government Treasury or sub-Treasury.

CHAPTER – II

Measures for Conservation and Development of Coal Mines

3. **STOWING FOR CONSERVATION** – For the purpose of conservation of coal the Central Government may under section 4 issue of cause to be issued and order in writing requiring the owner, agent or manager of any coal mine to undertake stowing in such manner and such period as may be specified in the order.

* *inserted vide G.S.R. 291 (E), dated the 31st March, 2011*

4. **CONSERVATION OF DIRECTION** – Any order issued under section 4, sub-section (3) of section 11 shall be complied with by the owner, agent or manager of the coal mine concerned within the period of specified therein and failure to do so shall be deemed to be contravention of these Rules.
5. ***Deleted vide G.S.R. 291 (E), dated the 31st March, 2011***
6. **Power of the Central Government to recover cost –**
- (1) The Central Government may recover from the owner, agent or manager of a coal mine either wholly or partly the cost of such measures or operations as are undertaken by it under section 4, if it is satisfied on consideration of all facts and circumstances that such recovery of cost is justified.
- (2) The Central Government may permit the owner to meet either wholly or partially the expenditure on account of recovery of the cost mentioned in sub-rule (1) from out of the moneys at the credit of the Account.
7. **** Supply of information –**
- (1) *Every owner, agent or manager shall furnish to the Coal Controller such information regarding production and dispatch of coal, washery products from his mine or mines, washery and process products, working methods and conditions in his mine or mines as may be specified by the Coal Controller.*
- (2) **§Every owner, agent or manager shall furnish to the Coal Controller such other information regarding opening, re-opening, closure of mines and any other information as may be required by the Coal Controller in the prescribed media for data transfer.**

CHAPTER – III

Collection of Excise Duty

8. **** Collection and assessment of excise duty –**
- (1) *The duties of excise levied under section 6 shall be shown separately by the owner, agent or manager of a coal mine in the bill prepared for the sale of coal and coke.*

**** substituted vide G.S.R. 291 (E), dated the 31st March, 2011**

§ substituted vide G.S.R. 902 (E), dated the 27th December, 2011

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- (2) *The excise duty so levied shall be **levied only on raw coal**, raised, dispatched from the mine or used for coke making or for beneficiation to a coal washery and for soft coke, as the case may be, irrespective of the location or ownership of coal mine, coke plant and coal washery, and not on final product of the coke plant, coal washery and or any other process plant.*
- (3) *Every owner, agent or manager of a coal mine shall maintain a request in Form 'A' showing the quantities of coal or coke actually dispatched during a month, particulars of the parties to whom these were dispatched and the prices charged therefore, and the amount of excise duty payable during a month at the rate fixed under section; 6 shall be calculated and recorded in the register before the last day of the month following the month during which the dispatches were effected and which may be informed through prevalent media of data transfer electronically.*
- (4) *Every owner shall be deemed to have been provisionally assessed to an amount calculated and recorded under sub-rule (3) as payable during a month and he shall pay the same into the bank, the remittance being creditable to the Central Government in a special account. The payment shall be made within a period of ninety days from the close of the month during which dispatches were effected.*
- (5) *The payment under sub-rule (4) shall be made by means of Challans/Electronic transfer (Real Time Gross Settlement (RTGS)/National Electronic Fund Transfer (NEFT)) to the accredited bank. The accredited bank shall return one copy of the challan to the depositor who shall transmit this copy under sub-rule (6) to the Coal Controller.*
- (6) *As soon as may be after the date of payment of the duties of excise in the manner provided in sub-rule (5) and in any case not later than thirty days from the date of such payment, every owner of a coal mine shall submit to the Coal Controller a return in Form 'B' showing a quantities of coal or coke dispatched during the month in respect of which the payment has been made, the amount paid under sub-rule (5) and other particulars specified in that form and it should be informed by suitable electronic media (Real Time Gross Settlement /National Electronic Fund Transfer (RTGS/NEFT)).*

