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Chairman

PARLIAMENT OF INDIA
RAJYA SABHA

REPORT OF THE SELECT COMMITTEE ON
THE COAL MINES (SPECIAL PROVISIONS) BILL, 2015

PRESENTED TO THE RAJYA SABHA ON THE 18TH MARCH, 2015



RAJYA SABHA SECRETARIAT
NEW DELHI

March, 2015
Phalguna, 1936 (Saka)

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#COMPOSITION OF THE COMMITTEE

1. Shri Anil Madhav Dave - Chairman
2. Shri V.P. Singh Badnore
3. Shri Basawaraj Patil
4. Shri Digvijaya Singh
5. Shri P. Bhattacharya
6. Shri Rajeev Shukla
7. Shri Naresh Agrawal
8. Shri K.C. Tyagi
9. Shri Narendra Kumar Kashyap
10. Shri Anubhav Mohanty
11. Shri K.N. Balagopal
12. Shri Sukhendu Sekhar Roy
13. Shrimati Vandana Chavan
14. Shri Tiruchi Siva
15. Shri Devender Goud T.
16. Shri A.W. Rabi Bernard
17. Shri Naresh Gujral
18. Shri Anil Desai
19. Shri Rajeev Chandrasekhar

SECRETARIAT

- | | | |
|--------------------------|---|--------------------|
| Shri M.K. Khan | - | Joint Secretary |
| Shri Rakesh Naithani | - | Joint Director |
| Shri Rajendra Tiwari | - | Joint Director |
| Shri Goutam Kumar | - | Assistant Director |
| Shri Ranajit Chakraborty | - | Committee Officer |

REPRESENTATIVES OF THE MINISTRIES/STATE GOVERNMENTS

(i) Ministry of Coal:

1. Shri Anil Swarup - Secretary
2. Shri A.K. Bhalla - Additional Secretary
3. Shri Vivek Bharadwaj - Joint Secretary
4. Shri Anurag Kapil - Director
5. Shri Sambhav Jain - Deputy Manager (Legal), Coal India Limited

(ii) Legislative Department (Ministry of Law & Justice):

1. Dr. Sanjay Singh - Secretary
2. Dr. G. Narayana Raju - Additional Secretary
3. Shri K.V. Kumar - Deputy Legislative Counsel

(iii) Ministry of Labour and Employment:

1. Shri P.P. Mitra, PLEA
2. Shri Rahul Guha, Director-General
3. Shri D. P. Singh, Under Secretary

(iv) Ministry of Tribal Affairs:

Sh. Hrusikesh Panda, Secretary, Ministry of Tribal Affairs

(v) Ministry of Power:

1. Shri P.K. Sinha, Secretary
2. Shri R.N. Choubey, Special Secretary
3. Shri Anil Kumar Singh, Joint Secretary

State Government officials who appeared before the Select Committee:-

1. Shri C.M. Bachhawat, Additional Chief Secretary, Govt. of West Bengal
2. Shri Sunil Bhargava, Chief Resident Commissioner, Govt. of Odisha
3. Shri Samir Sahai, Additional Resident Commissioner, Govt. of Maharashtra

INTRODUCTION

I, the Chairman of the Select Committee on the Coal Mines (Special Provisions) Bill, 2015 having been authorised by the Committee to submit the Report on its behalf, present this Report on the Bill.

2. The Coal Mines (Special Provisions) Bill, 2015 as passed by the Lok Sabha on 4th March, 2015, was referred to the Select Committee comprising of 19 Members of Rajya Sabha on a motion, moved in the House by the Minister of State (Independent Charge) for Power, Coal and New & Renewable Energy and adopted by the House on the 11th March, 2015, for examination and submission of Report thereon to the Rajya Sabha with instructions to report to the Rajya Sabha, not later than 18th March, 2015, for enabling the Rajya Sabha for its consideration and passing during the first part of the Budget Session (**Annexure I**).

3. The Coal Mines (Special Provisions) Bill, 2015 seeks to provide for allocation of coal mines and vesting of the right, title and interest in and over the land and mine infrastructure together with mining leases to successful bidders and allottees with a view to ensure continuity in coal mining operations and production of coal, and for promoting optimum utilization of coal resources consistent with the requirement of the country in national interest and for matters connected therewith or incidental thereto.

4. The Committee held five sittings in all.

5. The Committee at its first meeting held on the 12th March, 2015 decided upon the course of action and the methodology to be followed to expeditiously accomplish the task of submitting the Report on the aforesaid Bill, not later than 18th March, 2015, for enabling the Rajya Sabha for consideration and passing it, during the first part of the Budget Session. It was also decided that keeping in view the paucity of time, a series of meetings would be held to complete the assigned task within the prescribed time limit. In the same meeting, the Committee had a general discussion on the various provisions of the Bill.

6. In its second sitting held on the 13th March, 2015 the Committee heard the Secretary of the Ministry of Coal and representatives of Legislative Department (Ministry of Law & Justice). During the interaction with the Committee, they explained the background and salient features of the Bill and the exigency arising out of the Hon'ble Supreme Court judgement which has resulted in the ordinance and the consequent Coal Mines (Special Provisions) Bill, 2015.

7. At its third sitting held on the 14th March, 2015 the Committee heard the Secretaries of the Ministries of Power, Tribal Affairs, Labour & Employment, and the representatives of the Ministry of Coal and Legislative Department (Ministry of Law & Justice). It also heard the views of the representatives of the State Governments of West Bengal, Odisha and Maharashtra on the various provisions contained in the Coal Mines (Special Provisions) Bill, 2015.

8. The Committee after deliberating at length on the various provisions of the bill and hearing the views/suggestions of a number of stakeholders viz. concerned Ministries i.e. Ministry of Coal, Power, Labour and Employment and Tribal Affairs, representatives of State Governments of Odisha, Maharashtra and West Bengal, took up clause-by-clause consideration of the Bill in its meeting held on 15th March, 2015.

9. The Committee during the process of examination of the Bill heard a total of twelve witnesses, who gave their suggestions on the Bill (**Annexure II**).

10. The Committee considered and adopted its draft Report on the Bill, at its sitting held on the 16th March, 2015.

11. S/Shri Digvijaya Singh, P. Bhattacharya, Rajeev Shukla, Tiruchi Siva and K.N. Balagopal, Members submitted Notes of Dissent, which are appended to the Report as Appendix- I to IV. S/Shri Naresh Agrawal and Narendra Kumar Kashyap submitted some suggestions which have also been appended to the Report as Annexure-III & IV.

12. The Committee wishes to express its gratitude to the representatives of the Ministries of Coal, Legislative Department (Ministry of Law and Justice), Power, Labour & Employment and Tribal Affairs and also the representatives of the State Governments of West Bengal, Odisha and Maharashtra for furnishing necessary information/documents and rendering valuable assistance to the Committee in its deliberations.

New Delhi
16th March, 2015
25 Phalgun, 1936 (Saka)

ANIL MADHAV DAVE
Chairman,
Select Committee on the
Coal Mines (Special Provisions) Bill, 2015.

ACRONYMS

MMDR Act	Mines and Mineral (Development and Regulation) Act
NIT	Notice Inviting Tenders
CMN Act	The Coal Mines (Nationalisation) Act
INTUC	Indian National Trade Union Congress
BMS	Bhartiya Mazdoor Sangh
AITUC	All India Trade Union Congress
CITU	Centre of Indian Trade Unions
HMS	Hind Mazdoor Sabha
CIL	Coal India Limited
SMEs	Small and Medium Sized Enterprises
MSME	Micro Small and Medium Enterprises
PLEA	Principal Labour and Employment Advisor

REPORT

Background of the Bill:

A writ Petition (Criminal) No. 120 of 2012 (Manohar Lal Sharma vs. Principal Secretary & Ors.) and Writ Petition (Civil) No. 463 of 2012 (Common Cause vs. UOI & Ors.) as well as other connected PILs were filed before the Hon'ble Supreme Court of India wherein the petitioners challenged the allocation of coal blocks for captive consumption, *inter-alia*, on the grounds of allocation made without auction/ competitive process thereby causing loss to the public exchequer, arbitrariness in allocation, violation of MMDR Act, 1957, etc.

1.1 The Hon'ble Supreme Court, vide its judgment dated 25.08.2014, held allocation of coal blocks made through the Screening Committee route and Government Dispensation route as arbitrary and illegal. With regard to the consequences of the judgment, the Hon'ble Supreme Court pronounced its order on 24.09.2014. The net effect of the Hon'ble Supreme Court's order dated 24.09.2014 was cancellation of allocation of 204 coal blocks. Cancellation in case of 42 producing coal blocks shall take effect from 31.03.2015. Remaining 162 coal blocks stood cancelled with immediate effect.

1.2 In light of the judgment and order of the Hon'ble Supreme Court, it was considered expedient in public interest by the Central Government to take immediate action so as to ensure energy security of the country. The need for promulgation of the Ordinance was felt to overcome the acute shortage of coal in core sectors such as steel, cement and power utilities, which are vital for the development of the country. Further, to mitigate the hardships on household consumers, medium and small enterprises, cottage industries, as well as to overcome the overall shortage of coal in the country and augment its production by allocating coal mines to new allocates, the Coal Mines (Nationalisation) Act, 1973 was amended by inserting section 3A and the Mines and Minerals (Development and regulation) Act, 1957 was amended by substituting section 11A, thereby removing the restriction of end use from the eligibility to undertake coal mining, in the national interest.

1.3 In order to implement the judgment and order of the Hon'ble Supreme Court and to address the above objectives, an Ordinance namely, the Coal Mines (Special Provisions) Ordinance, 2014 was promulgated by the President on 21st October, 2014 under article 123 of the Constitution. To replace the said Ordinance, the Coal

Mines (Special Provisions) Bill, 2014 was introduced in the Lok Sabha on 10th December, 2014. The said Bill has been passed by the Lok Sabha on 12th December, 2014.

1.4 In pursuance of the Coal Mines (Special Provisions) Ordinance, 2014, actions have been initiated by the Central Government including the framing of Rules for allocation of Coal Mines and therefore, it was considered necessary to give continuity to the provisions of the said Ordinance and save the actions taken there under.

1.5 Since Parliament was not in session and President was satisfied that circumstances exist which rendered it necessary for him to take immediate action, the Coal Mines (Special Provision) Second Ordinance, 2014 was promulgated on 26th December, 2014 under clause (1) of article 123 of the Constitution. It was proposed to introduce the Coal Mines (Special Provisions) Bill, 2015, to replace the Coal Mines (Special Provision) Second Ordinance, 2014.

1.6 The Coal Mines (Special Provisions) Bill, 2015 provides for allocation of coal mines and vesting of the right, title and interest in and over the land and mining infrastructure together with mining leases to successful bidders and allottees through a transparent bidding process with a view to ensure continuity in coal mining operations and production of coal, and for promoting optimum utilization of coal resources consistent with the requirement of the country in national interest. Further, the Bill, having regard to the coordinated and scientific development and utilization of coal resources consistent with the growing requirement of the country, prescribed the conditions to rationalise the coal sector for mining operations, consumption and sale.

1.7 The Coal Mines (Special Provisions) Bill, 2015 as passed by the Lok Sabha on 4th March, 2015, was referred to the Select Committee comprising of 19 Members of Rajya Sabha on a motion, moved in the House by the Minister of State (Independent Charge) for Power, Coal and New & Renewable Energy and adopted by the House on the 11th March, 2015, for examination and submission of Report thereon to the Rajya Sabha with instructions to report to the Rajya Sabha, not later than 18th March, 2015, for enabling the Rajya Sabha for its consideration and passing during the first part of the Budget Session.

Deliberations of the Select Committee:

Deposition of the Secretary, Ministry of Coal, in the meeting held on 13th March, 2015:

2. The Secretary, Ministry of Coal apprised the Committee that an Ordinance was required to legally enable the Government to re-allocate 204 coal blocks allocation of which was cancelled by the Hon'ble Supreme Court and to ensure smooth transfer of right, title and interests in the mines along with its land and other associated mining infrastructure to the new allottees, some of whom have already been selected through a process of auction in the first Phase. The salient objectives of the Ordinance as apprised by the Coal Secretary are as under:-

- (i) To ensure continuity in operation of the producing mines and to bring into production other mines expeditiously, the allotment of which has been cancelled by the Hon'ble Supreme Court.
- (ii) To insert Section 3A to the Coal Mines (Nationalization) Act, 1973 and amend Section 11A of the Mines and Minerals (Development and Regulation) Act, 1957 thereby removing the restriction of end use from the eligibility to undertake coal mining except in the case of certain specified coal blocks/mines.
- (iii) To provide for a nominated authority which shall be responsible for vesting and transfer of all interests, rights and titles of these cancelled coal blocks.
- (iv) To ensure that the proceeds of auctions shall also be collected by the nominated authority and disbursed to respective States. Further, it shall be responsible for allocation of coal blocks whether through auction or through allotment to Government companies.
- (v) To provide for compensation for land and immovable mining infrastructure only this shall be paid to the prior allottee through a Commissioner of Payments.
- (vi) To ensure that there shall be no end use restrictions on the eligibility to participate in the auction, other than certain specified coal blocks/mines.
- (vii) To ensure that the interests of the secured creditors shall be protected to the extent possible.

- (viii) To make provisions so that the Central Government may appoint Custodian(s) for operation and management of the coal mines till they are allocated through auction or allotment.

2.1 The Secretary further apprised the Committee that the Ministry have already taken some action and propose to take following actions in accordance with the provisions of the Ordinance, now being substituted by the Bill:-

- (i) The auction of coal blocks has been decided to be carried out in e-auction mode in order to keep the process transparent.
- (ii) 110 coal mines/blocks have been earmarked with specified end-use for auction and allotment.
- (iii) The process of e-auction commenced with the publication of a Notice Inviting Tenders (NIT) on 25.12.2014 for 23 running coal mines appearing in Schedule-II.
- (iv) Out of these 23 coal mines/blocks, e-auction of 19 coal mines has been successfully completed in the first tranche.
- (v) In the 2nd tranche, another 23 coal blocks from Schedule III have been put for auction with the publication of a Notice Inviting Tenders (NIT) on 07-01-2015. Out of these, e-auction of 14 coal blocks in 13 packages has been completed as on 10-3-2015.
- (vi) The total estimated amount of revenue likely to be raised in respect of 33 coal mines already auctioned is likely to be above Rupees two lakhs Crores in a span of 30 years. Further, additional estimated savings of fuel cost leading to reduction in power tariffs is likely to be around Rs. 97,000 Crores in a span of 30 years. The auction proceeds shall be transferred to the respective State Governments. Eastern states would be the biggest beneficiary and would financially empower them.
- (vii) State owned companies will not have to bid in auction, they would be allotted mines depending on their needs. Notice inviting application for allotment of 43 coal mines to Government companies was issued on 18.02.2015 and the applications received are under evaluation.

2.2 The Secretary, Ministry of Coal further informed the context of the emergent circumstances leading to the promulgation of the ordinance and the urgency for completion of the legislative approval as the Hon'ble Supreme Court had held allocation of coal blocks made through the Screening Committee route and Government Dispensation route as illegal and *vide* order dated 24.09.2014, the Hon'ble Supreme Court had cancelled the allocation of 204 coal blocks. It had held

that cancellation in case of 42 producing coal blocks would take effect from 31.03.2015, while for the remaining 162 coal blocks allocation was cancelled with immediate effect.

2.3 In reply to a query raised by a Member, regarding the urgency in passing the Bill, the Secretary informed the Committee that the Hon'ble Hon'ble Supreme Court had extended the time for continuing mining in 42 Coal producing blocks up to 31.03.2015. He also informed that certain associated issues will arise if the Bill was not passed *viz.* the levy that was imposed by the Hon'ble Supreme Court which was to the tune of Rs.295/- per ton, was for coal mined till 31.3.2015 only. Thereafter, the production in the mines will have to stop leading to loss of jobs, shortage of Coal and reduced power generation and consequently severe effect on steel, cement and consequential outgo of foreign exchange. Not getting the legislative approval would create void and subsequent complications.

2.4 The Secretary further informed about the legal issues arising out of Hon'ble Supreme Court Judgment which are as follows:

- (i) Under Coal Mines (Nationalization) Act, 1973 (CMN Act), only Central Government or a Central Government Company can carry on commercial mining operations in India, which would imply that the State PSUs cannot do commercial mining.
- (ii) Under CMN Act, expression “engaged in” means that the company that was applying for the coal block must have already set up a specified EUP and be engaged in the production of steel, power or cement, which means that blocks cannot be allocated to prospective investors which committed to set up EUPs in future leading to oligopolies.
- (iii) Under CMN Act, expression ‘a company’ does not cover consortium, group or Joint Ventures of companies, which implies that large blocks cannot be allocated to group of companies. However, for optimum extraction of coal, large blocks need to be allocated to group of companies.

2.5 The Secretary, Ministry of Coal also elaborated on the administrative issues arising out of SC Judgment which are as follows:

- (i) Prior allottees would retain ownership of land purchased by them for coal mining operations. This was needed to be acquired.
- (ii) Acquisition/ transfer of mine infrastructure developed by prior allottee, eg. rail siding, haulage road, coal handling plant, etc.

- (iii) Transfer of Environment and Forest Clearances and other permissions obtained by prior allottees.
- (iv) After cancellation, the mining lease granted in respect of blocks will get extinguished.
- (v) Interest of secured creditors needs to be ensured.

2.6 Apprising the Committee of the salient points of the Bill, the Secretary, Ministry of Coal further stated as follows:

- (i) 204 cancelled blocks have been defined as 'Schedule-I coal mines'.
- (ii) 42 producing and ready to produce coal mine out of Schedule-I coal mines are defined as 'Schedule-II coal mines'.
- (iii) Other 32 substantially developed coal blocks out of Schedule-I coal mines are defined as 'Schedule-III coal mines' meant for specified end-use (more mines can be added to Schedule-III).
- (iv) Allocation shall be made through auction to a company or their Joint Ventures.
- (vi) In case of Government Company or their Joint Ventures, allotment may be made without auction.
- (vii) There shall be no end use restrictions on the eligibility to participate in the auction, other than for Schedule II & III coal mines.
- (viii) 'Nominated Authority' shall be appointed for conduct of auction/allotment and vesting and transfer of all interests, rights and titles of these coal mines in the successful bidder or allottee. Nominated Authority to be assisted by experts and other officers.
- (ix) The proceeds of auction shall be received by the Nominated Authority and disbursed to respective States.
- (x) Compensation for land and immovable mining infrastructure shall be paid to the prior allottee only after paying secured creditors and other dues as per relevant laws.
- (xi) 'Commissioner of Payments' shall be appointed for disbursement of compensation.

- (xii) The Central Government may appoint Custodian(s) for operation and management of the coal mines till they are allocated through auction or allotment.
- (xiii) Tribunal constituted under the Coal Bearing Areas (Acquisition and Development), Act, 1957 will adjudicate any dispute arising out of any action of the Central Government/ nominated authority or any dispute between the successful bidder or allottee and prior allottee arising out of any issue connected with the Act.

