

LIST OF ABBREVIATIONS USED

G.S.R.	.	.	.	.	.	„	General Statuary Rules.
S.O.	.	.	.	.	.	<i>for</i>	Statutory Order.
Notifn.	.	.	.	.	.	„	Notification.

THE COAL INDIA (REGULATION OF TRANSFERS AND VALIDATION) ACT, 2000

ARRANGEMENT OF SECTIONS

SECTIONS

1. Short title.
2. Definitions.
3. Power of Central Government to direct transfer of land, rights, title or interest.
4. Validation of certain transfers.

THE COAL INDIA (REGULATION OF TRANSFERS AND VALIDATION) ACT, 2000

ACT NO. 45 OF 2000

[8th December, 2000.]

An Act to empower the Central Government to direct the transfer of the land, or of the rights in or over land or of the right, title and interest in relation to a coal mine, coking coal mine or coke oven plant, vested in the Coal India Limited or in a subsidiary company to any subsidiary company of Coal India Limited or any other subsidiary company and to validate certain transfers of such land or rights.

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

1. Short title.—This Act may be called the Coal India (Regulation of Transfers and Validation) Act, 2000.

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

(a) “Coal India” means the Coal India Limited, a Government company incorporated under the Companies Act, 1956 (1 of 1956) having its registered office at Calcutta and includes its predecessor Government company, namely, the Coal Mines Authority Limited;

(b) “subsidiary company” means the following subsidiary companies of Coal India, namely:—

(i) the Central Coal Fields Limited, Ranchi and includes its predecessor Government company, namely, the National Coal Development Corporation Limited, Ranchi;

(ii) the Bharat Coking Coal Limited, Dhanbad;

(iii) the Western Coal Fields Limited, Nagpur;

(iv) the Eastern Coal Fields Limited, Sanctoria;

(v) the Central Mine Planning and Design Institute Limited, Ranchi;

(vi) the South-Eastern Coal Fields Limited, Bilaspur;

(vii) the Northern Coal Fields Limited, Singrauli;

(viii) the Mahanadi Coal Fields Limited, Sambalpur;

and includes such other subsidiary company of Coal India as may be incorporated under the Companies Act, 1956 (1 of 1956) from time to time;

(c) words and expressions used herein and not defined but defined in the Coking Coal Mines (Nationalisation) Act, 1972 (36 of 1972) or the Coal Mines (Nationalisation) Act, 1973 (26 of 1973), shall have the meanings, respectively, assigned to them in those Acts.

3. Power of Central Government to direct transfer of land, rights, title or interest.—(1) Notwithstanding anything contained in any other law for the time being in force, the Central Government may, if it is satisfied that a subsidiary company is willing to comply, or has complied, with such terms and conditions as that Government think fit to impose, direct, by notification in the Official Gazette, that the land or rights in or over such land or the right, title and interest in relation to a coal mine, coking coal mine or a coke over plant vested in the Coal India shall, instead of continuing to vest in the Coal India, vest in that subsidiary company or, where such land or right, title or interest vests in subsidiary company, in another subsidiary company.

(2) Where the land or right in or over such land or the right, title and interest in relation to a coal mine, coking coal mine or a coke over plant vest in a subsidiary company under sub-section(1), such subsidiary company shall, on and from the date of such vesting, be deemed to have become the lessee in relation to such coal mine or coking coal mine as if a fresh mining lease in relation to such coal mine or coking coal mine had been granted to it under the Mineral Concession Rules, 1960 made under section 13 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) for the maximum period for which such lease could have been granted under those rules, and all the rights and liabilities of

Coal India or, as the case may be, the subsidiary company in relation to such coal mine or coking coal mine shall, on and from the date of such vesting, be deemed to have become the rights and liabilities, respectively, of subsidiary company first-mentioned.

4. Validation of certain transfers.—A subsidiary company which was operating, or was in control of, any coal mine, coking coal mine, or coke oven plant which was vested in the Coal India or any other subsidiary company immediately before the commencement of this Act, shall be deemed to have been vested with the land or rights in or over such land or the right, title and interest in relation to such coal mine, coking coal mine or coke oven plant and such vesting shall be deemed to have been valid and effective at all material times as if a direction had been made by the Central Government under sub-section (1) of section 3 and accordingly no suit or other proceeding shall be instituted, maintained or continued in any court on the ground that such subsidiary company was not competent to operate or control such coal mine, coking coal mine or coke oven plant.

STATEMENT OF OBJECTS AND REASONS

The coal industry was nationalised in two phases, that is, in 1972 and 1973. After nationalisation, the coking and non-coking coal mines in the Jharia Coal Fields in Bihar and a few mines in Barakar and Mugma regions were directed to be vested in the Bharat Coking Coal Limited, Dhanbad. Most of the other coal mines in the States of Assam, Bihar, West Bengal, Orissa, Madhya Pradesh and Maharashtra were directed to be vested in the Coal Mines Authority Limited. Subsequently, a holding company, namely, the Coal India Limited was set up with effect from the 1st November, 1975, initially with five subsidiaries. Later three more subsidiaries were created by delinking certain collieries from other subsidiaries.

2. Ever since the nationalisation of the coal industry, though the land or rights in or over such land acquired under various Acts and the right, title and interest in relation to a coal mine or a coke oven plant were directed to be vested in the Coal India Limited or its predecessor in title, its subsidiary companies were *de facto* managing such land, coal mines or plants.

3. The absence of a formal legal title to the land or rights in or over such land or the right, title and interest in relation to a coal mine or coke oven plant, in the subsidiary companies has exposed them to litigation and other legal infirmities. While the Companies Act, 1956 contains provisions for reconstruction and amalgamations, such reconstruction or amalgamation could be given effect to prospectively only under that Act.

4. It has, therefore, been considered necessary to empower the Central Government to direct the transfer of land or the rights in or over such land or the right, title or interest in relation to a coal mine or coke oven plant vested in the Coal India Limited to a subsidiary company, or where such land or mine are vested in a subsidiary company, to another subsidiary company. It has also been considered necessary to validate all purported transfers of the land or rights in or over such land or the right, title and interest in relation to a coal mine or coke oven plant from the Coal India Limited to a subsidiary company and from one subsidiary company to another subsidiary company before the commencement of the proposed legislation.

5. The Bill seeks to achieve the above objects.

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