- (7) *The final assessment on annual basis of the duties of excise due from the owner of a coal mine shall be made by the Coal Controller after examination of the said return and other relevant documents if any. For the purpose of final assessment on annual basis under this sub-rule, the Coal Controller may depute a duly authorized officer to inspect and examine the account books and other records maintained at the premises of a coal mine and may by notice require, the owner to produce either personally or by his authorized representative the said records before the authorized officer at the time and place specified in the notice and also may require electronically data transfer.*
- (8) *If the owner has paid the duties of excise provisionally assessed under sub-rule (4) and has submitted the monthly return under sub-rule (6), the Coal Controller shall either confirm that the amount of duty provisionally assessed under sub-rule (4) is final and send an intimation to that effect to the owner or assess the additional amount found due and issue a notice calling upon the owner to pay into the bank by specified date the additional amount so found due in the manner specified in sub-rule (5) or if the amount paid under sub-rule (4) is found to be in excess of the amount due refund the excess so paid to the owner.*
- (9) *If the owner has not made any payment under sub-rule (4), and has not submitted the monthly return under sub-rule (6), the Coal Controller shall, after giving the owner a reasonable opportunity of being heard, assess him to such an amount of duties of excise as in his opinion is fit and proper and issue a notice calling upon him to pay the full amount into the bank, by a specified date, in the manner prescribed in sub-rule (5).*
- (10) *Any dues of excise duty remaining unpaid after the date specified by the Coal Controller shall be recovered from the owner of the coal mine as an arrear of land revenue and shall be credited to the Central Government. Towards this, the Coal Controller will raise a recovery certificate as arrear of land revenue to the concerned Collector / State Authority in the area.*
- (11) *In calculating the amount of duties of excise payable on any one consignment any paisa shall be rounded off to the nearest five paisa or multiple of five paisa and the actual weight of a consignment shall be rounded off to the nearest tonne.*

9. REVIEW OF ASSESSMENT OF EXCISE DUTY –

- (1) Any owner of a coal mine aggrieved by an order of final assessment under ** *sub-rule (7)* of rule 8 may submit an application to the Coal Controller for the review of the order of final assessment within thirty days of the receipt of notice of such assessment. Provided that no such application shall be entertained unless the amount assessed has already been paid in the manner specified in ** *sub-rule (5)* of that rule.
- (2) After examination of the records relating to that assessment and after hearing the owner, if such owner requests for such hearing:-
 - (a) if the Coal Controller is satisfied that the excise duty assessed and paid by the owner in excess of the amount due, he shall order refund to the owner of such amount as may have been paid in excess; or
 - (b) if, on the other hand, the Coal Controller is satisfied that the Assessment has been made correctly he shall confirm his order of assessment.

CHAPTER-IV

Coal Conservation and Development Advisory Committee.

10. COMPOSITION AND FUNCTIONS OF THE ADVISORY COMMITTEE-

- (1) For the purpose of determining the procedure for the disbursement of the net proceeds under section 9 and the manner in which, sums of the credit of the Coal Mines Conservation and Development Account may be applied, the Central Government may constitute an Advisory Committee, to be called the “Coal Conservation and Development Advisory Committee” to advise that Government.
- (2) ** *The Advisory Committee shall consist of the following members, namely-*
 - (i) *Additional Secretary (Coal), Ministry of Coal, ex-officio who shall be the Chairman;*
 - (ii) *Financial Adviser and Joint Secretary, Ministry of Coal, ex-officio (member);*

**** substituted vide G.S.R. 291 (E), dated the 31st March, 2011**

- (iii) *Advisor (Projects), Ministry of Coal, (member);*
- (iv) *Director General of Mine Safety, Ministry of Labour, ex-officio (member);*
- (v) *Sr. Advisor (Energy), Planning Commission (member);*
- (vi) *Chairman-cum-Managing Director, BCCL (member);*
- (vii) *Chairman-cum-Managing Director, ECL (member);*
- (viii) *Chairman-cum-Managing Director, Central Mine Planning & Design Institute (member);*
- (ix) *Director (Technical), Coal India Ltd.*
- (x) *Director (Technical), SCCL*
- (xi) *Director, Central Institute of Mining & Fuel Research, Dhanbad ex-officio (member);*
- (xii) *Coal Controller, Ministry of Coal – member secretary;*
- (xiii) *Two representatives of private/captive coal producing organizations to be nominated by the Central Government.*

(3) Without prejudice to the generality of the provisions contained in sub-rule (1), the functions of the Advisory Committee shall be-