2.7 The Secretary, Ministry of Coal also provided the following statistics as regards the likely E-auction proceeds to Coal Bearing States from auction of Schedule-II & III Coal Mines as on 09.03.2015 (In Rs. Cr.):

Sl. No	Coal Bearing State	E-auction Proceeds		Royalty Proceeds		Upfront Payment [10% of Intrinsic value]	Total	
		Total E-auction Proceeds to Host State	Annual E-auction Proceeds to Host State	Total Royalty Proceeds to Host State	Annual Royalty Proceeds to Host State		Total Proceeds to Host State (Including upfront payment)	Total Annual Proceeds to Host State
1	Odisha	28765.33	890.39	4702.71	147.05	273.89	33741.94	1037.44
2	Madhya Pradesh	38060.49	897.95	4628.73	121.00	122.20	42811.43	1018.96
3	Maharashtra	2303.241	91.23	424.17	16.87	11.12	2738.53	108.10
4	Jharkhand	43108.35	1410.74	5863.69	203.60	300.88	49272.92	1614.34
5	Chattishgarh	60160.475	2636.1	7402.09	317.59	258.60	67821.17	2953.69
6	West Bengal	11203.025	350.58	2007.82	66.16	143.37	13354.22	416.74
	Total	183600.925	6276.998	25029.23	872.30	1110.08	209740.24	7149.30

In addition to the above likely Benefit to consumers in terms of ROM price of Coal from 12 blocks earmarked for Power sector will be Rs.96971.46 Crores.

2.8 On the issue of providing sufficient safeguards for the labour, the Secretary, Ministry of Coal, stated that the existing labour laws provided that sufficient provisions for the labour who are presently employed. However, the liability continues to exist with the previous employer as the succeeding employer cannot be saddled with certain liabilities in terms of the labour, though he is free to employ them. Thus, a condition cannot be imposed that whoever was employed by the previous employer will be employed by the succeeding person as it would be illegal.

Few Members raised queries regarding the protection of the rights of the Coal bearing states and desired that the state Govt. representatives should also be heard. The Committee decided to also hear the representatives of the State Governments of Odisha, Chhattisgarh, Madhya Pradesh, Jharkhand, Maharashtra and West Bengal in this regard. Few Members further raised the issue of hearing the representatives of the Ministry of Power, Labour & Employment and the Tribal Affairs and representatives of several trade unions. Some of the members raised the issue of management control consequent to the transfer of mines and also the need to have the Coal regulator for regulating the Coal sector. Clarifications were also sought regarding the differentiation between the Schedule I, Schedule II and Schedule III and also the manner in which the eligibility criteria and the process of auction was determined. The Committee appreciated the time constraints as cited by the Secretary, Ministry of Coal and decided that all efforts to adhere to the prescribed time limit may be made.

Deposition of the Secretaries, Ministries of Power, Tribal Affairs, Labour & Employment, Coal, Legislative Department and the Representatives of State Government in the meeting held on 14th March, 2015:

3. Chairman apprised the Committee that as desired by the Members, the Secretaries of the Ministries of Power, Tribal Affairs, Labour & Employment, Coal, Legislative Department alongwith the Chief Secretaries of the State Government of Odisha, Chhattisgarh, Madhya Pradesh, Jharkhand, Maharashtra and West Bengal were invited to put forth their views before the Committee on various provisions of the Bill. The Chairman further informed that three State Governments namely Chhattisgarh, Madhya Pradesh and Jharkhand had expressed their inability to appear before the Committee. However they had expressed their total agreement with the Bill. The representatives of the remaining three states were present for the depositions. So far as the Trade Unions were concerned, the Chairman informed that the representatives of the Trade Unions *viz.* INTUC, BMS, AITUC, CITU and HMS were also invited but they did not appear before the Committee. However, they have submitted a written note on the date of adoption of the report.

3.1 During the deliberations on the Bill, some Members enquired about the consultation process adopted by the Coal Ministry for drafting of the Bill and raised their concern on the various clauses of the Bill pertaining to the protection of the interests of labour and tribals and enquired as to whether their rights had been protected in the Bill. Some Members were concerned about the fate of the Labour working in the various mines consequent to their auction as most of the labour were contractual labour. Members also raised queries regarding the various provisions of the Industrial Disputes Act. Some Members were also concerned over the process of

non-consultation with the Ministries of Tribal Affairs and Labour & Employment prior to the bringing of the Coal Ordinance. Members raised queries on the condition and rights of Labour already working in various mines as a consequence of the proposed legislation.

3.2 In reply, the representatives of the Ministries of the Labour & Employment, Tribal Affairs, and Coal clarified that all the laws in force in favour of the labour and protection of tribal would stand and are equally applicable in the coal mines covered in this Bill. However, some of the Members of the Committee desired that adequate provisions be ensured so as to protect and preserve the rights of the labour and tribal.

3.3 Some Members of the Committee also desired that the Bill should ensure that all the coal blocks which are auctioned should have requisite environmental clearances prior to auction and should also be in line with the Acts protecting the rights of the tribal. Members were also concerned about mining in Scheduled areas and also the issue of non-adherence of the guidelines on forest and environment clearance. Members also raised issues arising out of displacement and rehabilitation of tribal.

3.4 The Committee also heard the views of the representatives of the State Governments of West Bengal, Odisha and Maharashtra. In the meeting concerns were expressed by the members regarding the diminishing role of State Governments in deciding the various modalities concerning the auction process and The representative of the Government of West Bengal had a few suggestions in the context of protection of their rights such as transfer of Auction Proceeds to the State Governments in a time bound manner; payment of increased rate of royalty to West Bengal; and safeguarding the land for afforestation, rehabilitation and resettlement. The representative of the Govt. of Odisha stated that their Government is not averse to the provisions of the Coal Mines (Special Provisions) Bill, 2015, however, they have suggested that a large number of coal blocks of the State should be earmarked for the non-regulated sector in due consultation with the State Government and there should be equitable sharing of the Auction Proceeds with the mineral bearing States by the Union Govt. The representative of the Government of Maharashtra informed that their Government is in total consonance with the provisions of the Bill.

3.5 The Secretary, Ministry of Power responded to queries on differential allotment to captive power plants. Members raised queries regarding supply of power to other sectors like Cement, Aluminum, Iron and Steel. Members also wanted to know as to the impact of these auctions on the power tariff to which Secretary responded that power tariffs will reduce.

Clause-by-Clause Consideration of the Bill:

4. The Committee after deliberating at length on the various provisions of the bill and hearing the views/suggestions of a number of stakeholders *viz.* concerned Ministries i.e. Ministry of Coal, Power, Labour and Employment and Tribal Affairs, representatives of State Governments of Odisha, Maharashtra and West Bengal, took up clause-by-clause consideration of the Bill in its meeting held on 15th March, 2015. The Select Committee deliberated upon all the clauses as mentioned below *in seriatim* and adopted them without any modification. The Committee considered documents and evidences tendered before it as well as the views expressed by its Members in formulating its recommendations.

Clause 2

4.1 This clause is a declaration as to expediency of Union action.

Committee's observations/recommendations

4.1.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 3

4.2 This clause provided for the definition of the expressions words used in the proposed legislation.

Committee's observations/recommendations

4.2.1 While deliberating upon this Clause, some Members were of the view that the appropriate provisions for benefit of labour working in the Coal Mines should be appropriately inserted after Clause 3 (1) (s) so that the causes and grievances of labour working in the Coal Mines should be taken care of. The Coal Secretary on this issue apprised the Committee that all the labour related Laws existing in the Country were applicable to the labour working in the Coal Mines and no separate provisions were required at present in this Clause.

4.2.2 Further deliberating on this Clause, one Member observed that words 'coal based thermal' may be added in the clause 3 (1) (v) (ii) after the words 'generation of' so that the end users of the Coal may be specified with more clarity. The Coal Secretary informed the Committee that this provision is abundantly clear and the Coal mined will only be used for thermal power generation. The Secretary also assured that the requirement of all end users would be addressed through subsequent

Notifications pursuant to the legislation as it is not possible to have an exhaustive list of end users as part of the Bill.

4.2.3 Few members also raised the issue of protecting the interest of Public Sector Undertakings mainly Coal India Limited (CIL). Members also raised the issues of providing reservations in coal allocations to the SMEs/MSME Sector. The Secretary emphatically stated that the coal mines covered under the provisions of this Bill are not related to CIL and the interests of the SMEs/MSME sector would be protected through subsequent Notifications.

4.2.4 Coming to Clause 3 (2) of the Bill, a Member was of the view that there should be a direction to the Coal Ministry to come up with a comprehensive legislation covering the entire gamut of Coal Mining activities, allocation of Coal mines and its distribution as well as a provision for a regulator in this sector. The Coal Secretary suggested that this could be addressed separately. The Committee thereafter, adopted clause 3 of the Bill without any change.

Clause 4

4.3 This clause provides for eligibility to participate in auction and payment of fees.

Committee's observations/recommendations

4.3.1 The Committee deliberated on this Clause at length. Some Members submitted that provision for getting key clearance such as clearance from Ministry of Environment and Forest and Ministry of Tribal Affairs should be incorporated in this clause so that before going to the auction of the Coal Mines such kind of hindrance is not there. Those members were also of the view that such exercise would help in getting more money from auction of the coal mines. Further, one of the Members observed that in Clause 4(2) of the Bill, it has been mentioned that Coal Mining Operations in India may be carried in any form either for own consumption, sale or for any purpose in accordance with the permit. He suggested that the Coal Mining operations may be allowed only for own consumption as he stressed upon the fact that the end use of the Coal Mining should be specifically specified. The Secretary informed the Committee that by restricting Coal Mining to the own consumption would restrict the use of Coal in other purposes if required, he therefore, suggested no change in this clause. Regarding obtaining of key clearances before auction of Coal Mines, the Coal Secretary apprised the Committee that responsibility of obtaining clearances lies with the allottee of the Coal mines as most of the terms and conditions required for obtaining the clearances could only be fulfilled by allottee. The Committee adopted this Clause without any change.

Clause 5

4.4 This clause empowers the Central Government to allot a Schedule I Coal mine to a Government Company or Corporation.

Committee's observations/recommendations

4.4.1 On this Clause one Member sought clarification from the Ministry as to whether a Government Company was debarred from bidding for another mines if that Company had no liability left in a prior joint venture and whose license was cancelled due to non-payment of additional levy. The Secretary clarified that such Government Companies or Corporations if they have paid up their share of additional levy, are not prohibited under this Clause. The Committee adopted this Clause without any change.

Clause 6

4.5 This clause provides the Central Government to act through a nominated authority and its powers and functions.

Committee's observations/recommendations

4.5.1 On this Clause one Member has raised the issue of transfer of amount as mentioned in Clause 6 (3) (e) and submitted that the nature of amount should be specified in this Clause. He submitted that words 'transfer of amount' be substituted by the words 'transfer of amount of auction proceeds and additional levy as defined in clause 3(1)(a) of the Bill'. The Coal Secretary while responding to this submitted that by putting the nature of amount in the Bill would further restrict other amounts which would become part of it in future. The Committee adopted this Clause without any changes.

Clause 7

4.6 This clause empowers the Central Government to classify certain schedule I Coal Mines.

Committee's observations/recommendations

4.6.1 On this Clause one Member observed that a proviso may be added after Clause 7 (1) which may reads as under:

"Provided that the Central Government shall not make any such classification without the concurrence of the State Government concerned wherein such mines are located"

4.6.2 He also advocated for similar proviso after Clause 7(2) of the Bill. The Coal Secretary explained the criteria for earmarking end-uses for coal mines. The Committee thereafter adopted this Clause without any change.

Clause 8

4.7 This clause empowers the nominated authority to issue vesting order or allotment order in respect of Schedule I and Schedule II coal mines in the manner as prescribed therein.

Committee's observations/recommendations

4.7.1 One Member was of the opinion that under Clause 8 (4) (b) the entitlement to a Mining lease to be granted by the State Government shall only be for their own consumption for specified end use. On this issue the Coal Secretary has reiterated his earlier stand which had been clarified in Clause 4 of the Bill. The Committee thereafter adopted this Clause without any change.

Clause 9

4.8 This clause provides that the proceeds arising out of land and mine infrastructure in relation to a Schedule I coal mine shall be disbursed maintaining, *inter alia*, the priority of payments in accordance with such rules as may be provided.

Committee's observations/recommendations

4.8.1 Several Members on this Clause were of the opinion that a separate Clause may be inserted to provide for payment of the dues of the labour working in Coal Mines alongwith payment to secured creditors of the prior allottees. The Coal Secretary reiterated its earlier stand and apprised the Committee that all the existing labour laws were applicable to the labour working in the Coal Mines covered under this Bill. The Committee recommends that separate provisions be inserted in the subsequent Notifications/Rules frame thereunder to provide for priority payments of the dues of the labour working in the coal mines of the prior allottee from the payments received by the prior allottee. The Committee thereafter adopted this Clause without any change.

Clause 10

4.9 This clause provides for the procedure for utilization of movable property used in coal mining operation in the manner as may be provided by rules.

Committee's observations/recommendations

4.9.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 11

4.10 This clause provides for discharge or adoption of third party contracts with prior allottees.

Committee's observations/recommendations

4.10.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 12

4.11 This clause provides for provisions in relation to secured creditors.

Committee's observations/recommendations

4.11.1 Some Member observed that under this Clause labour working in the Coal Mines covered in this Bill should also be treated at par with the secured creditors. The Coal Secretary on this issue reiterated that all the labour related Laws existing in the Country were applicable to the labour working in the Coal Mines and no separate provisions were required at present in this Clause. The Committee reiterates its recommendation made under clause 9 of the Bill. The Committee adopted this Clause without any change.

Clause 13

4.12 This clause provides that any and all alienations of land and mine infrastructure and creation of any encumbrances of whatsoever nature thereon which relate to the Schedule I coal mines, made by any prior allottee after the 25th day of August, 2014 shall be void, save and except any registered security interest and charge over the land and mine infrastructure as registered by a bank or a financial institution or any other secured lender.

Committee's observations/recommendations

4.12.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 14

4.13 This clause provides for liabilities of prior allottees.

Committee's observations/recommendations

4.13.1 On this Clause some members raised the issue of liabilities of prior allottee and advocated for deletion of the word 'wages, bonus, provident fund, pension, gratuity' so that rights of labour may be protected. The Coal Secretary clarified that this Clause ensures that rights of the labours are enforceable against prior allottees and successful bidder gets Mines which are free of any liability created by the prior allottee. Thereafter, the Committee adopted this Clause without any change.

Clause 15

4.14 This clause empowers the Central Government to appoint a Commissioner of Payments for the purposes of disbursing the amounts payable to prior allottees of the Schedule I coal mines. The sub-clauses provides the powers and functions of the said Commissioner.

Committee's observations/recommendations

4.14.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 16

4.15 This clause provides for the valuation of compensation for payment to prior allottee.

Committee's observations/recommendations

4.15.1 One Member while discussing this Clause submitted that valuation of compensation for payment to prior allottee in relation to cancelled Coal Mines should be done rationally and the quantum of compensation should reflect fair value. Members also raised the issue if inadequate compensation to the land owners. The Secretary assured that the issue of compensation has been addressed on objective parameters set up by the Technical Committee. Besides, he further assured that there is a provision of the designated Tribunal which will look into disputes of financial compensations. The Committee thereafter, adopted this Clause without any change.

Clause 17

4.16 This clause provides that on and from the appointed date, the Central Government or a company owned by the central Government shall be deemed to have become the lessee or licensee of the State Government in relation to each of

the Schedule II coal mines, in respect of which a mining lease or prospecting licence has been granted prior to the date of commencement of the proposed legislation, as if a mining lease or prospecting licence in relation to such coal mine had been granted to the Central Government or a company owned by the Central Government and the period of such lease or licence shall be the maximum period for which such lease or licence could have been granted by the State Government under the Mineral Concession Rules, 1960, and thereupon all the rights under such mining lease, including surface, underground and other rights shall be deemed to have been transferred to, and vested in, the Central Government or a company owned by the Central Government.

Committee's observations/recommendations

4.16.1 A Member suggested that the Clause 17(3) may be violative of Federal structure as provided in the Constitution and was of the view that suspension of rights of State Governments of terminating a prospecting license or mining lease for 'such other period as may be notified by the Central Government' was not an acceptable proposition. On this, the Coal Secretary stressed upon the necessity of this Clause and submitted that need of this Clause may arise in rare occasions to safeguard the public interest. The Committee recommends that a definite period of not more than five years may be notified. The Committee adopted this Clause without any changes.

Clause 18

4.17 This clause provides that on and from the appointed date, if the auction or allotment of Schedule I coal mines is not complete, the Central Government shall appoint any person as a designated custodian for such coal mines as may be notified by the Central Government to manage and operate such notified coal mines.

Committee's observations/recommendations

4.17.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 19

4.18 This clause and its sub-clauses provides for the powers and functions of the designated custodian in respect of Schedule II coal mines.

Committee's observations/recommendations

4.18.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 20

4.19 This clause provides that a successful bidder or allottee or coal linkage holder shall, with prior approval of the Central Government and in accordance with such rules as may be prescribed, be entitled to enter into certain agreements or arrangements with other successful bidder or allottee or coal linkage holder, as the case may be, for optimum utilization of coal mine for the same end uses in the public interest and to achieve cost efficiencies. It further provides that a successful bidder or allottee may also use the coal mine from a particular Schedule I coal mine for any of its plants engaged in common specified end uses, in accordance with such rules as may be prescribed.

Committee's observations/recommendations

4.19.1 The Committee deliberated upon this Clause at length and Members sought some clarification from the Coal Secretary regarding optimum utilization of Coal Mines through certain arrangements primarily regarding barter/swapping of coal. The Secretary submitted that this Clause has been introduced for optimum utilization of Coal Mines in Public Interest and to achieve cost efficiencies, particularly cost of transportation of Coal. Secretary highlighted that any such arrangements will be subject to prior approval of the Central Government. The Committee adopted this Clause without any change.

Clause 21

4.20 This clause provides for the procedure for acquisition of land.

Committee's observations/recommendations

4.20.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 22

4.21 This clause provides for realisation of additional levy from the prior allottee of Schedule II coal mine.

Committee's observations/recommendations

4.21.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 23

4.22 This Clause provides for penalties for certain offences.

Committee's observations/recommendations

4.22.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 24

4.23 This clause provides for penalty for failure to comply with directions of Central Government.

Committee's observations/recommendations

4.23.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 25

4.24 This clause provides for the procedure for penalty against the offences committed by a company.

Committee's observations/recommendations

4.24.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 26

4.25 This clause provides that no court shall take cognizance of any offence punishable under the proposed legislation or any rules made thereunder except upon complaint in writing made by a person authorized in this behalf by the Central Government or nominated authority or the designated custodian.

Committee's observations/recommendations

4.25.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 27

4.26 This clause provides an alternate dispute resolution forum for barring the jurisdiction of civil courts and other courts (except the Hon'ble Supreme Court and High Courts) in relation to any matter connected with the proposed legislation.

Committee's observations/recommendations

4.26.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 28

4.27 This clause provides for protection of action taken in good faith by the Central Government, nominated authority, Commissioner of payments, or designated custodian or any person acting on their behalf.

Committee's observations/recommendations

4.27.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 29

4.28 This clause provides that the provisions of the proposed legislation shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any such law.

Committee's observations/recommendations

4.28.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 30

4.29 This clause provides that on and from the date of commencement of the proposed legislation, the Coal Mines (Nationalisation) Act, 1973 and the Mines and Minerals (Development and Regulation) Act, 1957 shall stand amended in the manner as provided therein.

