

MINISTRY OF COAL
NOTIFICATION
New Delhi, the 31st March, 2011

GS.R.291(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), is hereby published as required by sub-section (1) of section 18 in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) dated 25th October, 2010 under the notification of the Government of India in the Ministry of Coal number. G.S.R. 865(E) dated 25th October, 2010 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 29th October, 2010;

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:-

RULES

1. These rules may be called the Coal Mines (Conservation and Development) Amendment Rules, 2011.

2. In the Coal Mines (Conservation and Development) Rules, 1975 (hereinafter referred to as the said rules), in rule 2:-

(a) after clause (c), the following clauses shall be inserted, namely:-

(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;

(b) after clause (d), the following shall be inserted, namely :-

(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.

(c) after clause (f), the following clause shall be inserted, namely:-

(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.

3. Rule 5 of the said Rules shall be deleted.

4. For rule 7 of the said rule, the following rule shall be substituted, namely:-

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) The Coal Controller 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".

5. For rule 8 of the said rules, the following rule shall be substituted, namely:-

"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) 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 exercise 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 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 the 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 paise or multiple of five paise and the actual weight of a consignment shall be rounded off to the nearest tonne ".

6. In rule 9 of the said rules, in sub-rule (1),-

(a) for the words, brackets and figure "sub-rule (8)", the words, brackets and figures "sub-rule (7)" shall be substituted;

(b) in the proviso, for the words, brackets and figure "sub-rule (6)", the words, brackets and figure "sub-rule (5)" shall be substituted.

7. In rule 10 of the said rules:-

(a) for sub rule (2), the following sub-rule shall be substituted, namely:-

“(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 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 representative of private/captive coal producing organizations to be nominated by the Central Government."

(b) in sub — rule (3), for item (iv) and entries relating thereto, the following item and entry shall be substituted, namely:-

"(iv) undertaking formulation and implementation of national policy on Mine Closure Plan of Coal(including Lignite) mines".

8. In rule 12 of the said rules:-

- (a) under heading (1) Conservation and Safety,
 - (i) in item (ii), the sub-items (d) and (e) and entries relating thereto shall be deleted;
 - (ii) item (iii) and entries relating thereto shall be deleted;
- (b) under heading (2) Scientific Development of Coal Mines,
 - (i) item(ii) and entries relating thereto shall be deleted;
 - (ii) for item (vi) and (vii) and entries relating thereto the following shall be substituted, namely:-
 - "(vi) introduction of man riding system
 - (vii) IT and other electronic aids for application in mining."
- (c) headings (3) and (4) shall be deleted.
- (d) under heading (5) Research and Development , -
 - (i) for item (i) and the entries relating thereto, the following item and entries shall be substituted, namely:
 - "(i) Transportation of stowing material,";
 - (ii) item (ii) and the entries relating thereto shall be deleted;
 - (iii) for item (v) and the entries relating thereto, the following item and entries shall be substituted, namely:-
 - "(v) Assessment of ventilation and other environmental condition in mines,";
 - (iv) item (vii) and the entries relating thereto shall be deleted;
 - (v) after item (viii) and entries relating thereto, the following item and entries shall be inserted, namely:-
 - "(ix) any other activity for furtherance of conservation as directed by the Central Government."

9. In rule 13 of the said rules for the words "Central Government", the words "Coal Controller" shall be substituted.

10. In rule 17 of the said rules, for the words "Central Government", the words "Coal Controller" shall be substituted.

11. After chapter V, the following chapter shall be inserted, namely:-

CHAPTER-VA

COAL CONTROLLER ORGANIZATION AND ITS FUNCTIONS AND RESPONSIBILITIES

18A. Categorisation 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.

18 B. 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(i).

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.

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 other officer authorised 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.

18 F. 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)

(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 the 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 authorised 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 the coal mine or seam or section of a seam showing full boundaries of the 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.

12- For rule 19 of the said rules, the following rule shall be substituted, namely:-

- (i) **Penalty for contraventions – Any contravention of these rules shall be punishable as per the provision of Section 18 in the Act.**
- (ii) **After rule 19 of the said rules, the following rule shall be inserted, namely:-**

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)]
P.R.MANDAL, Advisor (Projects)

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, and
- (3) G.S.R. 101, dated the 14th February,1987,
- (4) G.S.R. 199(E) dated the 23rd April,1998.