(a) to advise the Central Government regarding the formulation and implementation of a national policy in relation to the conservation, development and scientific utilization of the coal reserves of the country keeping in view the recommendation that may be made in this regard by the Central Mine Planning and Design Institute, Coal Mines Authority Ltd.;

(b) to recommend measures which should be taken for

- (i) ensuring the conservation of the coal resources,
- (ii) undertaking the development of the coal mines in a scientific manner,
- (iii) undertaking research in relation to conservation of coal, development of coal mines and utilization of coal,
- (iv) *** undertaking formulation and implementation of national policy on Mine Closure Plan of Coal (including Lignite) mines and*
- (v) better utilization of coal;

(c) to recommend the classes, grade or sizes into which coal or coke may be categorized;

**** substituted vide G.S.R. 291 (E), dated the 31st March, 2011**

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- (d) to recommend the rates at which duties of excise may be imposed on coal or coke;
 - (e) to advise the Central Government on the disbursement of net proceeds of duties of excise and customs levied and collected under section 6 and 7 respectively as also the net proceeds of the duties of excise collected under section 8 of the Coal Mines (Conservation, Safety and Development) Act, 1952 and remaining un-disbursed to the owners, agents or managers of coal mines or to any other person for all or any of the purposes mentioned in section 9;
 - (f) to advise the Central Government on the manner in which and the condition – subject to which financial assistance might be granted under the Act;
 - (g) to advise the Central Government regarding the procedure that should be adopted for carrying out examination, inquiries and inspection in order to ascertain whether the financial assistance granted under the Act is being or has been utilized for the purpose for which it was sanctioned, as also to ascertain whether the provision of the Act or rules and orders made thereunder are being complied with;
 - (h) to recommend to the Central Government the action that should be taken against those who make any default in complying with the provisions of the Act, or of the rules and orders made there under, and also in implementing the schemes and measures for conservation and development sanctioned under the Act.
- (4) The Advisory Committee shall meet when required by the Central Government to do so and shall have the power to regulate its own procedure.
- (5) The non-constitution of the Advisory Committee or the existence of any vacancy therein shall not render invalid the disbursement of any amounts under section 9 or any application of sums out of the sums standing to the credit of the Coal Mines Conservation and Development Account.

CHAPTER-V

Grant of assistance

11. **Determination of net proceeds of the duties of excise:** For the purpose of section 9, the net proceeds of the duties of excise and customs levied and collected under section 6 and 7 respectively, in a financial year, shall be determined after taking into account the total amount of the duties collected, the refunds as granted, the amounts written off and the deduction towards the cost of collection of such duties as fixed by the Central Government.
12. **Purposes for which net proceeds of the duties may be disbursed:** For carrying out the purposes specified in section 9, the Central Government may, having regard to the recommendations of the Advisory Committee make disbursements to the owners, agents or manager of coal mines or to any other person from out of the amounts lying in credit with the Government on account of duties of excise and customs collected under the Act, and the said purposes may include one or more of the following, namely:-
- (1) Conservation and safety-
- I. Stowing operations.
- II. Protective Works, including-
- (a) blanketing with incombustible materials;
- (b) filling up of subsidence;
- (c) cutting of branch trenches;
- (d) Deleted vide G.S.R. 291 (E), dated the 31st March, 2011.**
- (e) Deleted vide G.S.R. 291 (E), dated the 31st March, 2011.**
- III. Deleted vide G.S.R. 291 (E), dated the 31st March, 2011.**
- IV. *Surface protection measures including vacation of buildings and structures over areas of subsidence and rehabilitation of affected persons.
- V. Installation of stowing plants, blending plants and plants for the beneficiation of coal.
- VI. Schemes for recovery and transportation of sand.
- (2) Scientific Development of Coal Mines
- (i) Development of new coal mining methods, development and utilization of explosives.
- (ii) Deleted vide G.S.R. 291 (E), dated the 31st March, 2011.**
- * substituted vide G.S.R. 199(E) , dated the 23rd April, 1998**

- (iii) Techno-economic studies of various underground and surface transport systems in mines.
- (iv) Investigation into problems of rock burst in deep mines.
- (v) Investigation into roof bolting under different mining conditions.
- (vi) *** Introduction of man riding system.*
- (vii) *** IT and other electronic aids for application in mining.*

(3) Deleted vide G.S.R. 291 (E), dated the 31st March, 2011.