Committee's observations/recommendations

4.29.1 Some Members raised the issue of commercial mining as introduced by amending the Coal Mines (Nationalisation) Act, 1973 and the Mines and Minerals (Development and Regulation) Act, 1957 and suggested that the Coal Mining operations may be allowed only for own consumption as he stressed upon

the fact that the end use of the Coal Mining should be specifically specified. Some other Member suggested that commercial mining may only be permitted after establishment of a Coal Regulator. The Secretary informed the Committee that by restricting Coal Mining to the own consumption would restrict the use of Coal in other purposes if required. Regarding Coal Regulator, he suggested that this could be addressed separately. The Committee adopted this Clause without any change.

Clause 31

4.30 This clause provides that the Central Government may, by notification in the Official Gazette, and subject to the condition of previous publication, make rules for carrying out the provisions of the proposed legislation. Sub-clause (2) of said clause provides for the matters in respect of which such rules may be made Sub-clause (3) provides that every rule made by the Central Government are required to be laid before each House of Parliament.

Committee's observations/recommendations

4.30.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 32

4.31 This clause provides that if any difficulty arises in giving effect to the provisions of the proposed legislation, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of the proposed legislation, as appear to it to be necessary or expedient for removing the difficulty, provided that no such order shall made after the expiry of a period of two years from the date of commencement of the proposed legislation and every order made under this clause shall be laid before each House of Parliament.

Committee's observations/recommendations

4.31.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 33

4.32 This Clause repeals the Coal Mines (Special Provisions) Second Ordinance, 2014 and saves any action taken under the said ordinance.

Committee's observations/recommendations

4.32.1 Since there is no observation on this Clause hence, the Committee adopted this Clause without any change.

Clause 1

4.33 This clause provides the short title and commencement of the proposed legislation.

Committee's observations/recommendations

4.33.1 While deliberating upon this Clause, one of the Members raised the issue of extension of this piece of legislation to the whole of India and stated that after the words 'whole of India' the words 'except the tribal areas mentioned in the Sixth Scheduled of the Constitution of India' may be added. The Legislative Secretary while responding on this issue stated that this is a mandatory provision which becomes part of each and every legislation passed by the Parliament. The Committee thereafter adopted this clause without any change.

5. With these observations the Committee recommends enactment of the legislation without any modification. However, the observations/recommendations of the Committee may be taken into consideration while framing the subsequent Notifications/Rules related to this Bill.

NOTE OF DISSENT

Note of Dissent

Digvijaya Singh, MP

With a deep sense of disappointment I am submitting my Dissent Note in the Report of the Select Committee on Coal Mining Bill.

Despite unanimity on the issue of Labor dues Forest Rights of the Tribals and Forest Dwellers Forest and Environment Clarendes and inherent Rights of the State in the Constitution , the Select Committee has failed to accept the suggested Amendments to the Bill which would have addressed the issues on which there was unanimity.

For a Bill with such far reaching implications the time given was not even 7 working days !

The Committee could not hear the Stake Holders whose lives would be impacted by this Bill which is the Fundamental Duty of the Select Committee in Parliamentary Democracy.

In drafting the Bill the views of the State Government which is the owner of Coal Resources were not taken. The views of Labor Ministry were not taken. The views of Forest and Environment Ministry were not taken views of Tribal Affairs Ministry were not taken and Panchayat Rajya Ministry were not taken which is mandatory after PESA is part of our Constitution.

I therefore have following suggestions which would address the concerns and protect the interests of the State Government ,Labour, Tribals and Forest Dwellers and Consumers

CLAUSE 3

1- That at page 3 line 36 after the words, ",2002;" following be added "Labour dues shall be a part of the definition of secured creditors"

CLAUSE 4

1- That at page 4, lines 23 and 24, for the words "either for own consumption , sale or for any other purpose", the words "for own consumption" be substituted.

2- That at page 4, line 27 following proviso be added

(c) to optimise the value of the coal block Forest and Environment Ministry clearances should be obtained by Central and State Government and the State Government must certify that all the rights under the Forest Rights Act have been settled before the auction of the coal blocks.

3- That at page 4 , line 30 after the words "coal mining operations", the words "for own consumption for specified end- use" be inserted.

4- That at page 4, line 35 after the words " whose application ", the words "for coal- blocks for specified end- use" be inserted.

CLAUSE 5

1- That at page 5 line 13, for the words " either for its own consumption, sale or for any other purpose", the words " for its own consumption" be substituted.

CLAUSE 7

1- That at page 6, after line 10, the following proviso be inserted , namely

"Provided that the Central Government shall not make any such classification without the concurrence of the Government of the State wherein such mines are located "

2- That at page 6 line 12 , the following proviso be inserted namely

"Provided that the Central Government shall not make any such modification without the concurrence of the Government of the State wherein such mines are located "

CLAUSE 8

1- That at page 6 line 25 , after the words "by the State Government " , the words "only for own consumption for specified end-use" be inserted.

2- That at page 7 line 14, following be inserted, namely

"(13) The successful bidder or allottee shall mine coal from the block allotted to him only for own consumption for specified end- use as specified in the Mines and Minerals (Development and Regulation) Act, 1957 and not for any other purpose "

CLAUSE 12

1- That at page 8 line 34 following proviso may be added

(c) in the event that the prior allottee is not a successful bidder or allottee then the Labor Dues of the prior allottee shall only be satisfied out of the compensation payable to the prior allottee as that in the case of the secured creditor.

(d) Labor dues shall have the first charge out of the compensation to be paid to the prior allottee.

CLAUSE 17

1-That at page 10 after 27 sub clause (3) be deleted as it takes away the inherent right of the State Government.

CLAUSE 20

1- That at page 11, after line 31 , the following be inserted, namely

(3) A successful bidder or allottee is obliged to continue engaging the workers and employees already working in the allotted mine either as direct appointee of the prior allottee or through contractor or otherwise.

(4) Wages, other benefits and service conditions of the workers and employees deployed in the allotted coal mine, either directly or through contractor by the successful allottee shall be governed by wages or benefits or both and service conditions stipulated by the National Coal Agreement- 9, dated 31st January,2012 and as revised periodically from time to time."

CLAUSE 23

1- That at page 12 line 7 for "If any person" the words "If any person other than a land loser or an employee or a labor " be substituted.

CLAUSE 30

That at page 13 clause 30 which goes against the interest of the workers in coal mines be deleted.

SCHEDULE 4

1- That at page 25 , for lines 17 to 19, the following be substituted, namely

"may carry on coal mining operations in India in any form for own consumption only for specified end use and not for any other purpose, with the prospecting license or mining lease , as the case may be ".

2- That at page 25 for lines 27 and 28, the following be substituted, namely

"which in the opinion of the Government may be necessary for the purpose of coal mining for specified end-use and not for any other purpose,"

3- That at page 25, lines 35 and 36, for the words "including mining for sale by a company under sub section (2) of section 3A", the words, "for own consumption for specified end-use" be substituted

4- That at page 25, lines 40 and 41 be deleted

5- That at page 26, lines 1 to 37 be deleted.

6- That at page 26 lines 40 to 43, the following be substituted, namely

"(d) the terms and conditions of auction by competitive bidding, the details of mine and their location, the minimum size of such mines and such other conditions which may be necessary for the purpose of coal mining operations for own consumption for specified end-use and not for any other purpose under section 11A of the principal Act"

There was unanimity in the Committee that if the bidder is given the right to sell in the open market there should be a regulator to ensure that the interests of

house hold consumers medium and small enterprises and cottage industries particularly that of brick kiln and glass manufacturing industries are protected.

The argument by Hon Chairman Select Committee that the issues of Labor and the Consumers would be addressed in the rules, infringes on the right of the Committee on Subordinate Legislation which the Select Committee is not empowered.

Sd/-
Digvijaya Singh, MP

Note of Dissent

Pradip Bhattacharya, MP

At the time of deliberation of the select committee, the Members were given to understand that neither the Government of Coal producing States, nor the Ministry of Labour, nor the Ministry of Environment and Forest was consulted before preparing the ordinance and/or the present bill. Even the Select Committee **did not invite the stake holders, members of public, consumers, etc.** except a **hurried call** was sent by the Rajya Sabha secretariat to the Coal producing states Governments and Central Trade Unions on the evening of 13/3/15 asking them to be present at 2 and 3 PM on 14/3/15, which was a Saturday and none of the Central Trade Unions nor even some of the states could attend in view of such short notice. The only reason which was given by the Secretary, Ministry of Coal for so much urgency involved in the matter was that deadline as fixed by the Hon'ble Supreme Court was 31st March 2015 for conclusion of process of auction, allocation etc. However this plea is not at all tenable in view of the fact that in number of such like cases an application preferred by the Government seeking extension of time on the ground that a parliamentary Committee was in session of the matter, the Hon'ble Supreme Court was pleased to grant extension of time. In this case also, I strongly feel that Government ought to have adopted the same procedure praying extension of time before the Hon'ble Supreme Court. That not being done, the entire proceeding of the Select Committee has been vitiated, because neither the Hon'ble members of the said committee could apply their proper mind nor the major stake holders could participate in the deliberations in a befitting manner and as such the report has been prepared in a perfunctory manner.

P. B.

No provision has been made in the bill for any amount of money out of auction proceeds to be utilized for Tribal Welfare in the concerned coal mine areas put on auction.. Rather it was confirmed by the Ministry of Coal during the deliberation on 13/3/15 that the auction proceeds would go to the Consolidated Fund of the Coal producing States which makes room for the States to utilize that money in any manner whatsoever. Moreover the statutory rights of the tribal people to live in forest area and /or to use the forest material have not been explicitly guaranteed in this bill. The bill seeks to transfer right, title and interest not only of the Coal Mines and the land whereupon mines are situated, but also the lands demarcated for afforestation and the people affected by mining operations, being part of mining infrastructure. This is absolutely against the mandate of Constitution of India for protection of the rights of the tribal people and the forests dwellers.

In the Object and Reasons of the bill ,judgement dated 25th August 2014 and 24th September 014 has been stated whereby the Hon'ble Supreme Court ".....cancelled the allocation of coal blocks and issued directions with regard to such coal blocks.....".However, nowhere in the aforesaid judgement, the Hon'ble Supreme Court issued any direction as to whether the scope of granting mining licenses should be extended to entities other than end users was required. Needless to say , the matter before the Supreme Court was in relation to allocation of certain coal blocks to "end users only".

Clause 3:

That at page 3 line 36 after the words, "2002", following be added "labour dues shall be a part of the definition of secured creditors".

Clause 4

- 1) That at page 4, lines 23 and 24, for the words "either for own consumption, sale or for any other purpose", the words "for own consumption" be substituted.
- 2) That at page 4, line 27 following proviso be added
© to optimize the value of the coal block Forest and Environment Ministry clearances should be obtained by Central and State Government and the State Government must certify that all the rights under the Forest Rights Act have been settled before the auction of the coal blocks.
- 3) That at page 4, line 30 after the words "coal mining operations", the words "for coal-blocks for specified end-use" be inserted.
- 4) That at page 4, line 35 after the words "whose application", the words "for coal-blocks for specified end- use" be inserted.

FN

Clause 5

The first proviso to Cl 5 (1) interalia provides that "Government Company or Corporation may carry on Coal Mining in any form either for its own consumption, sale or for any other purpose.....". 'Corporation' has been defined in Cl 3 (1) (g) of the bill which says that "corporation' shall have the same meaning as assigned to it in clause (11) of Sec 2 of the Companies Act 2013. Clause 11 of Section 2 of the Companies Act 2013 defines the 'corporation' which includes a company incorporated outside India. Therefore the present bill seeks to invite even the foreign corporations to carry on coal mining in any form for its own consumption ,sale or for any other purpose, which is absolutely against the interest of the domestic end users, consumers and also offends the principles of Public Good, if not national interest. The bill does not provide for any government regulator which is, otherwise, a must to regulate particularly the foreign Corporations in regard to use and sale of Coal for 'any purpose'.

Clause 6

Cl 6 of the bill prescribes appointment of nominated authority, purposes for which and the manner in which the said authority shall act. But no representative of the State Governments shall form part of said nominated authority. This is highly irregular, because the States being the owners of the Mines ought to have been represented in the decision making process and/or formed the part of nominated authority to discharge the functions jointly with the Central Government authority.

Clause 7

1. That at page 6, after line 10, the following proviso be inserted, namely

"Provided that the Central Government shall not make any such classification without the concurrence of the Government of the State wherein such mines are located"

2. That at page 6 line 12, the following proviso be inserted namely

"Provided that the Central Government shall not make any such modification without the concurrence of the Government of the State wherein such mines are located"

Clause 8

1. That at page 6 line 25, after the words "by the State Government", the words "only for own consumption for specified end -use" be inserted.

P. C. R.

2. That at page 7, line 14, following be inserted, namely

“(13) The successful bidder or allottee shall mine coal from the block allotted to him only for own consumption for specified end-use as specified in the Mines and Minerals (Development and Regulation) Act, 1957 and not for any other purpose”

Clause 12

1. That at page 8 line 34 following proviso may be added

© in the event that the prior allottee is not a successful bidder or allottee then the Labour Dues of the prior allottee shall only be satisfied out of the compensation payable to the prior allottee as that in the case of the secured creditor.

(d) Labour dues shall have the first charge out of the compensation to be paid to the prior allottee.

Clause 14

Clause 14(5) and (6) (a) exclude labourers to claim for wages, bonus, provident fund, pension, gratuity or any other dues from the central government or the successful bidder or the allottee. These provisions are extremely anti-labour inasmuch as the labourers are denied of their statutory claims.

Clause 17

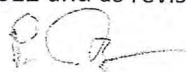
As per Clause 17(3), the statutory powers of the State Governments is sought to be suspended for indefinite period to terminate a prospecting license or mining lease. This is aimed at illegally to encroach and to take away illegally the powers of the State Government in this regard, which is against the Federal principles of our nation.

Clause 20

1. That at page 11, after line 31, the following be inserted, namely

(3) A successful bidder or allottee is obliged to continue engaging the workers and employees already working in the allotted mine either as direct appointee of the prior allottee or through contractor or otherwise.

(4) Wages, other benefits and service conditions of the workers and employees deployed in the allotted coal mine, either directly or through contractor by the successful allottee shall be governed by wages or benefits or both and service conditions stipulated by the National Coal Agreement-9, dated 31st January, 2012 and as revised periodically from time to time.”



Clause 23

- 1) That at page 12 line 7 for "if any person" the words "If any person other than a land loser or an employee or labour" be substituted.

Clause 30

That at page 13 clause 30 which goes against the interest of the workers in coal mines be deleted.

The issues highlighted hereinabove were raised by many members including me for incorporation in the report of the Select Committee , but I am surprised to see that none of the issues/suggestions has been included in the Committee's observations /recommendations, which again shows that the report has been prepared in a mechanical manner without application of proper mind and arbitrarily ,thwarting the views and/or suggestions of many a member including me.

The argument by Hon. Chairman, Select Committee that the issues of Labour and the Consumers would be addressed in the rules, infringes on the right of the Committee on Subordinate Legislation which the Select Committee is not empowered.

Hence, this note of dissent.

Sd/-
Pradip Bhattacharya, MP

Note of Dissent

Rajeev Shukla, MP

With a deep sense of disappointment I / we are submitting our Dissent Note in the Report of the Select Committee on Coal Mining Bill.

Despite unanimity on the issue of Labor dues Forest Rights of the Tribals and Forest Dwellers Forest and Environment Clarences and inherent Rights of the State in the Constitution , the Select Committee has failed to accept the suggested Amendments to the Bill which would have addressed the issues on which there was unanimity.

For a Bill with such far reaching implications the time given was not even 7 working days !

We could not hear the Stake Holders whose lives would be impacted by this Bill which is the Fundamental Duty of the Select Committee in Parliamentary Democracy.

In drafting the Bill the views of the State Government which is the owner of Coal Resources were not taken. The views of Labor Ministry were not taken. The views of Forest and Environment Ministry were not taken views of Tribal Affairs Ministry were not taken and Panchayat Rajya Ministry were not taken which is mandatory after PESA is part of our Constitution.

I/ we therefore have following suggestions which would address the concerns and protect the interests of the State Government ,Labour, Tribals and Forest Dwellers and Consumers

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4- That at page 4, line 35 after the words " whose application ", the words "for coal-blocks for specified end- use" be inserted.

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1- That at page 6, after line 10, the following proviso be inserted , namely

"Provided that the Central Government shall not make any such classification without the concurrence of the Government of the State wherein such mines are located "

2- That at page 6 line 12 , the following proviso be inserted namely

"Provided that the Central Government shall not make any such modification without the concurrence of the Government of the State wherein such mines are located "

CLAUSE 8

1- That at page 6 line 25 , after the words "by the State Government " , the words "only for own consumption for specified end-use" be inserted.

2- That at page 7 line 14, following be inserted, namely

"(13) The successful bidder or allottee shall mine coal from the block allotted to him only for own consumption for specified end- use as specified in the Mines and Minerals (Development and Regulation) Act, 1957 and not for any other purpose "

CLAUSE 12

1- That at page 8 line 34 following proviso may be added

(c) in the event that the prior allottee is not a successful bidder or allottee then the Labor Dues of the prior allottee shall only be satisfied out of the compensation payable to the prior allottee as that in the case of the secured creditor.

(d) Labor dues shall have the first charge out of the compensation to be paid to the prior allottee.

CLAUSE 17

1-That at page 10 after 27 sub clause (3) be deleted as it takes away the inherent right of the State Government.

CLAUSE 20

1- That at page 11, after line 31 , the following be inserted, namely

(3) A successful bidder or allottee is obliged to continue engaging the workers and employees already working in the allotted mine either as direct appointee of the prior allottee or through contractor or otherwise.

(4) Wages, other benefits and service conditions of the workers and employees deployed in the allotted coal mine, either directly or through contractor by the successful allottee shall be governed by wages or benefits or both and service conditions stipulated by the National Coal Agreement- 9, dated 31st January,2012 and as revised periodically from time to time."

CLAUSE 23

1- That at page 12 line 7 for "If any person" the words "If any person other than a land loser or an employee or a labor " be substituted.

CLAUSE 30

That at page 13 clause 30 which goes against the interest of the workers in coal mines be deleted.

SCHEDULE 4

- 1- That at page 25 , for lines 17 to 19, the following be substituted, namely
"may carry on coal mining operations in India in any form for own consumption only for specified end use and not for any other purpose, with the prospecting license or mining lease , as the case may be ".
- 2- That at page 25 for lines 27 and 28, the following be substituted, namely
"which in the opinion of the Government may be necessary for the purpose of coal mining for specified end-use and not for any other purpose,"
- 3- That at page 25, lines 35 and 36, for the words"including mining for sale by a company under sub section (2) of section 3A", the words,"for own consumption for specified end-use" be substituted
- 4- That at page 25, lines 40 and 41 be deleted
- 5- That at page 26, lines 1 to 37 be deleted.
- 6- That at page 26 lines 40 to 43, the following be substituted, namely
"(d) the terms and conditions of auction by competitive bidding, the details of mine and their location, the minimum size of such mines and such other conditions which may be necessary for the purpose of coal mining operations for own consumption for specified end-use and not for any other purpose under section 11A of the principal Act"

There was unanimity in the Committee that if the bidder is given the right to sell in the open market there should be a regulator to ensure that the interests of house hold consumers medium and small enterprises and cottage industries particularly that of brick kiln and glass manufacturing industries are protected.

