

SCHEDULE IV

(See section 28)

PART A

THE COAL MINES (NATIONALISATION) ACT, 1973

(26 OF 1973)

1. Amendment of section 1A.—In the Coal Mines (Nationalisation) Act, 1973 (herein referred to as the principal Act), in sub-section (1) of section 1A, after the word and figure “section 3”, the word, figure and letter “, section 3A” shall be inserted.

2. Insertion of new section 3A.—After section 3 of the principal Act, the following section shall be inserted, namely:—

‘3A. Mining operation by company and others.—(1) Notwithstanding anything contained in this Act, any person being—

(a) a Government company or corporation or a joint venture company formed by such company or corporation or between the Central Government or the State Government, as the case may be, or any other company incorporated in India; or

(b) a company or a joint venture company formed by two or more companies,

may carry on coal mining operations in India, in any form either for own consumption, sale or for any other purpose in accordance with the prospecting licence or mining lease, as the case may be.

(2) The Central Government may, with a view to rationalise such coal mines so as to ensure the coordinated and scientific development and utilisation of coal resources consistent with the growing requirements of the country, from time to time, prescribe—

(i) the coal mines or coal bearing areas and their location;

(ii) the minimum size of the coal mine or coal bearing areas;

(iii) such other conditions,

which in the opinion of that Government may be necessary for the purpose of coal mining operations or mining for sale by a company.

Explanation.—For the purposes of this section, “company” means a company as defined in clause (20) of section 2 of the Companies Act, 2013 (18 of 2013).’.

3. Amendment of section 34.—In section 34 of the principal Act, in sub-section (2), after clause (a), the following clause shall be inserted, namely:—

“(aa) the coal mines or coal bearing areas and their location, the minimum size of the coal mine or coal bearing areas, and such other conditions which may be necessary for the purpose of coal mining operations including mining for sale by a company under sub-section (2) of section 3A.”.

PART B

THE MINES AND MINERALS (DEVELOPMENT AND REGULATION) ACT, 1957

(67 OF 1957)

1. Substitution of new section for section 11A.—In the Mines and Minerals (Development and Regulation) Act, 1957 (herein referred to as the principal Act), for section 11A, the following section shall be substituted, namely:—

‘11A. Granting of reconnaissance permit, prospecting licence or mining lease.—(1) Notwithstanding anything contained in this Act, the Central Government may, for the purpose of granting reconnaissance permit, prospecting licence or mining lease in respect of any area containing

coal or lignite, select any of the following companies through auction by competitive bidding, on such terms and conditions as may be prescribed, namely:—

(a) a Government company or corporation or a joint venture company formed by such company or corporation or between the Central Government or the State Government, as the case may be, or any other company incorporated in India; or

(b) a company or a joint venture company formed by two or more companies,

that carry on coal mining operations in India, in any form either for own consumption, sale or for any other purpose in accordance with the permit, prospecting licence or mining lease, as the case may be.

(2) The Central Government may, with a view to rationalise coal and lignite mines referred to in sub-section (1), so as to ensure the coordinated and scientific development and utilisation of resources consistent with the growing requirements of the country, from time to time, prescribe—

(i) the details of mines and their location;

(ii) the minimum size of such mines;

(iii) such other conditions,

which in the opinion of that Government may be necessary for the purpose of mining operations or mining for sale by a company.

(3) The State Government shall grant such reconnaissance permit, prospecting licence or mining lease in respect of any area containing coal or lignite to such company as selected through auction by competitive bidding or otherwise under this section:

Provided that the auction by competitive bidding under this section shall not be applicable to an area containing coal or lignite—

(a) where such area is considered for allocation to a Government company or corporation or a joint venture company formed by such company or corporation or between the Central Government or the State Government, as the case may be;

(b) where such area is considered for allocation to a company or corporation or that has been awarded a power project on the basis of competitive bids for tariff (including Ultra Mega Power Projects).

Explanation.—For the purposes of this section, “company” means a company as defined in clause (20) of section 2 of the Companies Act, 2013 (18 of 2013).¹

2. Amendment of section 13.—In section 13 of the principal Act, in sub-section (2), for clause (d), the following clause shall be substituted, namely:—

“(d) the terms and conditions of auction by competitive bidding, the details of mines and their location, the minimum size of such mines and such other conditions which may be necessary for the purpose of coal mining operations including mining for sale by a company under sub-section (1) and sub-section (2) of section 11A.”.