(4) Deleted vide G.S.R. 291 (E), dated the 31st March, 2011.

(5) Research and Development.

- (i) *** Transportation of stowing material.*
- (ii) Deleted vide G.S.R. 291 (E), dated the 31st March, 2011.**
- (iii) Investigations into suitability of waste materials for stowing in mines.
- (iv) Investigation into problems of mines fires and efficacy of different methods of dealing with them.
- (v) *** Assessment of ventilation and other environmental condition in mines.*
- (vi) Problems relating to Methane emission and drainage from highly gassy coal seams.
- (vii) Deleted vide G.S.R. 291 (E), dated the 31st March, 2011.**
- (viii) Research on surface pollution and environmental control in mining areas.
- (ix) ** Any other activity for furtherance of conservation as directed by the Central Government.*

(6) Meeting the expenses in connection with the work of Advisory Committee.

(7) **** Development of roads and creation of rail infrastructure.*

13. **APPLICATION FOR ASSISTANCE** – Every owner, agent or manager of a coal mine or group of coal mines or any other person desirous of obtaining financial assistance, under the Act, shall submit his proposals to the *** Coal Controller.*

14. **QUANTUM OF ASSISTANCE** – Assistance shall be granted by the Central Government with due regard to the circumstances of each case.

** inserted vide G.S.R. 291 (E), dated the 31st March, 2011*

*** substituted vide G.S.R. 291 (E), dated the 31st March, 2011*

**** inserted vide G.S.R. 101, dated the 14th February, 1987 and substituted vide G.S.R. 199(E), dated the 23rd April, 1998*

15. **ACCEPTANCE OF CONDITIONS ATTACHING TO THE GRANT OF ASSISTANCE** – Before granting assistance under these rules, the Central Government may specify the conditions to be fulfilled by the owner, agent or manager of a coal mine or any other person to whom assistance is proposed, to be granted and secure the acceptance in writing by such owner, agent or manager of the coal mine or any other person of such conditions.
16. **MAINTENANCE OF ACCOUNTS** –
- (1) The owner, agent or manager of a coal mine or group of coal mines or any person to whom any money is disbursed under section 9 shall maintain or cause to be maintained a Statement of Receipts and Payments in respect of the Account.
 - (2) Such Statement shall be examined and audited as provided in sub-section (3) of Section 10.
17. **SUBMISSION OF ANNUAL REPORTS** – Every person to whom the money has been disbursed under section 9 shall submit to the ***Coal Controller* by 30th September in each year an Annual Report regarding the utilization of the assistance received by him during the previous financial year along with a copy of the statement of Receipts and Payments, together with the Auditor's Report in respect of the Account and the Statement of Receipts and Payments.
18. **DUTIES REGARDING INFORMATION AND INSPECTION** –
- (1) Every owner, agent or manager of a coal mine or any other person who has obtained financial assistance under the Act shall on request promptly furnish to the Central Government, the Coal Controller or any other person duly authorized by the Central Government such information, plans and drawings, as may be required by the Central Government for any purpose in furtherance of the objects of the Act.
 - (2) Every owner, agent or manager of a coal mine or any other person who has obtained assistance under the Act shall afford the Chairman and the members of the Advisory Committee, the Coal Controller or any other person duly authorized by the Central Government in this behalf all reasonable facilities for inspection of the coal mine and the records in relation to the utilization of the assistance as may be necessary for carrying out the objects of the Act.