The arguement by Hon Chairman Select Committee that the issues of Labor and the Consumers would be addressed in the rules, infringes on the right of the Committee on Subordinate Legislation which the Select Committee is not empowered.

Sd/-
Rajeev Shukla, MP

Note of Dissent

Tiruchi Siva, MP

With deep sense of disappointment I am submitting my Dissent Note to the Report of the Select Committee on Coal Mines (Special Provisions) Bill, 2015.

For a Bill with such far reaching implications the time given was not even 7 working days. The Committee discussed the Bill in only 5 sittings. As a result of the paucity of time and the unnecessarily hastened manner in which things were done, we were not able to hear a reasonable number of stakeholders whose inputs would have enlightened the Committee to come out with a Comprehensive report.

The views of the Panchayati Raj Ministry, Forests and Environment Ministry, Steel Ministry, Coal India Limited and some other associations if had been heard would have benefitted the Committee in a substantial way.

Apart from these, the views and suggestions made by certain members in the Committee to make suitable amendments to the Bill by way of including the labour dues to be a part of the definition of "secured creditors" to protect the rights of the labours working in the mines who will lose their jobs after the new method of allocation, the rights of the States where the mines are situated and the need for an independent regulator to oversee the implementation of the allocation process have not at all been considered by the Committee while drafting the report.

While appreciating the Government's initiative to increase the income of the exchequer by way of this new method of allocation, the responsibility of protecting the rights of the poor

Page 2

labours who will be left in lurch otherwise and the rights of the states in the federal setup of our country, have totally been ignored by the Committee in its report.

The argument by the Hon Chairman Select Committee that the issues of Labour and the Consumers would be addressed in the rules amounts to infringement on the rights of the Committee on subordinate legislation.

Hence not satisfied with the report which is not complete and comprehensive in addressing the core issues related, I am compelled to give a dissent note.

Sd/-
Tiruchi Siva, MP

Note of Dissent

K.N. Balagopal, MP

With a deep sense of disappointment I am submitting my Dissent Note in the Report of the Select Committee on Coal Mines (special provisions) Bill 2015.

Despite unanimity on the issue of Labor dues, Forest Rights of the Tribals and Forest Dwellers, Forest and Environment Clarendes and inherent Rights of the State in the Constitution, the Select Committee has failed to accept the suggested Amendments to the Bill which would have addressed the issues on which there was unanimity.

For a Bill with such far reaching implications the time given was not even 7 working days! We could not hear the Stake Holders whose lives would be impacted by this Bill which is the Fundamental Duty of the Select Committee in Parliamentary Democracy.

In drafting the Bill the views of the State Government which is the owner of Coal Resources were not taken. Since there was ambiguity about the revenue from auction proceeds and the preferential payment and transfer of amount to the respective State Governments is there, the views of State Governments would have been very important.

The views of Labor Ministry were not taken. The views and experience of Trade Unions were not heard. The rich experience of COAL India was not taken. The views of Forest and Environment

Ministry were not taken views of Tribal Affairs Ministry were not taken and Panchayati Raj Ministry were not taken which is mandatory after PESA is part of our Constitution.

Even the definition clause have a lot of ambiguity. For example the meaning of "corporation" (clause 3(g)) of the Bill, shall have the same meaning as assigned to it in clause (11) of section 2 of the Companies Act, 2013. Section 2 (11) of the Companies Act 2013 says - "body corporate" or "corporation" includes a company incorporated outside India. A foreign company can be interpreted as a "corporation" for the purpose of taking part in the bidding process. These kind of many examples are there in the Bill which would have been, drafted in a hasty manner.

I, therefore, proposes the Following changes, which should be incorporated in the Coal Mines (Special Provisions) Bill 2015 as passed by the Lok Sabha.

1. The rights of allottees of coal blocks either through auction or otherwise (Other than Coal India Ltd and Singareni Collieries Ltd) for mining coal should be limited to only "for own consumption or specified end-use" and provisions for "sale or any other purpose" should be withdrawn/dropped wherever such provisions appear in the Bill. Further the amendments proposed in Bill for amendment of the Coal Mines (Nationalisation) Act 1973 and Mines and Minerals (Development & Regulation) Act 1957 in the same direction should also be dropped or appropriately altered to restrict mining rights of the allottees of coal blocks only for own consumption or specified end use and not for any other purpose including sale.

[The Coal Mines (Special Provisions) Ordinance 2014 and the present Bill as a follow up to the Ordinance has been brought by the Government stated to be, inter alia, for addressing the situation arising out of the Order of the Supreme Court directing cancellation of 240 coal blocks allotted by the successive governments to different companies/entities for own consumption

or specified end-use in an arbitrary manner. To ensure continuity/recommencement of coal mining in the concerned coal blocks allotment of which was cancelled by the Supreme Court, allotment of those blocks through auction and transparent bidding process has been cited to be one of the main reasons for promulgating the Ordinance and introducing the related Bill thereafter.

But, for putting in place the auction of the coal blocks, the Govt already stood empowered with the appropriate legislative backing under the Mines & Minerals (Development and Regulation) Act 2010 passed by Parliament and notified on 9th September 2010. Hence plea of the Government about the urgency for allotment of the cancelled coal blocks through auction justifying promulgation of Ordinance followed by the present Bill does in no way hold water.

The real intention of the Coal Mines(Special Provisions) Bill 2015 is to pave the way for denationalization of coal mining sector which was nationalized vide enactment of the Coal Mines(Nationalisation) Act 1973 which provided for the right of extraction of Coal for commercial purposes to vest only with the Central Government. The Coal India Ltd and Singareni Collieries Ltd (SCL), both wholly owned undertakings by Govt of India have been entrusted that task. Subsequently, another legislation was enacted in 1993 to allow certain selected entities other than Coal India Ltd and SCL for mining of coal for captive consumption and not for any other purposes.

But, the Coal Mines (Special Provisions) Bill 2015, besides providing for allotment of coal blocks to various entities through auction, also provided for the unfettered rights to the allottees of coal blocks through auction for mining coal for "sale or any other purpose". This provision altered rather reversed the basic content of The Coal Mines (Nationalisation) Act 1973 which had been a milestone in India's economic development process. Such alteration in the Coal Mines (Nationalisation) Act 1973, in the

prevalent framework of economic policy regime has created the enabling provisions for and would inevitably pave the way for denationalization of the entire coal mining sector and gradual transfer of vital mineral resources like coal to private hands much to the detriment of national interests.]

2. A new clause should be incorporated in the Bill in appropriate place to ensure that the coal blocks earmarked/selected for auction must possess prior requisite clearances under the Environment Protection Act, Forest Conservation Act and gram sabha consents (as required under PESA Act 1996 Forest Rights Act 2006.

[Above provision is required to ensure immediate commencement of prospecting or mining operation in the auctioned and allotted blocks thereby making the auctioning and allotment purposeful and productive. It must be noted that out of 240 coal blocks allotted to various entities during the span of almost two decades only around 40 could be made operational. One of main hurdles for around 200 blocks had been absence of such clearances. A large number of coal blocks specified in the schedules do not yet possess requisite environment clearance of forest clearance. As for example, 27 out of 42 coal blocks in Chhattisgarh (schedule 1) do not have requisite environment and forest clearance; on 4 blocks, court cases are pending and in 2 blocks out of them clearances have been struck down by National Green Tribunal.]

3. In Chapter III and V of the Bill following provisions/amendments should be incorporated:

- a) Clearances of all dues of the workers in respect of wages, bonus, pension, gratuity etc working in the coal block (under prior allottee) under auction has to be ensured by the Govt or the designated authority through the prior allottee or that should be made the binding responsibility of the successful/new allottee.
- b) A successful bidder or allottee is obliged to continue engaging the workers and employees already working in the allotted mine

under prior allottee either as direct appointee or through contractor or otherwise.

c) Wages. Other benefits and service conditions of the workers and employees deployed in the allotted coal mines, either directly or through contractor will be governed by wages/benefits and service conditions stipulated by the National Coal Wage Agreement-IX dated 31st January 2012 and as revised periodically from time to time.

[A large section of workers engaged in mining are from STs and SCs and overwhelming majority of them are engaged through contractors. Owing to allotment process through auction, in the event of change of hands, concerned workers should not lose their livelihood and that should be the binding moral obligation of the Government or the concerned authority supervising the auction/allotment.

Secondly, the coal-workers are not under schedules of employment either under state of central government and hence for them no statutory minimum wages are stipulated either at the central or state level. In such a situation, benchmark wages and service conditions for the coal workers should not be left to the allottee company. In the interest of propriety, coal workers' wages/service conditions should be governed by the National Coal Wage Agreement-IX dated 31st January 2012, which along with the subsequent circulars issued by the Coal India Ltd stipulated wages and service conditions both for the regular workers and contract workers engaged in the coal industry.]

4. Section 14 of the Bill on treatment of liabilities of the prior allottees should be appropriately amended/restructured to ensure that either all liabilities of the prior allottees are transferred to new allottees or the Government or the designated authority on its behalf take steps to clear such liabilities or stand guarantee for resolution of such pending liabilities of the prior allottees. Secondly the provision in Section 14(b) that no award, decree or

order of any court, tribunal or other authority in relation to schedule 1 mines passed prior to enactment of this Bill will not be enforceable either against the Government or the successful bidder should be dropped, it being totally unconstitutional.

[Many cases by the aggrieved populations in the mining areas are pending in various courts. This enactment cannot stand in the way of reaching a logical conclusions through established avenues including the judiciary in respect of those pending grievances of the common populace of the mining areas , mostly tribal population. Liabilities (may or may not) involved in those ongoing disputes with the prior allottee or the Govt as the case may be cannot be brushed aside and the new allottee or the concerned government or both mush shoulder the responsibility of resolution of those disputes. Secondly , the order or award or decree by courts, or other authority in relations to the coal blocks under auction should not be brushed aside as it would tantamount to breach of orders of courts or similar authorities.]

Sd/-
K.N. Balagopal, MP

**BILL AS REPORTED BY THE SELECT
COMMITTEE**

BILL AS REPORTED BY THE SELECT COMMITTEE

THE COAL MINES (SPECIAL PROVISIONS) BILL, 2015

ARRANGEMENT OF CLAUSES

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BILL AS REPORTED BY THE SELECT COMMITTEE

Bill No. 19-CA of 2015

THE COAL MINES (SPECIAL PROVISIONS) BILL, 2015

A

BILL

to provide for allocation of coal mines and vesting of the right, title and interest in and over the land and mine infrastructure together with mining leases to successful bidders and allottees with a view to ensure continuity in coal mining operations and production of coal, and for promoting optimum utilisation of coal resources consistent with the requirement of the country in national interest and for matters connected therewith or incidental thereto.

WHEREAS the Supreme Court *vide* judgment dated 25th August, 2014 read with its order dated 24th September, 2014 has cancelled the allocation of coal blocks and issued directions with regard to such coal blocks and the Central Government in pursuance of the said directions has to take immediate action to implement the said order;

AND WHEREAS it is expedient in public interest for the Central Government to take immediate action to allocate coal mines to successful bidders and allottees keeping in view the energy security of the country and to minimise any impact on core sectors such as steel, cement and power utilities, which are vital for the development of the nation;

AND WHEREAS Parliament is competent to legislate under entry 54 of List I of the Seventh Schedule to the Constitution for regulation of mines and mineral development to the

extent to which such regulation and development under the control of Union is declared by Parliament by law to be expedient in the public interest.

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

CHAPTER I

PRELIMINARY

Short title, extent and commencement.	1. (1) This Act may be called the Coal Mines (Special Provisions) Act, 2015.	
	(2) It extends to the whole of India.	
	(3) It shall be deemed to have come into force on the 21st day of October, 2014.	
Declaration as to expediency of Union action.	2. It is hereby declared that it is expedient in the public interest that Union should take action for the development of Schedule I coal mines and extraction of coal on continuous basis for optimum utilisation.	10
Definitions.	3. (1) In this Act, unless the context otherwise requires,—	
	(a) “additional levy” means, the additional levy as determined by the Supreme Court in Writ Petition (Criminal) No. 120 of 2012 as two hundred and ninety-five rupees per metric tonne of coal extracted;	15
	(b) “allotment order” means the allotment order issued under section 5;	
	(c) “appointed date” in relation to—	
	(i) Schedule I coal mines excluding Schedule II coal mines, shall be the 24th day of September, 2014 being the date on which the allocation of coal blocks to prior allottees stood cancelled; and	20
	(ii) Schedule II coal mines shall be the 1st day of April, 2015 being the date on which the allocation of coal blocks to prior allottees shall stand cancelled, in pursuance of the order of the Supreme Court dated the 24th September, 2014 passed in Writ Petition (Criminal) No. 120 of 2012;	
	(d) “bank” shall have the same meaning as assigned to it in clause (c) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;	25 54 of 2002.
	(e) “coal mining operations” means any operation undertaken for the purpose of winning coal;	
	(f) “company” shall have the same meaning as assigned to it in clause (20) of section 2 of the Companies Act, 2013;	30 18 of 2013.
	(g) “corporation” shall have the same meaning as assigned to it in clause (11) of section 2 of the Companies Act, 2013;	18 of 2013.
	(h) “financial institution” shall have the same meaning as assigned to it in clause (m) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;	35 54 of 2002.
	(i) “Government company” shall have the same meaning as assigned to it in clause (45) of section 2 of the Companies Act, 2013;	18 of 2013.
	(j) “mine infrastructure” includes mining infrastructure such as tangible assets used for coal mining operations, being civil works, workshops, immovable coal winning equipment, foundations, embankments, pavements, electrical systems, communication systems, relief centres, site administrative offices, fixed installations, coal handling arrangements, crushing and conveying systems, railway sidings, pits, shafts, inclines, underground transport systems, hauling systems (except movable equipment unless	40

the same is embedded in land for permanent beneficial enjoyment thereof), land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by coal mining operations under the relevant law;

5 (k) "nominated authority" means the authority nominated by the Central Government under section 6;

(l) "notification" means a notification published in the Official Gazette;

(m) "prescribed" means prescribed by rules made under this Act;

10 (n) "prior allottee" means prior allottee of Schedule I coal mines as listed therein who had been allotted coal mines between 1993 and 31st day of March, 2011, whose allotments have been cancelled pursuant to the judgment of the Supreme Court dated the 25th August, 2014 and its order dated 24th September, 2014 including those allotments which may have been de-allocated prior to and during the pendency of the Writ Petition (Criminal) No.120 of 2012.

15 *Explanation.*—In case a mining lease has been executed in favour of a third party, subsequent to such allocation of Scheduled I coal mines, then, the third party shall be deemed to be the prior allottee;

(o) "Schedule" means a Schedule appended to this Act;

(p) "Schedule I coal mines" means,—

20 (i) all the coal mines and coal blocks the allocation of which was cancelled by the judgment dated 25th August, 2014 and its order dated 24th September, 2014 passed in Writ Petition (Criminal) No.120 of 2012, including those allotments which may have been de-allocated prior to and during the pendency of the said Writ Petition;

25 (ii) all the coal bearing land acquired by the prior allottee and lands, in or adjacent to the coal mines used for coal mining operations acquired by the prior allottee;

(iii) any existing mine infrastructure as defined in clause (j);

30 (q) "Schedule II coal mines" means the forty-two Schedule I coal mines listed in Schedule II which are the coal mines in relation to which the order of the Supreme Court dated 24th day of September, 2014 was made;

(r) "Schedule III coal mines" means the thirty-two Schedule I coal mines listed in Schedule III or any other Schedule I coal mine as may be notified under sub-section (2) of section 7;

35 (s) "secured creditor" shall have the same meaning as assigned to it in clause (zd) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

54 of 2002.

(t) "secured debt" shall have the same meaning as assigned to it in clause (ze) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

54 of 2002.

40 (u) "security interest" shall have the same meaning as assigned to it in clause (zf) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

54 of 2002.

(v) "specified end-use" means any of the following end-uses and the expression "specified end-user" shall with its grammatical variations be construed accordingly,—

45 (i) production of iron and steel;

(ii) generation of power including the generation of power for captive use;

(iii) washing of coal obtained from a mine;

(iv) cement;

(v) such other end-use as the Central Government may, by notification, specify;

(w) "vesting order" means the vesting order issued under section 8.

(2) Words and expressions used herein and not defined, but defined in the Coal Bearing Areas (Acquisition and Development) Act, 1957, the Mines and Minerals (Development and Regulation) Act, 1957 and the Coal Mines (Nationalisation) Act, 1973 including any rules or regulations made thereunder, shall have the meanings, respectively assigned to them in those Acts. 5 20 of 1957. 67 of 1957. 26 of 1973.

CHAPTER II

AUCTION AND ALLOTMENT

10

Eligibility to participate in auction and payment of fees.

4. (1) Subject to the provisions of section 5, Schedule I coal mines shall be allocated by way of public auction in accordance with such rules, and on the payment of such fees which shall not exceed five crore rupees, as may be prescribed.

(2) Subject to the provisions in sub-section (3) of this section and section 5, the Central Government may, for the purpose of granting reconnaissance permit, prospecting licence or mining lease in respect of any area containing coal, select any of the following companies through auction by competitive bidding, on such terms and conditions as may be prescribed— 15

(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 20

(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, and the State Government shall grant such reconnaissance permit, prospecting licence or mining lease in respect of any area containing coal to such company as selected through auction by competitive bidding under this section. 25

(3) Subject to the provisions of section 5, the following persons who fulfil such norms as may be prescribed, shall be eligible to bid in an auction of Schedule II coal mines and Schedule III coal mines and to engage in coal mining operations in the event they are successful bidders, namely:— 30

(a) a company engaged in specified end-use including a company having a coal linkage which has made such investment as may be prescribed.

Explanation.—A "company with a coal linkage" includes any such company whose application is pending with the Central Government on the date of commencement of this Act; 35

(b) a joint venture company formed by two or more companies having a common specified end-use and are independently eligible to bid in accordance with this Act;

(c) a Government company or corporation or a joint venture company formed by such company or corporation or with any other company having common specified end-use; 40

Provided that nothing contained in sub-section (2) shall apply to this sub-section.

(4) A prior allottee shall be eligible to participate in the auction process subject to payment of the additional levy within such period as may be prescribed and if the prior allottee has not paid such levy, then, the prior allottee, its promoter or any of its company of such prior allottee shall not be eligible to bid either by itself or by way of a joint venture. 45

(5) Any prior allottee who is convicted for an offence relating to coal block allocation and sentenced with imprisonment for more than three years, shall not be eligible to participate in the auction.

5 5. (1) Notwithstanding the provisions contained in sub-sections (1) and (3) of section 4, the Central Government may allot a Schedule I coal mine to a Government company or corporation or to a joint venture between two or more Government companies or corporations or to a company which has been awarded a power project on the basis of competitive bids for tariff (including Ultra Mega Power Projects) from specified Schedule I coal mines by making an allotment order in accordance with such rules as may be prescribed and the State
10 Government shall grant a reconnaissance permit, prospecting licence or mining lease in respect of any area containing coal to such company or corporation:

Allotment of mines to Government companies or corporations.

Provided that the Government company or corporation may carry on Coal Mining in any form either for its own consumption, sale or for any other purpose in accordance with the permit, prospecting licence or mining lease, as the case may be:

15 Provided further that no company other than a Government company or corporation shall hold more than twenty-six per cent. of the paid up share capital in the Government company or corporation or in the joint venture between a Government company or corporation, either directly or through any of its subsidiary company or associate company:

20 Provided also that a joint venture of any two or more Government companies or corporations shall be prohibited from alienating or transferring any interest, except the taking of loans or advances from a bank or financial institution, in the joint venture of whatsoever nature including ownership in favour of a third party.

