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Nagaland Coal Policy (First Amendment), 2014

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PART-IIA

**GOVERNMENT OF NAGALAND
DEPARTMENT OF GEOLOGY AND MINING
NAGALAND : KOHIMA**

NOTIFICATION

No.: GM-21/Coal/1/2005

Dated Kohima, the 17th December, 2014

Nagaland Coal Policy (First Amendment) 2014

PREAMBLE

Whereas, the State Government is concerned about systematic development of coal resources, available in the State, and their optimum utilization in industries and for other purposes; and

Whereas, the State Government consider it necessary to amend the existing Nagaland Coal Policy & Coal Mining Rules, 2006, and for this purpose;

Now, therefore, the State Government is pleased to formulate the Nagaland Coal Policy & Rules (First Amendment) 2014 and publish the same for general consumption.

This Policy shall come into force from the date of its publication in the Nagaland Extraordinary Gazette.

Sd/-

(Toshi Aier) IAS
Chief Secretary, Nagaland

ORDER

Ordered that the resolution along with the Nagaland Coal Policy (First Amendment), 2014 be published in the Nagaland Gazette and copies thereof be forwarded to all concerned.

By order of the Governor

Sd/-

(Toshi Aier) IAS
Chief Secretary, Nagaland

Nagaland Coal Policy (Amendment), 2014:**1. INTRODUCTION**

Coal being a mineral resource is finite and non-renewable. It constitutes a vital fuel and raw material for many basic industries. Management of coal resources has, therefore, to be closely integrated with the overall strategy of development; and exploitation of coal shall be guided by long-term State goals and perspective. In this context the Department of Geology & Mining accordingly bring out this coal policy to achieve the best use of available coal resources through scientific methods of mining, beneficiation and economy utilization, keeping in view the constitutional safeguard provided to the State under article 371 A of the constitution with regard to land and its resources.

2. PRESENT STATUS OF EXTRACTION OF COAL:

2.1 Since the coming into force of the Nagaland Coal Policy 2006, the Department of Geology and Mining has issued sufficient Coal Prospecting License (CPL) and Coal Mining Lease (CML) including Small Pocket Deposit License (SPDL). Thus far, it has brought many mines under Licensing Policy of the State.

2.2 However, Un-planned extractions of coal are still being carried out by private parties/landowners at many places, especially in Mokokchung, Wokha, Dimapur, Mon, Longleng and Peren districts. These rampant and illegal mining activities have resulted in various types of accidents, health hazards, ecological and environmental degradation; besides loss of coal resource and leakages through process exits have cause substantial State Revenue loss. Therefore, to adopt a systematic development of coal resources, available in the State, and their optimum utilization in industries and for other purposes; the Nagaland Coal Policy & Rules (Amendment) 2014 is being adopted.

3. COAL RESERVES:

The total coal reserve in Nagaland is yet to be fully proved. However, prognosticated reserve of coal in the state is about 315.84 million tones.

The detail break out of district-wise coal reserves as on date in the State are furnished here below:-

DISTRICT	PROVED	INFERRED	INDICATE	TOTAL
MON	11.10	11.10	60.39	82.59
MOKOKCHUNG	2.00	0.08	98.71	100.79
WOKHA	----	-----	78.15	78.15
LONGLENG	----	-----	13.28	13.28
TUENSANG	1.26	2.00	30.54	33.80
KOHIMA	----	-----	05.20	05.20
DIMAPUR	----	----	01.60	01.60
PEREN	---	-----	01.00	01.00
TOTAL	14.36	13.18	288.87	316.41

4. OBJECTIVES AND STRATEGIES:

4.1 The basic objectives of the overall State Coal Policy would be the followings:-

- (i) To search and prove commercial reserve of coal wealth in the State.
- (ii) To develop and explore coal resources keeping in view the interest of the people and state as a whole.
- (iii) To encourage and facilitate private investors/entrepreneurs both from outside as well as within the State, for exploration and mining of coal.
- (iv) To increase State revenue and local employment through coal mining and coal based industries.
- (v) To promote Research and Development activities in the mineral sector.
- (vi) To establish training facilities and to impart appropriate training to meet the manpower requirements.
- (vii) To minimize adverse effects of coal development on the forest, environment and ecology through protective measures.
- (viii) To ensure conduct of coal mining operations with due regard to safety and health of all concerned.
- (ix) To ensure greater and scientific utilization and conservation of coal resources by preventing illegal mining, transportation and storage of coal.
- (x) To create a data base on coal resources of the State.
- (xi) To ensure proper vigilance and supervision of coal mining activities with particular emphasis on simplification of procedures and greater generation of revenue from coal.
- (xii) To promote necessary linkages for smooth and uninterrupted development of mineral based industries in the State.
- (xiii) To up lift the socio-economic status of the resource owners of coals bearing areas and the State as a whole.

5. EXISTING ACT AND RULES GOVERNING THE POLICY:

5.1 The State Government has already taken a legal stand that the Act viz; Nagaland (Ownership and Transfer of land and Its Resources) Act, 1990 has already come into force and is applicable in the State of Nagaland in view of the special protection under Article 371-A of the Constitution.

5.2 Under the aforesaid Act, the State Govt. has enacted the following Mining Rules:

- (i) The Nagaland Minor Mineral Concession Rules, 2005
- (ii) The Nagaland Coal Policy, 2006
- (iii) The Nagaland Coal Mining Rules, 2006
- (iv) The Nagaland Mineral Concession Rules, 2007.