**** substituted vide G.S.R. 291 (E), dated the 31st March, 2011**

*** CHAPTER – VA****COAL CONTROLLER ORGANIZATION AND ITS FUNCTIONS AND RESPONSIBILITIES**

- 18A. **Categorization of coal** – *The Central Government may, by notification in the Official Gazette, prescribe the classes, grades and sizes into which coal may be categorized and the specifications for each such class, grade or size of coal.*
- 18B. **Procedure for categorization of coal** –
- (1) *On the basis of the categorization notified by the Central Government under rule 3, the Coal Controller shall lay down the procedure and method of sampling and analysis of coal for the purpose of declaration and maintenance of grades of coal mined in a colliery.*
 - (2) *The owner, agent, manager of a colliery shall declare the classes, grades or sizes of the coal of any seam or section of a seam in a colliery in accordance with the procedure specified in sub-rule (1).*
 - (3) *The owner, agent or manager of the colliery shall allow the inspection of the colliery undertaken by the Coal Controller or any officer authorized by him in this regard so as to ensure the correctness of the class, grade or size declared. During inspection, if the Coal Controller or the officer authorized by him decides to draw sample, the owner, agent or manager of the colliery shall provide all necessary facilities and assistance for drawing such sample.*
 - (4) *If after inspection or from the sample drawn, the Coal Controller is satisfied that the grade as declared by the owner, agent or the manager of the colliery does not conform to the grade notified under clause (iii) of this rule the owner, agent or manager of the colliery shall be bound to revise the grade as per the direction issued by the Coal Controller.*
 - (5) *If any dispute arises between a consumer and a owner of a colliery regarding the declaration of grades of coal, the same may be referred to the Coal Controller whose decisions shall be binding on the owner of the colliery. A memorandum of reference to the Coal Controller regarding such dispute shall be accompanied by a fee of rupees two thousand and five hundred and in such manner, as may be specified by the Coal Controller, from time to time.*

*** inserted vide G.S.R. 291 (E), dated the 31st March, 2011**

- 18C. **Submission of returns and information to Coal Controller-** Every owner of a colliery and every person engaged in the business of production, supply and distribution of, or trade and commerce in coal, on being directed to do so by the Coal Controller shall submit such returns and other information, within such time, as may be specified in the direction.
- 18D. **Directions to regulate the disposal of coal stocks.-**
- (1) The Central Government may, from time to time, issue such directions as it may deem fit to any owner of a colliery regulating the disposal of stocks of coal or of the expected output of coal in the colliery during any period.
- (2) For the purpose of conservation of coal, the Central Government may by order in writing issue such directions as it deems fit for ensuring economy in the use of coal and for the purpose of verifying whether such directions have been or are being complied with, call for such information and returns from consumers as it considers necessary and arrange for the inspection of stocks of coal and coke held by consumers.
- 18E. **Power of the Coal Controller for quality surveillance.** - The Coal Controller or any officer authorized by him in writing shall be competent to, -
- (a) cause the owner, agent or manager of a colliery or any person engaged in or Incharge of the loading of coal in wagons, trolleys or trucks in a colliery to adjust the loading according to the procedure laid down by the Coal Controller regarding grades and size of coal and to remove impurities like shales and stones from the wagons, trolleys or trucks loaded with coal.
- (b) detain the wagons, trolleys or trucks at the colliery or weighbridge for adjustment of loading after inspection, and
- (c) return the wagons, trolleys or trucks to the colliery from Weighbridge for unloading and reloading with the specified quantity and quality of coal.
- 18F. **Power to prohibit or limit the mining or production of coal.** - The Central Government may issue such direction as it may deem fit to any colliery owner prohibiting or limiting the mining or production of any grade of coal and the colliery owner shall comply with such directions.

- 18G. Requirement of prior permission to open a coal mine, seam or section of a seam.-**
(1) No owner of a colliery shall open a coal mine, seam or a section of a seam without the prior permission in writing of the Central Government.
(2) No owner of a colliery shall also commence mining operations in a colliery or seam or a section of a seam, in which mining operation has been discontinued for a period exceeding one hundred and eighty days, without the prior permission in writing of the Central Government.
- 18H. Notice of suspension or closure. -** If the mining operations in a coal mine or seam or a section of a seam is suspended or closed temporarily or permanently, as the case may be, for any reason whatsoever, then, a notice of such suspension or closure shall be given by the owner, agent or manager of the colliery within a period of thirty days from the date of such suspension or closure to the Coal Controller.
- 18I. Power to restrict sub-division of a coal mine. -** No owner of a colliery or a group of collieries which has been permitted under rule 18G to work as a single mining unit or which has been working as a single unit at the time of commencement of this order, shall be allowed to sub-divide his mining unit or to work as a separate unit without the prior permission of the Central Government.
- 18J. Power to Inspect collieries. -** The Coal Controller or any other Officer authorized by him in writing may, -
- (a) require any owner or agent or manager of a colliery to give any information in his possession relating to the production of coal in a coal mine or seam or section of a seam showing full boundaries of a leasehold area and plan of abandoned area, flooded area and area which has been or is on fire,
- (b) ask for production of any document, register and working plan,
- (c) inspect any mine plan in the possession of owner or agent or manager of a colliery and
- (d) enter and inspect any colliery.
- 18K. Power to Monitor Mine Closure and operate the escrow account formed for funding Mine Closure Activity. -** The Coal Controller or any other officer authorized by him in writing may with a view to securing compliance of this order, -