(2) No allotment under sub-section (1) shall be made to a prior allottee, if that allottee has not made the payment of the additional levy within the specified period.

25 6. (1) The Central Government shall appoint an officer not below the rank of a Joint Secretary to the Government of India as the nominated authority who shall act for and on behalf of the Central Government for the purposes of this Act and shall exercise such powers as may be prescribed.

Central Government to act through nominated authority.

30 (2) The nominated authority may engage any expert having such qualifications and experience and on such terms and conditions as may be prescribed to make recommendations to the authority for the conduct of auction and in drawing up of the vesting order or allotment order in relation to Schedule I coal mines.

(3) The Central Government shall act through the nominated authority for the following purposes, namely:—

- 35 (a) conduct the auction process and allotment with the assistance of experts;
- (b) execution of the vesting order for transfer and vesting of Schedule I coal mines pursuant to the auction;
- (c) executing the allotment order for any Government company or corporation in pursuance of section 5;
- 40 (d) recording and mutating incorporeal rights of whatsoever nature including, consents, permissions, permits, approvals, grants, registrations;
- (e) collection of auction proceeds, adjustment of preferential payments and transfer of amount to the respective State Governments where Schedule I coal mine is located in accordance with the provisions of this Act.

45 (4) The nominated authority shall complete the auction or execute the allotment orders of Schedule I coal mines within such time and in accordance with such rules as may be prescribed.

(5) The Central Government may appoint such other officers and staff as it may think fit to assist the nominated authority.

(6) The salaries and allowances and other terms and conditions of service of the nominated authority and such other officers and staff appointed under this section shall be such as may be prescribed. 5

(7) The nominated authority shall be bound by the written direction given by the Central Government on the question of policy.

Power to
classify
certain
Schedule I
coal mines by
Central
Government.

7. (1) The Central Government may, before notifying the particulars of auction, classify mines identified from Schedule I coal mines as earmarked for the same class of specified end-uses. 10

(2) The Central Government may in public interest, by notification, modify Schedule III coal mines by adding any other Schedule I coal mine for the purposes of specified end-use.

Nominated
authority to
issue vesting
order or
allotment
order.

8. (1) The nominated authority shall notify the prior allottees of Schedule I coal mines to enable them to furnish information required for notifying the particulars of Schedule I coal mines to be auctioned in accordance with such rules as may be prescribed. 15

(2) The information required to be furnished under sub-section (1) shall be furnished within a period of fifteen days from the date of such notice.

(3) A successful bidder in an auction conducted on a competitive basis in accordance with such rules as may be prescribed, shall be entitled to the vesting of Schedule I coal mine for which it bid, pursuant to a vesting order drawn up in accordance with such rules. 20

(4) The vesting order shall transfer and vest upon the successful bidder, the following, namely:—

(a) all the rights, title and interest of the prior allottee, in Schedule I coal mine concerned with the relevant auction;

(b) entitlement to a mining lease to be granted by the State Government; 25

(c) any statutory licence, permit, permission, approval or consent required to undertake coal mining operations in Schedule I coal mines if already issued to the prior allottee;

(d) rights appurtenant to the approved mining plan of the prior allottee;

(e) any right, entitlement or interest not specifically covered under clauses (a) to (d). 30

(5) The nominated authority shall, in consultation with the Central Government, determine the floor price or reserve price in accordance with such rules as may be prescribed.

(6) The successful bidder shall, prior to the issuance and execution of a vesting order, furnish a performance bank guarantee for an amount as notified in relation to Schedule I coal mine auctioned to such bidder within such time, form and manner as may be prescribed. 35

(7) After the issuance of a vesting order under this section and its filing with the Central Government and with the appropriate authority designated by the respective State Governments, the successful bidder shall be entitled to take possession of the Schedule I coal mine without let or hindrance.

(8) Upon the execution of the vesting order, the successful bidder of the Schedule I coal mine shall be granted a prospecting licence or a mining lease, as applicable, by the concerned State Government in accordance with the Mines and Minerals (Development and Regulation) Act, 1957. 40

67 of 1957.

(9) 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, allotted a Schedule I coal mine shall be granted a prospecting licence or a mining lease, as applicable, by the concerned State Government in accordance with the Mines and Minerals (Development and Regulation) Act, 1957. 45

67 of 1957.

(10) In relation to Schedule II coal mines, the successful bidder which was a prior allottee, shall continue coal mining operations after the appointed date in terms of the approved mining plan, till the mining lease in terms of sub-section (8) is granted, upon the grant of a vesting order and to that extent, the successful bidder shall be deemed to have been granted a mining lease till the execution of the mining lease in terms of the said sub-section.

(11) In relation to Schedule II coal mines, the Government company or corporation which was a prior allottee can continue coal mining operations after the appointed date in terms of the approved mining plan, till the mining lease in terms of sub-section (9) is granted, upon execution of the allotment order and to that extent, the allottee shall be deemed to have been granted a mining lease till the execution of the mining lease in terms of the said sub-section.

(12) The provisions of sub-sections (1) and (2) and sub-sections (4) to (7) (both inclusive) of this section as applicable to a vesting order, shall *mutatis mutandis* be also applicable to an allotment order.

9. The proceeds arising out of land and mine infrastructure in relation to a Schedule I coal mine shall be disbursed maintaining, *inter alia*, the priority of payments in accordance with the relevant laws and such rules as may be prescribed—

Priority of disbursement of proceeds.

(a) payment to secured creditors for any portion of the secured debt in relation to a Schedule I, coal mine which is unpaid as on the date of the vesting order;

(b) compensation payable to the prior allottee in respect of the Schedule I coal mine.

CHAPTER III

TREATMENT OF RIGHTS AND OBLIGATIONS OF PRIOR ALLOTTEES

10. (1) A successful bidder or allottee in respect of Schedule I coal mines, may negotiate with prior allottee to own or utilise such movable property used in coal mining operations on such terms and conditions as may be mutually agreed to by them.

Utilisation of movable property used in coal mining operations.

(2) Where a successful bidder or allottee is not vested with any movable property of a Schedule I coal mine, then, he is not bound by any liabilities or obligations arising out of such ownership or contractual rights, obligations or liabilities which shall continue to remain with the prior allottee.

(3) In the event that the successful bidder or allottee is unable to satisfactorily negotiate with the prior allottee or any third party who has a contract with the prior allottee for the movable property, it shall be the obligation of the prior allottee or the third party to remove such movable property within a period not exceeding thirty days from the date of the vesting order, or the allotment order, as the case may be, and the successful bidder or allottee shall not be liable for any damage to such property.

(4) A successful bidder or allottee which has elected not to purchase or transfer or continue to use the movable property referred to in sub-section (1), shall prior to the execution of the vesting order or the allotment order, as the case may be, declare to the nominated authority that he intends to move and store such movable property of the prior allottee or such third party and after the date of the vesting order or the allotment order, as the case may be, the successful bidder or allottee shall be entitled to move and store such movable property, so as not to cause any impediment for coal mining operations.

(5) If a prior allottee or such third party which has contracted with the prior allottee for its movable property, fails to remove the movable property which the successful bidder or allottee has elected not to purchase or use in accordance with sub-section (4), then, after the period of seventy-five days from the vesting order or the allotment order, as the case may be, a successful bidder or allottee shall be entitled to dispose of such movable property which may be physically located within Schedule I coal mine, the successful bidder or the allottee,

shall, in such event be entitled to appropriate the sale proceeds of such movable property disposed of to pay for any cost incurred by the successful bidder or allottee, for the removal, storage, sale and disposal of such movable property, as a first charge over the sale proceeds of such movable property:

Provided that the remaining sale proceeds after appropriation of costs, shall be paid by the successful bidder or allottee to the Central Government towards any compensation that may be payable to the owner of such movable property sold, upon establishment of title to such movable property in accordance with such rules as may be prescribed:

Provided further that if a third party contractor to the prior allottee owns such movable property, then, such third party shall be entitled to prove its right to receive compensation from the sale proceeds of the movable property sold as per this sub-section, in accordance with such rules as may be prescribed.

Discharge or adoption of third party contracts with prior allottees.

11. (1) Notwithstanding anything contained in any other law for the time being in force, a successful bidder or allottee, as the case may be, in respect of Schedule I coal mines, may elect, to adopt and continue such contracts which may be existing with any of the prior allottees in relation to coal mining operations and the same shall constitute a novation for the residual term or residual performance of such contract:

Provided that in such an event, the successful bidder or allottee or the prior allottee shall notify the nominated authority to include the vesting of any contracts adopted by the successful bidder.

(2) In the event that a successful bidder or allottee elects not to adopt or continue with existing contracts which had been entered into by the prior allottees with third parties, in that case all such contracts which have not been adopted or continued shall cease to be enforceable against the successful bidder or allottee in relation to the Schedule I coal mine and the remedy of such contracting parties shall be against the prior allottees.

Provisions in relation to secured creditors.

12. (1) The secured creditors of the prior allottees which had any security interest in any part of the land or mine infrastructure of a Schedule I coal mine shall be entitled to—

(a) continue with such facility agreements and security interest with the prior allottee if such prior allottee is a successful bidder or allottee; and

(b) in the event that the prior allottee is not a successful bidder or allottee, then the security interest of such secured creditor shall only be satisfied out of the compensation payable to such prior allottee, to the extent determined in accordance with such rules as may be prescribed and the outstanding debt shall be recoverable from the prior allottee.

(2) The Central Government shall, taking into consideration the provisions contained in section 9, prescribe the manner in which the secured creditor shall be paid out of the compensation in respect of any prior allottee.

Void alienations and permitted security interests.

13. Any and all alienations of land and mine infrastructure and creation of any encumbrances of whatsoever nature thereon which relate to Schedule I coal mines, made by any prior allottee after the 25th day of August, 2014 shall be void, save and except any registered security interest and charge over the land and mine infrastructure as registered by a bank or a financial institution or any other secured lender.

Liabilities of prior allottees.

14. (1) Notwithstanding anything contained in any other law for the time being in force, no proceedings, orders of attachment, distress, receivership, execution or the like, suits for the recovery of money, enforcement of a security or guarantee (except as otherwise provided for under this Act), prior to the date of commencement of this Act shall lie, or be proceeded further with and no remedies shall be available against the successful bidder, or allottee, as the case may be, or against the land and mine infrastructure in respect of Schedule I coal mines.

(2) The proceedings as referred to in sub-section (1), shall continue as a personal remedy against the prior allottee but shall not be maintainable or continued against the land or mine infrastructure of Schedule I coal mine or the successful bidder or allottee, pursuant to this Act.

5 (3) Every liability of any prior allottee in relation to a Schedule I coal mine in respect of any period prior to the vesting order or allotment order, shall be the liability of such prior allottee and shall be enforceable against it and not against the successful bidder or allottee or the Central Government.

(4) All unsecured loans shall continue to remain the liability of the prior allottee.

10 (5) The additional levy imposed against the prior allottees of Schedule II coal mines shall continue to remain the liability of such prior allottees and such additional levy shall be collected by the Central Government in such manner as may be prescribed.

(6) For the removal of doubts, it is hereby declared that—

15 (a) no claim for wages, bonus, royalty, rate, rent, taxes, provident fund, pension, gratuity or any other dues in relation to a Schedule I coal mine in respect of any period prior to the date of vesting order or allotment order, as the case may be, shall be enforceable against the Central Government or the successful bidder or the allottee, as the case may be;

20 (b) no award, decree, attachment or order of any court, tribunal or other authority in relation to any Schedule I coal mine passed prior to the date of commencement of this Act, in relation to the land and mine infrastructure of Schedule I coal mines, shall be enforceable against the Central Government or the successful bidder or the allottee, as the case may be;

25 (c) no liability for the contravention of any provision of law for the time being in force, relating to any act or omission prior to the date of vesting order or allotment order, as the case may be, shall be enforceable against the successful bidder or allottee or the Central Government.

30 15. (1) For the purposes of disbursing the amounts payable to the prior allottees of Schedule I coal mines, the Central Government shall appoint an officer not below the rank of Joint Secretary to the Government of India, to be the Commissioner of payments.

Commissioner of payments to be appointed and his powers.

(2) The Central Government may appoint such other officers and staff as it may think fit to assist the Commissioner and thereupon the Commissioner may authorise one or more of such officers also to exercise all or any of the powers exercisable by him under this Act.

35 (3) Any officer authorised by the Commissioner to exercise any powers may exercise those powers in the same manner and with the same effect as if they have been conferred on him directly by this Act and not by way of authorisation.

40 (4) The salaries and allowances and other terms and conditions of service of the Commissioner and other officers and staff appointed under this section shall be such as may be prescribed.

(5) The Central Government shall, within a period of thirty days from such date as may be notified, pay to the Commissioner for payment to the prior allottee, an amount equal to the compensation determined by the nominated authority.

45 (6) Separate records shall be maintained by the Commissioner in respect of each Schedule I coal mine in relation to which payments have been made to him under this Act.

50 16. (1) The quantum of compensation for the land in relation to Schedule I coal mines shall be as per the registered sale deeds lodged with the nominated authority in accordance with such rules as may be prescribed, together with twelve per cent. simple interest from the date of such purchase or acquisition, till the date of the execution of the vesting order or the allotment order, as the case may be.

Valuation of compensation for payment to prior allottee.

(2) The quantum of compensation for the mine infrastructure in relation to Schedule I coal mines shall be determined as per the written down value reflected in the statutorily audited balance sheet of the previous financial year in accordance with such rules and in such manner as may be prescribed.

(3) If the successful bidder or allottee is a prior allottee of any of the Schedule I coal mines, then, the compensation payable to such successful bidder or allottee shall be set off or adjusted against the auction sum or the allotment sum payable by such successful bidder or allottee, as the case may be, for any of the Schedule I coal mines.

(4) The prior allottee shall not be entitled to compensation till the additional levy has been paid.

CHAPTER IV

POWERS OF THE CENTRAL GOVERNMENT AFTER THE APPOINTED DATE

Responsibility of Central Government after appointed date.

17. (1) On and from the appointed date, the Central Government or a company owned by the Central Government shall be deemed to have become the lessee or licensee of the State Government in relation to each of the Schedule II coal mines, in respect of which a mining lease or prospecting licence has been granted prior to the date of commencement of this Act, as if a mining lease or prospecting licence in relation to such coal mine had been granted to the Central Government or a company owned by the Central Government and the period of such lease or licence shall be the maximum period for which such lease or licence could have been granted by the State Government under the Mineral Concession Rules, 1960, and thereupon all the rights under such mining lease, including surface, underground and other rights shall be deemed to have been transferred to, and vested in, the Central Government or a company owned by the Central Government.

(2) On the expiry of the term of any lease or licence, referred to in sub-section (1), such lease or licence shall be renewed, by the State Government, in consultation with the Central Government for the maximum period for which such lease or licence can be renewed under the Mineral Concession Rules, 1960.

(3) As it is considered expedient and necessary in the public interest and in view of the difficult situation which has arisen, the powers of the State Government, under the Mines and Minerals (Development and Regulation) Act, 1957, to prematurely terminate a prospecting licence or mining lease, shall stand suspended, in relation to Schedule I coal mines, for a period of one year from the date of commencement of this Act or such other period as may be notified by the Central Government.

Central Government to appoint designated custodian.

18. (1) On and from the appointed date, if the auction or allotment of Schedule I coal mines is not complete, the Central Government shall appoint any person as a designated custodian to manage and operate such coal mines as may be notified by the Central Government.

(2) The designated custodian shall act for and on behalf of the Central Government in respect of the notified coal mines under sub-section (1) to operate and manage such Schedule I coal mines in such manner as may be notified, till the completion of the auction of such coal mines or allotment under section 4 and section 5 read with section 8, as the case may be.

Powers and functions of designated custodian in respect of Schedule II coal mines.

19. (1) The designated custodian appointed under sub-section (1) of section 18, shall be entitled to take control and possession of all lands, in or adjacent to Schedule II coal mines, and used for coal mining operations and the mine infrastructure in relation to Schedule II coal mine, on behalf of the Central Government.

(2) The designated custodian may direct the prior allottees or any other persons in charge of the management of the Schedule II coal mine and coal mining operations immediately before the appointed date to provide the requisite manpower, as may be necessary, to ensure continuity in coal mining operations and production of coal.

(3) The designated custodian shall receive, to the exclusion of all other persons, any monies due to Schedule II coal mines, notwithstanding cases where such receipt pertains to a transaction made at any time before the appointed date.

(4) The designated custodian may call for any information, records and documents in relation to Schedule II coal mines and coal mining operations from any or all such persons who were in charge of the management and operation of such Schedule II coal mines prior to the appointed date, and such persons shall be bound to deliver to the designated custodian all such documents in their custody relating to Schedule II coal mines.

(5) The designated custodian may appoint such consultants or experts, as may be necessary, in relation to the management and operation of Schedule II coal mines.

(6) The designated custodian shall transfer the management and operation of any Schedule II coal mines to such person in such manner as may be prescribed.

(7) The designated custodian shall have rights, liabilities and obligations, as a prior allottee or a successful bidder in respect of coal mines entrusted to it under section 18, to be exercised and discharged in such manner as may be prescribed.

(8) The designated custodian shall have the power to perform such other functions which may be consequential or incidental to the functions specified under this section.

(9) Notwithstanding anything contained in any other law for the time being in force, the designated custodian shall, in exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy, as the Central Government may give in writing to it from time to time.

CHAPTER V

CERTAIN ARRANGEMENTS

20. (1) A successful bidder or allottee or coal linkage holder shall, with prior approval of the Central Government and in accordance with such rules as may be prescribed, be entitled to enter into certain agreements or arrangements with other successful bidder or allottee or coal linkage holder, as the case may be, for optimum utilisation of coal mine for the same end-uses in the public interest and to achieve cost efficiencies.

Power of Central Government to approve certain arrangements.

(2) A successful bidder or allottee may also use the coal mine from a particular Schedule I coal mine for any of its plants engaged in common specified end-uses, in accordance with such rules as may be prescribed.

CHAPTER VI

MISCELLANEOUS

21. (1) All existing land acquisition proceedings under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, in relation to Schedule I coal mines, shall continue in respect of such areas of land in accordance with the provisions of the said Act.

Acquisition of land.

(2) All such areas of land which are not subject matter of land acquisition proceedings, in relation to the coal mines, under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 may be proceeded with by the Central Government in terms of the Coal Bearing Areas (Acquisition and Development) Act, 1957.

(3) The State Governments which have initiated land acquisition proceedings under provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and all such lands which are also subject matter of the said Act in respect of Schedule I coal mines, shall—

(a) not transfer any land to the prior allottees which have been acquired under the said Act;

(b) continue the land acquisition proceedings till the appointed date;

(c) for such Schedule I coal mines which have not vested in the successful bidder or the allottee, as the case may be, by the appointed date, continue the land acquisition proceedings for and on behalf of the Central Government;

(d) upon the vesting or the allotment, as the case may be, after the appointed date, continue such land acquisition proceedings on behalf of the successful bidder or the allottee.

Realisation of additional levy. 22. If a prior allottee of Schedule II coal mine fails to deposit the additional levy with the Central Government within the specified time, then, such additional levy shall be realised as the arrears of land revenue. 5

Penalties for certain offences. 23. If any person—
(a) obstructs or causes any impediment in taking possession or in the management and operation of the Schedule I coal mines by the Central Government or the designated custodian; or 10

(b) fails to deliver to the designated custodian any books of account, registers or any other document in his custody relating to Schedule I coal mines and coal mining operations in respect of the management of which the designated custodian has been appointed; or

(c) destroys or misuses any mine infrastructure or coal stock; or 15

(d) retains any property of such coal mine or removes or destroys it,

he and any officer-in-default of the company shall be punishable with imprisonment for a term which may extend to two years, or with the minimum fine of one lakh rupees per day and in the case of continuing failure, with a maximum fine of two lakh rupees for every day during which the failure continues or with both, depending upon the nature of the offence. 20

Penalty for failure to comply with directions of Central Government. 24. If any person fails to comply, without reasonable cause, with a direction given by the Central Government or nominated authority or the designated custodian, he shall be punishable with a fine of one lakh rupees and in the case of continuing failure with a maximum fine of two lakh rupees for every day during which the failure continues, depending upon the nature of the offence. 25

Offences by companies. 25. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of business of the company as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly: 30

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge and that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly. 35

Cognizance of offences. 26. No court shall take cognizance of any offence punishable under this Act or any rules made thereunder except upon complaint in writing made by a person authorised in this behalf by the Central Government or nominated authority or the designated custodian. 40

Dispute settlement and Bar of Jurisdiction of civil courts. 27. (1) Any dispute arising out of any action of the Central Government, nominated authority or Commissioner of payment or designated custodian, or any dispute between the successful bidder or allottee and prior allottee arising out of any issue connected with the Act shall be adjudicated by the Tribunal constituted under the Coal Bearing Areas (Acquisition and Development) Act, 1957 45
20 of 1957.

(2) Where the Central Government is of the opinion that any dispute arising out of any issue connected with the Act exists or is apprehended and the dispute should be adjudicated

by the Tribunal referred to in sub-section (1), then, the Central Government may by order in writing, refer the dispute or any matter appearing to be connected with, or relevant to, the dispute, to the Tribunal for adjudication.

(3) The Tribunal referred to in sub-section (1) shall, after hearing the parties to the dispute, make an award in writing within a period of ninety days from the institution or reference of the dispute.

(4) On and from the commencement of the Act, no court or other authority, except the Supreme Court and a High Court, shall have, or be entitled to exercise, any jurisdiction, powers or authority, in relation to matters connected with the Act.

28. No suit, prosecution or other legal proceeding shall lie against the Central Government, nominated authority, commissioner of payment, or designated custodian or any person acting on their behalf, in respect of anything which is done or intended to be done in good faith under this Act.

Protection of action taken in good faith.

29. The provisions of this Act shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force, or in any instrument having effect by virtue of any such law.

Act to have overriding effect.

26 of 1973. 67 of 1957. 30. On and from the date of commencement of this Act, the Coal Mines (Nationalisation) Act, 1973 and the Mines and Minerals (Development and Regulation) Act, 1957 shall stand amended in the manner provided in Schedule IV.

Amendment of certain Acts contained in Schedule IV.

31. (1) The Central Government may, by notification in the Official Gazette, and subject to the condition of previous publication, make rules for carrying out the provisions of this Act.

Power to make rules.

(2) In particular, and without prejudice the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the manner of allocation of Schedule I coal mines by way of public auction and details of fees under sub-section (1) of section 4;

(b) the terms and conditions for granting reconnaissance permit, prospecting licence or mining lease and the manner and conditions of competitive bidding under sub-section (2) of section 4;

(c) norms to become eligible to bid in an auction and the amount of investment in respect of a company having a coal linkage under sub-section (3) of section 4;

(d) the period within which the payment of additional levy by the prior allottee under sub-section (4) of section 4;

(e) the allotment order to make allocations to a Government company or corporation under sub-section (1) of section 5;

(f) the powers of the nominated authority under sub-section (1) of section 6;

(g) the manner of auction or allotment of Schedule I coal mines and execution of the vesting or allotment orders under sub-section (4) of section 6;

(h) the salaries and allowances and other terms and conditions of service of the nominated authority and other officers and staff under sub-section (6) of section 6;

(i) the manner of notifying the particulars of Schedule I coal mines to be auctioned and furnishing of required information by the prior allottees under sub-section (1) of section 8;

(j) the manner of conducting auction and drawing of a vesting order under sub-section (3) of section 8;

(k) determination of floor price by the nominated authority under sub-section (5) of section 8;

(l) the form and manner of furnishing of bank guarantee and the time within which such furnishing of bank guarantee under sub-section (6) of section 8;

- (m) the manner of disbursement of priority payments under section 9;
- (n) the manner of establishing title of movable property by the prior allottee or third party who has a contract with the prior allottee for the movable property under the first proviso to sub-section (5) of section 10;
- (o) the manner of receiving compensation from the sale proceeds of the movable property under the second proviso to sub-section (5) of section 10;
- (p) the manner in which the secured creditor paid out of the compensation in respect of any prior allottee under sub-section (2) of section 12;
- (q) the manner of collection of additional levy by the Central Government from the prior allottees of Schedule II coal mines under sub-section (5) of section 14;
- (r) the salaries and allowances and other terms and conditions of service of the Commissioner of payments and other officers and staff under sub-section (4) of section 15;
- (s) the manner of determination of compensation payable to prior allottee and the lodging of registered sale deeds with the nominated authority under sub-section (1) of section 16;
- (z) the method of determination of compensation for mine infrastructure in relation to Schedule I and its reflection in the statutorily audited balance sheet under sub-section (2) of section 16;
- (zz) the manner of transfer of the management and operation of any Schedule II coal mines by the designated custodian under sub-section (6) of section 19;
- (v) the manner of exercising and discharging the rights, liabilities and obligations by the designated custodian under sub-section (7) of section 19;
- (w) the manner of providing agreements or arrangements for optimum utilisation of coal mine for specified end-uses under sub-section (1) of section 20;
- (x) the manner of usage of coal mine by a successful bidder or allottee for any of its plants under sub-section (2) of section 20;
- (y) any other matter which is required to be, or may be, prescribed.

(3) Every rule made and every notification issued by the Central Government, 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 session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or notification, or both Houses agree that the rule or notification should not be made, the rule or notification 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 or notification.

Power to
remove
difficulties.

32. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the date of commencement of this Act.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

Repeal and
saving.

33. (1) The Coal Mines (Special Provisions) Second Ordinance, 2014 is hereby repealed.

Ord. 7 of
2014.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance, shall, without prejudice to the judgment of the Supreme Court dated 25th August, 2014 and its order dated 24th September, 2014 passed in Writ Petition (Criminal) No. 120 of 2012, be deemed to have been done or taken under the corresponding provisions of this Act.

SCHEDULE I
[See section 3(1)(p)]

Sl. No.	Name of Coal Mine/Block	Name of Prior Allottee	State where Coal Mine/Block Located
1	2	3	4
1	Tadicherla-I	Andhra Pradesh Power Generation Corpn. Ltd.	Telangana
2	Anesttipali	Andhra Pradesh Power Generation Corpn. Ltd.	Telangana
3	Punkula-Chilka	Andhra Pradesh Power Generation Corpn. Ltd.	Telangana
4	Penagaddppa	Andhra Pradesh Power Generation Corpn. Ltd.	Telangana
5	Namchik Namphuk	Arunachal Pradesh Mineral Dev. & Trading Corporation	Arunachal Pradesh
6	Sayang	AES Chhattisgarh Energy Pvt. Ltd	Chhattisgarh
7	Rajgamar Dipside (Deavnara)	API Ispat & Powertech Pvt. Ltd., CG Sponge Manufacturers Consortium Coalfield Pvt. Ltd.	Chhattisgarh
8	Durgapur-II/ Taraimar	Bharat Aluminium Company Ltd.	Chhattisgarh
9	Datima	Binani Cement Ltd.	Chhattisgarh
10	Tara	Chhattisgarh Mineral Development Corporation Limited	Chhattisgarh
11	Gare-Palma, Sector-I	Chhattisgarh Mineral Development Corporation Limited	Chhattisgarh
12	Shankarpur Bhatgaon II Extn.	Chhattisgarh Mineral Development Corporation Limited	Chhattisgarh
13	Sondhia	Chhattisgarh Mineral Development Corporation Limited	Chhattisgarh
14	Parsa	Chhattisgarh State Electricity Board	Chhattisgarh
15	Vijay Central	Coal India Limited, SKS Ispat & Power Ltd.	Chhattisgarh
16	Gidhmuri	Chhattisgarh State Electricity Board	Chhattisgarh
17	Paturia	Chhattisgarh State Electricity Board	Chhattisgarh
18	Durgapur-II /Sarya	DB Power Ltd.	Chhattisgarh
19	Bhaskarpara	Electrotherm (India) Ltd., Grasim Industries Ltd.	Chhattisgarh
20	West of Umaria	Sainik Finance and Industries Ltd. (Earlier Garuda Clays Ltd.)	Chhattisgarh
21	Morga II	Gujarat Mineral Development Corporation	Chhattisgarh
22	Gare-Palma Sector-III	Goa Industrial Development Corporation	Chhattisgarh
23	Madanpur South	Hindustan Zinc Ltd., Akshya Investment Pvt. Ltd, Chhattisgarh Steel & Power Ltd., Chhattisgarh Electricity Corporation Ltd., MSP Steel & Power Ltd., Chhattisgarh Captive Coal Mining Ltd. (Consortium of five Cos.)	Chhattisgarh
24	Nakia I	Ispat Godavari Ltd., Ind Agro Synergy Ltd., Shri Nakoda Ispat Ltd., Vandana Global Ltd., Shree Bajrang Power & Ispat Ltd.	Chhattisgarh
25	Nakia II	Ispat Godavari, Ind Agro Synergy, Shri Nakoda Ispat, Vandana Global Ltd., Shree Bajrang Power & Ispat Ltd.	Chhattisgarh
26	Gare-Palma- IV/4	Jayaswal Neco Ltd.	Chhattisgarh
27	Gare-Palma- IV/8	Jayaswal Neco Ltd.	Chhattisgarh
28	Gare-Palma-IV/2	Jindal Power Ltd. (Now Jindal Steel & Power Ltd.)	Chhattisgarh
29	Gare-Palma-IV/3	Jindal Power Ltd. (Now Jindal Steel & Power Ltd.)	Chhattisgarh

1	2	3	4
30	Gare-Palma-IV/1	Jindal Strips Limited (Now Jindal Steel & Power Ltd.)	Chhattisgarh
31	Gare-Palma IV/6	Jindal Steel & Power Ltd., Nalwa Sponge Iron Ltd.	Chhattisgarh
32	Fatehpur East	JLD Yavatmal Energy Ltd., R.K.M. Powergen Pvt. Ltd., Visa Power Ltd., Green Infrastructure Pvt Ltd., Vandana Vidyut Ltd.	Chhattisgarh
33	Morga-I	Madhya Pradesh State Mining Corporation Limited	Chhattisgarh
34	Morga-III	Madhya Pradesh State Mineral Corporation Limited	Chhattisgarh
35	Morga-IV	Madhya Pradesh State Mineral Corporation Limited	Chhattisgarh
36	Gare-Palma Sector-II	Maharashtra State Mining Corpn. Ltd. Tamil Nadu State Electricity Board	Chhattisgarh
37	Gare-Palma-IV/5	Monet Ispat Ltd.	Chhattisgarh
38	Rajgamar Dipside (South of Phulakdih Nala)	Monnet Ispat and Energy Ltd., Topworth Steel Pvt. Ltd.	Chhattisgarh
39	Talaipali	National Thermal Power Ltd.	Chhattisgarh
40	Chotia	Prakash Industries Ltd.	Chhattisgarh
41	Gare-Palma-IV/7	Raipur Alloys & Steel Ltd. (Now Sarda Energy and Mineral Limited)	Chhattisgarh
42	Parsa East	Rajasthan Rajya Vidyut Utpadan Nigam Ltd. (RRVUNL)	Chhattisgarh
43	Kesla North	Rathi Udyog Ltd.	Chhattisgarh
44	Kanta Basan	Rajasthan Rajya Vidyut Utpadan Nigam Ltd. (RRVUNL)	Chhattisgarh
45	Panchbahani	Shree Radhe Industries Ltd.	Chhattisgarh
46	Fatehpur	SKS Ispat and Power Ltd., Prakash Industries Ltd.	Chhattisgarh
47	Madanpur (North)	Ultratech Ltd., Singhal Enterprise Ltd. , Nav bharat Coalfield Ltd., Vandana Energy & Steel Pvt. Ltd., Prakash Industries Ltd., Anjani Steel Pvt. Ltd., Chhattisgarh Captive Coal Mining Ltd. (Consortium of five Co.)	Chhattisgarh
48	Brinda	Abhijeet Infrastructure Pvt. Ltd.	Jharkhand
49	Sasai	Abhijeet Infrastructure Pvt. Ltd.	Jharkhand
50	Meral	Abhijeet Infrastructure Pvt. Ltd.	Jharkhand
51	Seregarha	Arcelor Mittal India Ltd., GVK Power (Govindwal Sahib) Ltd.	Jharkhand
52	Patal East	Bhushan Power and Steel Ltd.	Jharkhand
53	Saria Koiyatand	Bihar Rajya Khanij Vikas Nigam (BRKVN) Patna.	Jharkhand
54	Macherkunda	Bihar Sponge Iron Ltd.	Jharkhand
55	Brahmadiha	Castron Technologies Ltd.	Jharkhand
56	Mahuagarhi	Calcutta Electricity Supply Corporation Ltd. (CESC), Jas Infrastructure Capital Pvt. Ltd.	Jharkhand
57	Chitarpur	Corporate Ispat Alloys Ltd.	Jharkhand
58	Saharpur Jamarpani	Damodar Valley Corporation	Jharkhand
59	Lalgarh (North)	Domco Smokeless Fuel Pvt. Ltd.	Jharkhand
60	Parbatpur-Central	Electrosteel castings Ltd.	Jharkhand
61	Chakla	Essar Power Ltd.	Jharkhand
62	Ashok Karkatta Central	Essar Power Ltd.	Jharkhand

1	2	3	4
63	Jainagar	Gujarat Mineral Development Corporation (GMDC)	Jharkhand
64	Tokisud North	GVK Power (Govindwal Sahib) Ltd.	Jharkhand
65	Tubed	Hindalco Industries Ltd., Tata Power Company Ltd.	Jharkhand
66	Moitra	Jayaswal Neco Ltd.	Jharkhand
67	North Dhadu	Jharkhand Ispat Pvt. Ltd., Pavanjay Steel & Power Ltd., Electrosteel castings Ltd., Adhunik Alloys & Power Ltd.	Jharkhand
68	Banhardih	Jharkhand State Electricity Board	Jharkhand
69	Sugia Closed mine	Jharkhand State Mineral Development Corporation	Jharkhand
70	Rauta Closed mine	Jharkhand State Mineral Development Corporation	Jharkhand
71	Burakhap small patch	Jharkhand State Mineral Development Corporation	Jharkhand
72	Pindra-Debipur-Khaowatand	Jharkhand State Mineral Development Corporation Ltd.	Jharkhand
73	Latehar	Jharkhand State Mineral Development Corporation Ltd.	Jharkhand
74	Patratu	Jharkhand State Mineral Development Corporation Ltd.	Jharkhand
75	Rabodih OCP	Jharkhand State Mineral Development Corporation Ltd.	Jharkhand
76	Jogeshwar & Khas Jogeshwar	Jharkhand State Mineral Development Corporation	Jharkhand
77	Jitpur	Jindal Steel & Power Ltd.	Jharkhand
78	Amarkonda Murgadangal	Jindal Steel and Power Ltd., Gagan Sponge Iron Pvt. Ltd.	Jharkhand
79	Urma Paharitola	Jharkhand State Electricity Board, Bihar State Mineral Development Corporation Ltd.	Jharkhand
80	Rohne	JSW Steel Ltd., Bhushan Power & Steel Ltd., Jai Balaji Industries Ltd.	Jharkhand
81	Gomia	Metals and Minerals Trading Corporation	Jharkhand
82	Rajhara North (Central & Eastern)	Mukund Limited, Vini Iron & Steel Udyog Limited	Jharkhand
83	Dumri	Nilachal Iron & Power Ltd., Bajrang Ispat Pvt. Ltd.	Jharkhand
84	Kerandari	National Thermal Power Ltd.	Jharkhand
85	Chhatti Bariatu	National Thermal Power Ltd.	Jharkhand
86	Chhati Bariatu South	National Thermal Power Ltd.	Jharkhand
87	Brahmini	National Thermal Power Ltd.+ Coal India Limited JV	Jharkhand
88	Chichro Patsimal	National Thermal Power Ltd.+ Coal India Limited JV	Jharkhand
89	Pachwara Central	Punjab State Electricity Board	Jharkhand
90	Mahal	Rashtriya Ispat Nigam Limited	Jharkhand
91	Tenughat-Jhirki	Rashtriya Ispat Nigam Limited	Jharkhand
92	Bundu	Rungta Mines Limited	Jharkhand
93	Mednirai	Rungta Mines Limited, Kohinoor Steel (P) Ltd.	Jharkhand
94	Choritand Tiliaya	Rungta Mines Limited, Sunflag Iron & Steel Co. Ltd.	Jharkhand
95	Sitanala	Steel Authority of India Ltd.	Jharkhand
96	Ganeshpur	Tata Steel Ltd., Adhunik Thermal Energy	Jharkhand
97	Badam	Tenughat Vidyut Nigam Limited	Jharkhand