- (a) *Require any owner or agent or monitor of a colliery to give any information in his possession regarding to implementation of approved mine closure plan;*
- (b) *Inspect the closure activities being conducted at the mine and direct for any additional jobs to be carried out to fulfill the conditions of Mine Closure Plan;*
- (c) *Coal Controller shall issue Mine Closure Compliance Certificates based on which the reclaimed leasehold area or any structure thereon which is not to be utilized by the mine owner shall be surrendered to the State Government following a laid down procedure which are in vogue at that point of time.*
- 18L **Delegation of powers to Coal Controller.** – *The powers of the Central Government specified under rules 18D, 18E, 18G, 18I, 18K may be delegated by notification in the Official Gazette to the Coal Controller.*

CHAPTER VI
Miscellaneous

19. ** **PENALTY FOR CONTRAVENTIONS** – *Any contravention of these rules shall be punishable as per the provision of Section 18 in the Act.*
- * **19(A).** *Protection of action taken in good faith for any damage caused or likely to be caused in pursuance of these rules.*
Any person aggrieved by the order passed under these rules may within thirty days from the date of receipt of such order prefer an appeal before Central Government.

[F. No.15013/1/2006-CRC-I (Vol-II)]
A. K. BHALLA, Jt. Secy.

Footnote: - The Principal rules were notified vide number G.S.R. 184(E), dated the 1st April, 1975 and subsequently amended vide number –

- (1) G.S.R. 801, dated the 2nd August, 1980,
- (2) G.S.R. 65, dated the 17th January, 1981,
- (3) G.S.R. 101, dated the 14th February, 1987 and
- (4) G.S.R. 199(E), dated the 23rd April, 1998
- (5) G.S.R. 291(E), dated the 31st March, 2011

***inserted vide G.S.R. 291 (E), dated the 31st March, 2011,**
**** substituted vide G.S.R. 291 (E), dated the 31st March, 2011.**

-----X-----

Note: - The Rules (clause) (sub-clause) of the **Coal Mines (Conservation and Development) Rules, 1975** which are **deleted** vide G.S.R. 291 (E), dated the 31st March, 2011 are given herewith for ready reference.

Rule 5: WASHING OF COAL AND OTHER STEPS FOR CONSERVATION – For the purpose of conservation of coal under section 4 the Central Government may, by order in writing

- (i) require the owner, agent or manager of any coal mine to undertake washing of coal in such manner and within such period as may be specified in the order;
- (ii) restrict the supply of coal of any grade or grades or qualities to specified consumers in continuance with any policy of coal conservation as may be determined by it from time to time;
- (iii) require the owner of any steel works, blast furnace or coke oven, using coking coal to undertake blending of coal for conservation of coal in accordance with such procedure as may be determined by it from time to time;
- (iv) issue such directions as it deems fit for ensuring economy in the use of coal and for the purpose of verifying whether such directions have been or are being complied with, call for such information and returns from consumers as it considers necessary and arrange for the inspection of stocks of coal and coke held by consumers.

Rule 12 (1) (ii) (d): construction of dams;

Rule 12 (1) (ii) (e): artificial barriers.

Rule 12 (1) (iii): Special mining techniques obviating sand stowing.

Rule 12 (2) (ii): Improvements in exploration and drilling techniques.

Rule 12 (3): Establishment and Organisation of Central Mine Planning and Design Institute.

Rule 12 (4): Utilisation of Coal.

- (i) Low Temperature carbonization Projects
- (ii) Formed coke projects.
- (iii) Coal Gasification projects
- (iv) Projects for conservation of coal into oil and chemicals.

Rule 12 (5) (ii): Other modes of transport including inland waterways.

Rule 12 (5) (vii): Development of instruments for measuring and recording mine gases.

(Incorporating six amendments of the Coal Mines (Conservation and Development) Rules, 1975, this is retyped by Dr. Sujoy Majumder, OSD (Mining)/CCO/Kolkata).