1	2	3	4
98	Rajbar E&D	Tenughat Vidyut Nigam Limited	Jharkhand
99	Gondulpara	Tenughat Vidyut Nigam Limited, Damodar Valley Corporation	Jharkhand
100	Kotre-Basantpur	Tata Iron and Steel Co. Ltd. (Now Tata Steel Ltd.)	Jharkhand
101	Pachmo	Tata Iron and Steel Co. Ltd. (Now Tata Steel Ltd.)	Jharkhand
102	Lohari	Usha Martin Ltd.	Jharkhand
103	Kathautia	Usha Martin Ltd.	Jharkhand
104	Pachwara North	West Bengal Power Development Corporation Limited (WBPDCCL)	Jharkhand
105	Suliyari	Andhra Pradesh Mineral Development Corporation	Madhya Pradesh
106	Bikram	Birla Corporation Ltd.	Madhya Pradesh
107	Gotitoria (East)	BLA Industries Ltd.	Madhya Pradesh
108	Gotitoria (West)	BLA Industries Ltd.	Madhya Pradesh
109	Mahan	Essar Power Ltd., Hindalco Industries Ltd.	Madhya Pradesh
110	Mandla North	Jaiprakash Associates Ltd.	Madhya Pradesh
111	Urtan North	Jindal Steel & Power Ltd., Monet Ispat and Energy Ltd.	Madhya Pradesh
112	Thesgora-B/ Rudrapuri	Kamal Sponge Steel & Power Limited, Revati Cement P. Ltd.	Madhya Pradesh
113	Amelia	Madhya Pradesh State Mining Corporation	Madhya Pradesh
114	Amelia (North)	Madhya Pradesh State Mining Corporation	Madhya Pradesh
115	Mandla South	Madhya Pradesh State Mining Corporation Ltd.	Madhya Pradesh
116	Dongeri Tal-II	Madhya Pradesh State Mining Corporation Ltd. (MPSMC)	Madhya Pradesh
117	Marki Barka	Madhya Pradesh State Mining Corporation (MPSMC)	Madhya Pradesh
118	Semaria/Piparia	Madhya Pradesh State Mining Corporation (MPSMC)	Madhya Pradesh
119	Bicharpur	Madhya Pradesh State Mining Corporation Ltd. (MPSMC)	Madhya Pradesh
120	Tandsi-III & Tandsi -III (Extn.)	Mideast Integrated Steels Ltd.	Madhya Pradesh
121	Sahapur East	National Mineral Dev. Corp.	Madhya Pradesh
122	Sahapur West	National Mineral Dev. Corp.	Madhya Pradesh
123	Mara II Mahan	NCT of Delhi, Delhi, Haryana Power Generation Corp. Ltd. (HPGCL)	Madhya Pradesh
124	Sial Ghoghri	Prism Cement Limited	Madhya Pradesh
125	Brahampur	Pushp Steel and Mining Ltd.	Madhya Pradesh
126	Rawanwara North	SKS Ispat Limited	Madhya Pradesh
127	Bander	AMR Iron & Steels Pvt. Ltd., Century Textiles & Industries Ltd., J.K. Cement Ltd.	Maharashtra
128	Marki Mangli-I	B.S. Ispat Ltd.	Maharashtra
129	Takli-Jena- Bellora (North) & Takli-Jena- Bellora (South)	Central Collieries Co. Ltd. and Lloyds Metals & Engineering Ltd.	Maharashtra
130	Dahegaon/ Makard.hokra- IV	IST Steel & Power Ltd., Gujarat Ambuja Cement Ltd., Lafarge India Pvt. Ltd.	Maharashtra
131	Gondkhari	Maharashtra Seamless Limited, Dhariwal Infrastructure (P) Ltd., Kesoram Industries Ltd.	Maharashtra

1	2	3	4
132	Marki-Zari-Jamani-Adkoli	Maharashtra State Mining Corpn. Ltd.	Maharashtra
133	Lohara (East)	Murli Industries Ltd., Grace Industries Ltd.	Maharashtra
134	Khappa & Extn.	Sunflag Iron & Steel Ltd., Dalmia Cement (Bharat) Ltd.	Maharashtra
135	Lohara West Extn.	Adani Power Ltd.	Maharashtra
136	Warora West (North)	Bhatia International Ltd.	Maharashtra
137	Kosar Dongergaon	Chaman Metaliks Ltd.	Maharashtra
138	Warora (West) Southern Part	Fieldmining & Ispat Ltd.	Maharashtra
139	Chinora	Fieldmining & Ispat Ltd.	Maharashtra
140	Majra	Gondwana Ispat Ltd.	Maharashtra
141	Nerad Malegaon	Gupta Metaliks & Power Ltd., Gupta Coalfields & Washeries Ltd.	Maharashtra
142	Baranj - I	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
143	Baranj - II	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
144	Baranj - III	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
145	Baranj - IV	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
146	Kiloni	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
147	Manora Deep	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
148	Agarzari	Maharashtra State Mining Corporation Limited (MSMCL)	Maharashtra
149	Warora	Maharashtra State Mining Corporation Limited (MSMCL)	Maharashtra
150	Bhandak West	Shree Baidyanath Ayurved Bhawan Ltd.	Maharashtra
151	Marki Mangli-II	Shree Veerangana Steel Limited.	Maharashtra
152	Marki Mangli-III	Shree Veerangana Steel Limited.	Maharashtra
153	Marki Mangli-IV	Shree Veerangana Steel Limited.	Maharashtra
154	Belgaon	Sunflag Iron & Steel Co. Ltd.	Maharashtra
155	Mandakini B	Assam Mineral Dev. Corporation Ltd., Meghalaya Mineral Dev. Corp., Tamil Nadu Electricity Board, Odisha Mining Corporation Ltd.	Odisha
156	New Patrapara	Bhusan Steel & Strips Ltd., Adhunik Metaliks Ltd., Deepak Steel & Power Ltd., Adhunik Corp. Ltd., Odisha Sponge Iron Ltd., SMC Power Generation Ltd., Sree Metaliks Ltd., Visa Steel Ltd.	Odisha
157	Bijahan	Bhushan Ltd., Shri Mahavir Ferro Alloys Pvt. Limited	Odisha
158	Jamkhani	Bhushan Ltd.	Odisha
159	Naini	Gujarat Mineral Development Corporation, Puducherry Industrial Promotion Development and Investment Corporation Limited	Odisha
160	Mahanadi	Gujarat State Electricity Corporation Limited, Maharashtra State Electricity Board	Odisha
161	Machhakata	Gujarat State Electricity Corporation Limited, Maharashtra State Electricity Board	Odisha
162	Talabira-I	Hindalco Industries Ltd.	Odisha
163	Ramchandi Promotion Block	Jindal Steel & Power Limited	Odisha

1	2	3	4
164	Utkal B I	Jindal Steel & Power Ltd.	Odisha
165	Baitarni West	Kerala State Electricity Board, Odisha Hydro Power Corp., Gujarat Power Corporation Ltd.	Odisha
166	Talabira II & III	Mahanadi Coalfields Ltd. (MCL), Neyveli Lignite Corporation Ltd., Hindalco Industries Ltd.	Odisha
167	Utkal-A	Mahanadi Coalfields Ltd. (MCL), JSW Steels Ltd., Jindal Thermal Power Comp. Ltd., Jindal Stainless Steels Ltd., Shyam DRI Ltd.	Odisha
168	Utkai-B2	Monet Ispat Ltd.	Odisha
169	Mandakini	Monet Ispat Energy Ltd., Jindal Photo Ltd., Tata Power Company Ltd.	Odisha
170	Utkal 'E'	National Aluminium Corporation	Odisha
171	Dulanga	National Thermal Power Corporation	Odisha
172	Utkal-D	Odisha Mining Corporation	Odisha
173	Nuagaon Telisahi	Odisha Mining Corporation, Andhra Pradesh Mineral Development (APMDC)	Odisha
174	Manoharpur	Odisha Power Generation Corporation	Odisha
175	Dipside Manoharpur	Odisha Power Generation Corporation	Odisha
176	Radhikapur (West)	Rungta Mines Limited, OCL India Ltd., Ocean Ispat Ltd.	Odisha
177	Rampia	Sterlite Energy Ltd., (IPP), GMR Energy Ltd. (IPP), Arcelor Mittal India Ltd. (CPP), Lanco Group Ltd. (IPP), Navbharat Power Pvt. Ltd. (IPP), Reliance Energy Ltd. (IPP)	Odisha
178	Dip Side of Rampia	Sterlite Energy Ltd., (IPP), GMR Energy (IPP), Arcelor Mittal India Ltd. (CPP), Lanco Group Ltd. (IPP), Navbharat Power Pvt. Ltd. (IPP), Reliance Energy Ltd. (IPP)	Odisha
179	North of Arkhapal Srirampur	Strategic Energy Technology Systems Limited (SETSL)	Odisha
180	Radhikapur(East)	Tata Sponge Iron Ltd, Scaw Industries Ltd., SPS Sponge Iron Ltd.	Odisha
181	Chendipada	Uttar Pradesh Rajya Vidut Utpadan Limited, Chattishgarh Mineral Development Corporation Limited, Maharashtra State Power Generation Corporation Ltd.	Odisha
182	Chendipada-II	Uttar Pradesh Rajya Vidut Utpadan Limited, Chattishgarh Mineral Development Corporation Limited, Maharashtra State Power Generation Corporation Ltd.	Odisha
183	Utkal-C	Utkal Coal Ltd. (formerly ICCL)	Odisha
184	Biharinath	Bankura DRI Mining Manufacturers Co. Pvt. Ltd.	West Bengal
185	Andal East	Bhushan Steel Ltd., Jai Balaji Industries Ltd., Rashmi Cement Ltd.	West Bengal
186	Barjora (North)	Damodar Valley Corporation	West Bengal
187	Kagra Joydev	Damodar Valley Corporation	West Bengal
188	Kasta (East)	Damodar Valley Corporation	West Bengal
189	Gourangdih ABC	Himachal EMTA Power Ltd., JSW Steel Ltd.	West Bengal
190	Moira-Madhujore	Ramsarup Lohh Udyog Ltd., Adhunik Corporation Ltd., Uttam Galva Steels Ltd., Howrah Gases Ltd., Vikas Metal & Power Ltd., ACC Ltd.	West Bengal
191	Sarisatolli	Calcutta Electricity Supply Corporation Ltd.	West Bengal

1	2	3	4
192	Ardhagram	Sova Ispat Limited, Jaibalaji Sponge Ltd.	West Bengal
193	Tara (West)	West Bengal Power Development Corporation Limited (WBPDCCL)	West Bengal
194	Gangaramchak	West Bengal Power Development Corporation Limited (WBPDCCL)	West Bengal
195	Barjora	West Bengal Power Development Corporation Limited (WBPDCCL)	West Bengal
196	Gangaramchak- Bhadulia	West Bengal Power Development Corporation Limited (WBPDCCL)	West Bengal
197	Tara (East)	West Bengal State Electricity Board	West Bengal
198	Jaganathpur B	West Bengal Mineral Development & Trading Corp.	West Bengal
199	Sitarampur	West Bengal Mineral Dev. & Trading Corp. Ltd.	West Bengal
200	Trans Damodar	West Bengal Mineral Dev. & Trading Corp. Ltd.	West Bengal
201	Ichhapur	West Bengal Mineral Dev. & Trading Corp. Ltd.	West Bengal
202	Kulti	West Bengal Mineral Dev. & Trading Corp. Ltd.	West Bengal
203	Jaganathpur A	West Bengal Mineral Dev. & Trading Corp. Ltd.	West Bengal
204	East of Damogoria (Kalyaneshwari)	West Bengal Power Development Corporation Limited (WBPDCCL)	West Bengal

SCHEDULE II
[See section 3(1)(g)]

Sl. No.	Name of Coal Mine/Block	Name of Prior Allottee	State where Coal Mine/Block Located
1	2	3	4
1	Namchik Namphuk	Arunachal Pradesh Mineral Dev. & Trading Corporation	Arunachal Pradesh
2	Gare-Palma-IV/4	Jayaswal Neco Ltd.	Chhattisgarh
3	Gare-Palma-IV/2	Jindal Power Ltd. (Now Jindal Steel & Power Ltd.)	Chhattisgarh
4	Gare-Palma-IV/3	Jindal Power Ltd. (Now Jindal Steel & Power Ltd.)	Chhattisgarh
5	Gare-Palma-IV/1	Jindal Strips Limited (Now Jindal Steel & Power Ltd.)	Chhattisgarh
6	Gare-Palma-IV/5	Monet Ispat Ltd.	Chhattisgarh
7	Chotia	Prakash Industries Ltd.	Chhattisgarh
8	Gare-Palma-IV/7	Raipur Alloys & Steel Ltd. (Now Sarda Energy and Mineral Limited)	Chhattisgarh
9	Parsa East	Rajasthan Rajya Vidyut Utpadan Nigam Ltd. (RRVUNL)	Chhattisgarh
10	Kanta Basan	Rajasthan Rajya Vidyut Utpadan Nigam Ltd. (RRVUNL)	Chhattisgarh
11	Parbatpur Central	Electrosteel Castings Ltd.	Jharkhand
12	Tokisud North	GVK Power (Govindwal Sahib) Ltd.	Jharkhand
13	Pachwara Central	Punjab State Electricity Board	Jharkhand
14	Kathautia	Usha Martin Ltd.	Jharkhand
15	Pachwara North	West Bengal Power Development Corporation Limited (WBPDC)	Jharkhand
16	Gotitoria (East)	BLA Industries Ltd.	Madhya Pradesh
17	Gotitoria (West)	BLA Industries Ltd.	Madhya Pradesh
18	Mandla North	Jaiprakash Associates Ltd.	Madhya Pradesh
19	Amelia (North)	Madhya Pradesh State Mining Corporation	Madhya Pradesh
20	Bicharpur	Madhya Pradesh State Mining Corporation Ltd. (MPSMC)	Madhya Pradesh
21	Sial Ghoghri	Prism Cement Limited	Madhya Pradesh
22	Marki Mangli-I	B.S. Ispat Ltd.	Maharashtra
23	Baranj - I	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
24	Baranj - II	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
25	Baranj - III	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
26	Baranj - IV	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
27	Kiloni	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
28	Manora Deep	Karnataka Power Corp. Ltd. (KPCL)	Maharashtra
29	Marki Mangli-II	Shree Veerangana Steels Limited.	Maharashtra
30	Marki Mangli-III	Shree Veerangana Steels Limited.	Maharashtra
31	Belgaon	Sunflag Iron & Steel Co. Ltd	Maharashtra
32	Talabira-I	Hindalco Industries Ltd.	Odisha
33	Barjora (North)	Damodar Valley Corporation	West Bengal
34	Kagra Joydev	Damodar Valley Corporation	West Bengal
35	Sarisatoli	Calcutta Electricity Supply Corporation Ltd.	West Bengal
36	Ardhagram	Sova Ispat Limited, Jai balaji Sponge Ltd.	West Bengal

1	2	3	4
37	Tara (West)	West Bengal Power Development Corporation Limited (WBPDC)	West Bengal
38	Gangaramchak	West Bengal Power Development Corporation Limited (WBPDC)	West Bengal
39	Barjora	West Bengal Power Development Corporation Limited (WBPDC)	West Bengal
40	Gangaramchak-Bhadulia	West Bengal Power Development Corporation Limited (WBPDC)	West Bengal
41	Tara (East)	West Bengal State Electricity Board	West Bengal
42	Trans Damodar	West Bengal Mineral Dev. & Trading Corp. Ltd.	West Bengal

SCHEDULE III

[See section 3(!)(r)]

Sl. No.	Name of Coal Mine/Block	Name of Prior Allottee	State where Coal Mine/Block Located
1	2	3	4
1	Durgapur-II/Taraimar	Bharat Aluminium Company Ltd.	Chhattisgarh
2	Durgapur-II/Sarya	DB Power Ltd.	Chhattisgarh
3	Gare-Palma Sector-III	Goa Industrial Development Corporation	Chhattisgarh
4	Gare-Palma IV/8	Jayaswal Neco Ltd.	Chhattisgarh
5	Talaipali	National Thermal Power Ltd.	Chhattisgarh
6	Chatti Bariatu	National Thermal Power Ltd.	Jharkhand
7	Mahan	Essar Power Ltd., Hindalco Industries Ltd.	Madhya Pradesh
8	Mandla South	Madhya Pradesh State Mining Corporation Ltd.	Madhya Pradesh
9	Dongeri Tal-II	Madhya Pradesh State Mining Corporation Ltd. (MPSMC)	Madhya Pradesh
10	Kosar Dongergaon	Chaman Metaliks Ltd.	Maharashtra
11	Nerad Malegaon	Gupta Metallics & Power Ltd., Gupta Coalfields & Washeries Ltd.	Maharashtra
12	Marki Mangli-IV	Shree Veerangana Steel Limited.	Maharashtra
13	Jamkhani	Bhushan Ltd.	Odisha
14	Utkal B 1	Jindal Steel & Power Ltd.	Odisha
15	Utkal-B 2	Monet Ispat Ltd.	Odisha
16	Mandakini	Monet Ispat Energy Ltd., Jindal Photo Ltd., Tata Power Company Ltd.	Odisha
17	Utkal-C	Utkal Coal Ltd. (formerly ICCL)	Odisha
18	Brinda	Abhijeet Infrastructure Pvt. Ltd.	Jharkhand
19	Sasai	Abhijeet Infrastructure Pvt. Ltd.	Jharkhand
20	Meral	Abhijeet Infrastructure Pvt. Ltd.	Jharkhand
21	Moitra	Jayaswal Neco Ltd	Jharkhand
22	Jitpur	Jindal Steel & Power Ltd.	Jharkhand
23	Rohne	JSW Steel Ltd., Bhushan Power & Steel Ltd., Jai Balaji Industries Ltd.	Jharkhand
24	Dumri	Nilachal Iron & Power Ltd., Bajrang Ispat Pvt. Ltd.	Jharkhand
25	Kerandari	National Thermal Power Ltd.	Jharkhand
26	Sitanala	Steel Authority of India Ltd.	Jharkhand
27	Ganeshpur	Tata Steel Ltd., Adhunik Thermal Energy	Jharkhand
28	Badam	Tenughat Vidyut Nigam Limited	Jharkhand
29	Tara	Chhattisgarh Mineral Development Corporation Ltd.	Chhattisgarh
30	Lohari	Usha Martin Ltd.	Jharkhand
31	Dulanga	National Thermal Power Corporation	Odisha
32	Manoharpur	Odisha Power Generation Corporation	Odisha

SCHEDULE IV

(See section 28)

PART A

THE COAL MINES (NATIONALISATION) ACT, 1973

(26 OF 1973)

1. 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. Amendment of section 1A.

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

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

(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.

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

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

"(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. 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:— Substitution of new section for section 11A.

Granting of
reconnaissance
permit,
prospecting
licence or
mining lease.

11A. (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.

Amendment
of section
13.

2. 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."

ANNEXURES

Annexure I

Motion in the Rajya Sabha pertaining to the Select Committee

(Extracts from Rajya Sabha Parliamentary Bulletin Part-I)

Motion for reference of the Coal Mines (Special Provisions) Bill, 2015, to the Select Committee (dated the 11th March, 2015)

Shri Piyush Goyal, Minister of State (Independent Charge) of the Ministry of Power, Coal and Ministry of New & Renewable Energy, moved the following motion:—

"That the Coal Mines (Special Provisions) Bill, 2015 to provide for allocation of coal mines and vesting of the right, title and interest in and over the land and mine infrastructure together with mining leases to successful bidders and allottees with a view to ensure continuity in coal mining operations and production of coal, and for promoting optimum utilization of coal resources consistent with the requirement of the country in national interest and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be referred to a Select Committee of the Rajya Sabha consisting of the following Members:—

1. Shri Anil Madhav Dave
2. Shri V.P. Singh Badnore
3. Shri Basawaraj Patil
4. Shri Digvijaya Singh
5. Shri P. Bhattacharya
6. Shri Rajeev Shukla
7. Shri Naresh Agrawal
8. Shri K.C. Tyagi
9. Shri Narendra Kumar Kashyap
10. Shri Anubhav Mohanty
11. Shri K.N. Balagopal
12. Shri Sukhendu Sekhar Roy
13. Shrimati Vandana Chavan
14. Shri Tiruchi Siva
15. Shri Devender Goud T.
16. Shri A.W. Rabi Bernard
17. Shri Naresh Gujral
18. Shri Anil Desai
19. Shri Rajeev Chandrasekhar

with instructions to report to the Rajya Sabha not later than 18th March, 2015 to enable the Rajya Sabha for consideration and passing during the first part of the Budget Session”.

The motion was adopted.

Annexure II

List of Government officials who appeared before the Select Committee:

1. Shri Anil Swarup, Secretary, Ministry of Coal
2. Shri A.K. Bhalla, Additional Secretary, Ministry of Coal
3. Shri Vivek Bharadwaj, Joint Secretary, Ministry of Coal
4. Shri Anurag Kapil, Director, Ministry of Coal
5. Dr. Sanjay Singh, Secretary, Legislative Department, Ministry of Law & Justice
6. Dr. G. Narayana Raju, Additional Secretary, Legislative Department
7. Shri K.V. Kumar, Deputy Legislative Counsel, Legislative Department
8. Sh. Hrusikesh Panda, Secretary, Ministry of Tribal Affairs
9. Shri P.P. Mitra, PLEA, M/o Labour and Employment
10. Shri Rahul Guha, Director-General, Ministry of Labour and Employment
11. Shri D. P. Singh, Under Secretary, Ministry of Labour and Employment

List of State Government officials who appeared before the Select Committee:

1. Shri C.M. Bachhawat, Additional Chief Secretary, Govt. of West Bengal
2. Shri Sunil Bhargava, Chief Resident Commissioner, Govt. of Odisha
3. Shri Samir Sahai, Additional Resident Commissioner, Govt. of Maharashtra

Note on the Coal Mines (Special Provisions) Bill, 2015

Naresh Agrawal, MP

Mr. Chairman Sir,

I am in receipt of the draft report from the Select Committee Constituted for the Coal Mines (Special Provisions) Bill, 2015, wherein, several issues are not clear to me. I am forwarding those issues and would like that either these issues be included in the bill or the rules laid down thereon may be made specific about these issues.

1. It should be clarified for the worker's that the compensation which is received by mine owners, will have the workers as the first party for payment and then to someone else.
2. No objection certificate from the Ministry of Environment and the Ministry of Tribal Affairs should mandatorily be obtained prior to auction of mines so that the auction yields more revenue.
3. It is not clear from where the small scale industries such as brick kiln, bangle and glass and others industries dependent on coal will get coal. Coal India may please be given clear instructions that as long as the mines are not auctioned to private sector, it will be the responsibility of Coal India to provide coal to these industries.
4. 50 per cent of the share of compensation that the States get, be spent on tribals, workers working in the mines and for the development of the local area.

This note of mine may please be appended to the report of the Select Committee.

Sd/-

NARESH AGARAWAL

Note on the Coal Mines (Special Provisions) Bill, 2015

Narendra Kumar Kashyap, MP

To

The Chairman,
Select Committee on the Coal Mines (Special Provisions) Bill, 2015

Sir,

My following important issues may please be incorporated in the Bill:

- (i) There should be provision for labour security and their wages and allowances paid to them earlier;
- (ii) Provision should be made to protect interest of State Government;
- (iii) Whether increase in price of coal is likely to affect the brickkiln and glass industry; the provision to regulate its rate;
- (iv) The details of provisions for reservation of SC, ST and OBC in the Bill.

Sd/-
Narendra Kumar Kashyap, MP

MINUTES

I

FIRST MEETING

The Committee met at 3:00 P.M. on Thursday, the 12th March, 2015 in Room No. 62, First Floor, Parliament House, New Delhi.

PRESENT

1. **Shri Anil Madhav Dave** - *Chairman*

MEMBERS

2. Shri V.P. Singh Badnore
3. Shri Basawaraj Patil
4. Shri Digvijaya Singh
5. Shri P. Bhattacharya
6. Shri Naresh Agrawal
7. Shri K.C. Tyagi
8. Shri Anubhav Mohanty
9. Shrimati Vandana Chavan
10. Shri A.W. Rabi Bernard
11. Shri Naresh Gujral
12. Shri Anil Desai
13. Shri Rajeev Chandrasekhar

SECRETARIAT

- Shri M.K. Khan - *Joint Secretary*
Shri Rakesh Naithani - *Joint Director*
Shri Rajendra Tiwari - *Joint Director*
Shri Goutam Kumar - *Assistant Director*
Shri Ranajit Chakraborty - *Committee Officer*

2. At the outset, the Chairman welcomed the Members to the first meeting of the Select Committee, constituted to consider the Coal Mines (Special Provisions) Bill, 2015. He informed the Members that the Bill provides for allocation of coal mines and vesting of rights, title and interest in and over the land and mining infrastructure together with mining leases to successful bidders and allottees with a view to ensure continuity in coal mining operations and production of coal. It also seeks to promote optimum utilization of coal resources consistent with the requirement of the country in national interest. He also informed the Members that the aforesaid Bill as passed by the Lok Sabha, has been referred to the Select Committee, with instructions to report to the Rajya Sabha, not later than 18th March, 2015, for enabling the Rajya Sabha for consideration and passing during the first part of the Budget Session. He further informed that the introductory meeting has been convened to broadly consult the Members to draw up a schedule and methodology

to accomplish the task of holding further meetings, drafting and submitting the Report on the aforesaid Bill within the stipulated time limit i.e. by 18th March, 2015.

3. The Chairman also stated that on perusal of the documents circulated by the Secretariat, the Clause 4 of the Bill which prescribes eligibility conditions for participation in auction and payment of fees seemed to be the main reason for referring it to this Select Committee and hoped that a mutually acceptable consensus would be arrived at by the Committee. He thereafter, invited all the Members to share their views on the Bill.

4. Some of the Members pointed out that the Bill would affect a large number of stakeholders and the Committee should hear their views to have a better understanding of the Bill. The Committee, in the first instance, decided to hear the views of the Secretary, Ministry of Coal, on the various provisions contained in the Bill in its next meeting scheduled to be held on the 13.3.2015. The Committee also pointed out that the Bill is a consequence of the Hon'ble Supreme Court judgement dated the 25.8.2014 and its order dated 24.9.2014 and therefore directed the Secretariat to provide copies of the same. The Committee also deliberated on the venue for holding the subsequent meetings of the Select Committee and decided to hold its sittings on 14th and 15th March, 2015 (Saturday and Sunday) in Parliament House so that it could give its undivided focused attention to the provisions of the Bill.

5. The meeting, thereafter, adjourned at 3:55 p.m.

II

SECOND MEETING

The Committee met at 3:00 P.M. on Friday, the 13th March, 2015 in Room No. 62, First Floor, Parliament House, New Delhi.

PRESENT

1. **Shri Anil Madhav Dave** - *Chairman*

MEMBERS

2. Shri V.P. Singh Badnore
3. Shri Basawaraj Patil
4. Shri Digvijaya Singh
5. Shri P. Bhattacharya
6. Shri Rajiv Shukla
7. Shri Naresh Agrawal
8. Shri K.C. Tyagi
9. Shri Anubhav Mohanty
10. Shri K.N. Balagopal
11. Shri Sukhendu Sekhar Roy
12. Shrimati Vandana Chavan
13. Shri A.W. Rabi Bernard
14. Shri Naresh Gujral
15. Shri Rajeev Chandrasekhar

SECRETARIAT

- Shri M.K. Khan - *Joint Secretary*
Shri Rakesh Naithani - *Joint Director*
Shri Rajendra Tiwari - *Joint Director*
Shri Goutam Kumar - *Assistant Director*
Shri Ranajit Chakraborty - *Committee Officer*

Witnesses on the Coal Mines (Special Provisions) Bill, 2015:

(i) Representatives of the Ministry of Coal

- (1) Shri Anil Swarup - Secretary
- (2) Shri A.K. Bhalla - Additional Secretary
- (3) Shri Vivek Bharadwaj - Joint Secretary

(ii) Representatives of the Legislative Department (Ministry of Law & Justice)

- (1) Dr. G.N. Raju - Additional Secretary
- (2) Shri K.V. Kumar - Deputy Legislative Counsel

2. At the outset, the Chairman welcomed the Members and informed them of the agenda for the day i.e. recording of oral evidences of the Secretaries of the Ministry of Coal and Legislative Department (Ministry of Law & Justice) on the various provisions contained in the Coal Mines (Special Provisions) Bill, 2015.

3. The Chairman then welcomed the representatives of the aforesaid Ministries and requested them to share their views/suggestions on the Bill.

4. The representative of the Ministry of Coal, giving a background of the Bill stated that informed that the Hon'ble Supreme Court, vide its judgment dated 25.08.2014, held allocation of coal blocks made through the Screening Committee route and Government dispensation route as arbitrary and illegal and consequently pronounced its order on 24.09.2014. The net effect of the Hon'ble Supreme Court's order dated 24.09.2014 was cancellation of 204 coal blocks. Accordingly an Ordinance was brought to legally enable the Government to re-allocate 204 coal blocks cancelled by the Hon'ble Supreme Court and ensure smooth transfer of right, title and interests in the mine along with its land and other associated mining infrastructure to the new allottee to be selected through an auction or allotment to Government companies, as the case may be. The representative also pointed out the salient objectives of the Ordinance.

4.1 The representative of the Ministry further stated that now a bill to replace the Ordinance as required under the Article 123 of the Constitution has been introduced. He mentioned the actions that have been taken or are proposed to be taken in accordance with the provisions of the Bill.

4.2 The representative thereafter highlighted the legal and administrative issues arising out of the Supreme Court judgement. Highlighting the objectives of the Bill he stated that the Bill intends to provide for allocation of coal mines and vesting of the right, title and interest in and over the land and mine infrastructure to successful bidders and allottees with a view to ensure continuity in coal mining operations and production of coal. It also intends to take immediate action to auction or allot coal mines to minimise impact on core sectors such as power, steel and cement, which are vital for the development of the nation. It also seeks to amend the Coal Mines (Nationalization) Act, 1973 and the Mines and Minerals (Development and Regulation) Act, 1957 thereby removing the restriction of end use from the eligibility to undertake coal mining except in the case of certain specified coal blocks.

5. Several Members raised queries on the various issues ranging from the urgency to bring in an ordinance and to get legislative approval within a short time span. Queries on the important features of the Bill arising out of the presentation made by the Ministry of Coal were also satisfactorily replied to.

6. A verbatim record of the proceedings of the meeting was kept.

7. The meeting, thereafter, adjourned at 4:30 p.m.

III
THIRD MEETING

The Committee met at 2:00 P.M. on Friday, the 14th March, 2015 in Room No. 62,
First Floor, Parliament House, New Delhi.

PRESENT

1. **Shri Anil Madhav Dave** - *Chairman*

MEMBERS

2. Shri V.P. Singh Badnore
3. Shri Basawaraj Patil
4. Shri Digvijaya Singh
5. Shri P. Bhattacharya
6. Shri Rajiv Shukla
7. Shri Naresh Agrawal
8. Shri K.C. Tyagi
9. Shri Sukhendu Sekhar Roy
12. Shrimati Vandana Chavan
13. Shri Tiruchi Siva
14. Shri A.W. Rabi Bernard
15. Shri Naresh Gujral
16. Shri Anil Desai
17. Shri Rajeev Chandrasekhar

SECRETARIAT

- Shri M.K. Khan - *Joint Secretary*
Shri Rakesh Naithani - *Joint Director*
Shri Rajendra Tiwari - *Joint Director*
Shri Goutam Kumar - *Assistant Director*
Shri Ranajit Chakraborty - *Committee Officer*

Witnesses on the Coal Mines (Special Provisions) Bill, 2015:

(i) Representatives of the Ministry of Power

- (1) Shri P.K. Sinha - Secretary
(2) Shri R.N. Choubey - Special Secretary
(3) Shri Anil Kumar Singh - Joint Secretary
(4) Shri Harpreet Singh Pruthi - Director

(ii) Representatives of the Ministry of Tribal Affairs

Sh. Hrusikesh Panda, Secretary, Ministry of Tribal Affairs

(iii) Representatives of the Ministry of Labour and Employment

- | | | |
|----------------------|---|---------------------------------------|
| (1) Shri P.P. Mitra | - | Principal Labour & Employment Advisor |
| (2) Shri Rahul Guha | - | Director-General |
| (3) Shri D. P. Singh | - | Under Secretary |

(iv) Representatives of the Ministry of Coal

- | | | |
|----------------------|---|-----------------|
| Shri Vivek Bharadwaj | - | Joint Secretary |
|----------------------|---|-----------------|

(v) Representatives of the Legislative Department (Ministry of Law & Justice)

- | | | |
|---------------------|---|----------------------------|
| (1) Dr. G.N. Raju | - | Additional Secretary |
| (2) Shri K.V. Kumar | - | Deputy Legislative Counsel |

Representatives of State Government:

1. Shri C.M. Bachhawat, Additional Chief Secretary, Govt. of West Bengal
2. Shri Sunil Bhargava, Chief Resident Commissioner, Govt. of Odisha
3. Shri Samir Sahai, Additional Resident Commissioner, Govt. of Maharashtra

2. At the outset, the Chairman welcomed the Members and informed them of the agenda for the day i.e. recording of oral evidences of the Secretaries of the Ministries of Power, Tribal Affairs, Labour & Employment, and the representatives of the Ministry of Coal and Legislative Department (Ministry of Law & Justice) on the various provisions contained in the Coal Mines (Special Provisions) Bill, 2015. He further informed that the Committee would also hear the views of the representatives of the State Governments of West Bengal, Odisha and Maharashtra.

3. The Chairman then welcomed the representatives of the aforesaid Ministries/Department and requested them to share their views/suggestions on the Bill.

4. Starting the deliberations on the Bill, some Members enquired about the consultation process adopted by the Coal Ministry for drafting the Bill and raised their concern on the various clauses of the Bill pertaining to the labour & tribals and enquired as to whether their rights had been protected in the Bill.

4.1 In reply the representatives of the Ministries of the Labour & Employment, Tribal Affairs, and Coal clarified that all the Acts in force in favour of the labour and protection of tribals would stand and are equally applicable in this Bill. However, the Committee desired that adequate provisions be ensured so as to protect and preserve the rights of the labour and tribals.

4.2 Some of the Members of the Committee also desired that the Bill should ensure that all the coal blocks which are auctioned should have requisite environmental clearance and should also be in line with the Acts protecting the rights of the tribals.

5. The Committee also heard the views of the representatives of the State Governments of West Bengal, Odisha and Maharashtra. The representative of the Government of West Bengal had a few suggestions in the context of protection of their rights such as transfer of Auction proceeds to the State Governments in a time bound manner; payment of increased rate of royalty to West Bengal; and safeguarding the land for afforestation, rehabilitation and resettlement. The representative of the Govt. of Odisha stated that their Govt. is not averse to the provisions of the Coal Mines (Special Provisions) Bill, 2015, however, they have suggested that a large number of coal blocks of the State should be earmarked for the non-regulated sector in due consultation with the State Govt. and there should be equitable sharing of the Auction Proceeds with the mineral bearing states by the Union Govt. The representative of the Govt. of Maharashtra informed that their Govt. is in total consonance with the provisions of the Bill.

6. A verbatim record of the proceedings of the meeting was kept.

7. The meeting, thereafter, adjourned at 4.40 p.m.

IV

FOURTH MEETING

The Committee met at 11:00 A.M. on Sunday, the 15th March, 2015 in Room No. G-074, Parliament Library Building, New Delhi.

PRESENT

1. **Shri Anil Madhav Dave** - *Chairman*

MEMBERS

2. Shri V.P. Singh Badnore
3. Shri Basawaraj Patil
4. Shri Digvijaya Singh
5. Shri P. Bhattacharya
6. Shri Rajiv Shukla
7. Shri Naresh Agrawal
8. Shri K.C. Tyagi
9. Shri K.N. Balagopal
10. Shri Sukhendu Sekhar Roy
11. Shrimati Vandana Chavan
12. Shri Tiruchi Siva
13. Shri A.W. Rabi Bernard
14. Shri Naresh Gujral
15. Shri Anil Desai
16. Shri Rajeev Chandrasekhar

SECRETARIAT

- Shri Rakesh Naithani - *Joint Director*
Shri Rajendra Tiwari - *Joint Director*
Shri Goutam Kumar - *Assistant Director*
Shri Ranajit Chakraborty - *Committee Officer*

Witnesses on the Coal Mines (Special Provisions) Bill, 2015:

(i) Representatives of the Ministry of Coal

- (1) Shri Anil Swarup - Secretary
- (2) Shri A.K. Bhalla - Additional Secretary
- (3) Shri Vivek Bharadwaj - Joint Secretary

(ii) Representatives of the Legislative Department (Ministry of Law & Justice)

- (1) Dr. Sanjay Singh - Secretary
- (2) Dr. G.N. Raju - Additional Secretary
- (3) Shri K.V. Kumar - Deputy Legislative Counsel

2. At the outset, the Chairman welcomed the Members and the representatives of the Ministry of Coal and Legislative Department (Ministry of Law and Justice) and informed them that the Committee would take up clause-by-clause consideration of the Coal Mines (Special Provisions) Bill, 2015. He requested the representatives of the Ministry of Coal and Legislative Department (Ministry to Law & Justice) to assist the Committee.

3. The Committee thereafter took up the clause-by-clause consideration. The Members deliberated extensively on the various provisions of the Bill. The Secretary, Ministry of Coal and Secretary, Legislative Department provided detailed clarifications on the various issues raised by the Members.

4. The Committee decided to adopt the draft Report on Monday, the 16th March, 2015. The Chairman, keeping in view the time constraints, directed the Secretariat to prepare the draft Report and provide it to the Members at the time of adoption.

5. A verbatim record of the proceedings of the meeting was kept.

6. The meeting, thereafter, adjourned at 3.45 p.m.

V

FIFTH MEETING

The Committee met at 5:00 P.M. on Monday, the 16th March, 2015 in Room No. 67, Parliament House, New Delhi.

PRESENT

1. **Shri Anil Madhav Dave** - *Chairman*

MEMBERS

2. Shri V.P. Singh Badnore
3. Shri Basawaraj Patil
4. Shri Digvijaya Singh
5. Shri P. Bhattacharya
6. Shri Rajiv Shukla
7. Shri Naresh Agrawal
8. Shri K.C.Tyagi
9. Shri Narendra Kumar Kashyap
10. Shri Anubhav Mohanty
11. Shri K.N. Balagopal
12. Shri Sukhendu Sekhar Roy
13. Shrimati Vandana Chavan
14. Shri Tiruchi Siva
15. Shri A.W. Rabi Bernard
16. Shri Naresh Gujral
17. Shri Anil Desai
18. Shri Rajeev Chandrasekhar

SECRETARIAT

- Shri M.K. Khan - *Joint Secretary*
Shri Rakesh Naithani - *Joint Director*
Shri Rajendra Tiwari - *Joint Director*
Shri Goutam Kumar - *Assistant Director*
Shri Ranajit Chakraborty - *Committee Officer*

2. At the outset, the Chairman welcomed the Members and informed them that the Committee would be taking up for adoption its draft Report on the Coal Mines (Special Provisions) Bill, 2015.

3. Several Members raised various issues concerning protection of labour rights and the interests of the State Governments.

4. The Chairman clarified that these issues had been addressed in the draft report and would be taken care of through subsequent subordinate legislation.

5. The Chairman on behalf of the Committee appreciated the hard work and diligence put in by the Secretariat by adhering to the tough deadlines. Some Members also reiterated the same and expressed appreciation of the commendable and challenging work done by the Committee Secretariat.

6. The Committee authorized the Chairman of the Committee to carry out the desired changes alongwith other corrections of editorial nature. The draft report was adopted. Few other Members also expressed their desire to give Dissent Notes and the same was agreed to by the Chairman, with a request that the same may be handed over to the Secretariat latest by 3:00 P.M. on the 17th March, 2015. The Chairman also informed the Committee that the report on the Bill shall be presented to the House on the 18th March, 2015.

7. The meeting, thereafter, adjourned at 6:15 p.m.