5.3 Even otherwise, the State Government and Public undertaking can undertake development and mining of small coal pocket deposits even under the National Coal Policy. The Coal deposit of Nagaland falls under small pocket deposit due to inconsistency and erratic nature of coal deposit.

6. PROSPECTING AND MINING OF COAL:**6.1 Prospecting to precede Mining Operation: -**

- (i). It shall be mandatory to undertake Prospecting work before grant of coal mining Lease and Small Pocket Deposit License.
- (ii). No prospecting License shall be granted unless the Directorate of Geology & Mining Nagaland is satisfied that there is evidence to show that the area for which the license is applied for, indication of coal deposit.
- (iii). No Coal Mining Lease shall be granted unless the area for which the License is applied for, has been prospected for coal and the existence and nature of coal deposit therein has been established by the applicant or department or any other agency.

6.2 Procedure for grant of Coal prospecting licence (CPL)

Any person applying for Coal Prospecting licence (CPL) shall submit the following in the prescribed format along with requisite documents as under.

- (i) Geological report of the area prepared by Geologist.
- (ii) Prospecting scheme and inspection report prepared by Mining Engineer.
- (iii) Land Possession documents from the land owner or land ownership certificate
- (iv) The recommendation of the concerned village council to the Local Administration.
- (v) N.O.C. and integrity Certificate from Local Administration.

- (vi) In case of company a lease agreement made between the land owner and the company and duly registered.
- (vii) In case of partnership a partnership Deed made between the partners and duly registered.
- (viii) Application fees through treasury challan
- (ix) Affidavit of no demand certificate from the court.
- (x) The Mining Section shall examine the case and put up with observation and comments to the Director for approval.
- (xi) The Director shall further submit the application alongwith all the documents to the Govt. for grant of Coal prospecting licence (CPL).
- (xii) Prior to the issue of Coal Prospecting License notification, Coal Prospecting Agreement shall be signed between the department and the applicant.
- (xiii) The initial period of Coal Prospecting License shall not exceed 1 (one) year, which may be renewable subject to satisfactory performance
- (xiv) Any proposed Mining area falling under Government Reserved Forest may obtain, Forest Clearance from the competent authority.

6.3 Procedure for grant of Coal Mining License (CML):

Any person applying for grant of Coal mining license shall submit the following in the prescribed format along with the requisite documents as under.

- (i) Prospecting report
- (ii) Inspection report
- (iii) Mining plan
- (iv) Progressive mine closure plan and final mine closure plan
- (v) Environmental impact assessment (EIA) and environmental management plan (EMP)
- (vi) Land Possession or land ownership certificate, Recommendation and NOC from landowner, Village Council and Local Administration respectively as specified at 6.2 (ii), (iv), and (v) above.
- (vii) In case of company a lease agreement made between the land owner and the company and duly registered
- (viii) In case of partnership a partnership deed made between the partners and duly registered
- (ix) Certificate of integrity of the applicant from the Civil Administration of the area concerned
- (x) Prescribed application fees and security deposit through treasury challan
- (xi) Consent from the Nagaland Pollution Control Board
- (xii) The Director shall further submit the application to the Govt. for approval of Coal Mining Lease (CML).
- (xiii) The Coal Mining Lease agreement shall be signed between the department and the applicant before issue of CML notification.
- (xv) The initial period of Coal Mining Lease shall not exceed 5 (five) years, which may be renewable subject to satisfactory performance

- (xvi) No CML shall be issued, unless the applicant produces N.S.T. and C.S.T. registration Nos. from the department of Sal Tax, Govt. of Nagaland.
- (xvii) Any proposed Mining area falling under Government Reserved Forest may obtain, Forest Clearance from the competent authority.

6.4 Procedure for grant of short term Small Pocket Deposit License (SPDL):

All small pocket deposits of coal may be declared by the Director as isolated, scattered with limited and not sufficient for scientific economic development in a co-ordinate and integrated manner.

- (i) No small Pocket Deposit License (SPDL) shall be issued unless the applicant is in possession of Coal Prospecting License (CPL) and the area has been prospected.
- (ii) Small Pocket Deposit License (SPDL) may be granted only to individual landowners for undertaking rat hole mining and shall not be granted to any company. The license period shall not exceed 1(one) year, where the intended mining area do not exceed 2(two) hectares, and annual coal production capacity do not exceed 1000 (one thousand) tones per annum, and Heavy Mining Machinery (HMM) shall not be used for extraction.
- (iii) The applicant must submit all the required documents listed in the Rules-5 of the NCMR(First amendment), 2014 formats and any other requirements as may be specified from time to time.
- (iv) No SPDL shall be granted unless the applicant submits an eco-friendly mining plan and Consent of the Nagaland pollution control board.
- (v) Environmental Clearance/Forest Clearance from Forest department.
- (vi) The Director shall further submit the application to the Govt. for approval.
- (vii) The SPDL Agreement shall be signed between the department and the applicant before issue of Notification.
- (viii) No SPDL shall be issued, unless the applicant produces N.S.T. and C.S.T. registration Nos. from the department of Sal Tax, Govt. of Nagaland.

7. SUPERVISION OF MINING ACTIVITIES:

For expeditious disposal of mining lease/permit application, the mining section of the Directorate of Geology and Mining shall supervise, monitor and administer the following activities. In addition to this, the mining section shall ensure proper methods and systematic working of the mines and safety of the mines with due consideration to environments impact and mines closure plan.

- (a). Grant of prospecting license
- (b). Grant of mining lease/permit.
- (c) Monitor the existing mining lease/permit.
- (d). Monitor the physical performance and payment of royalty.

- (e).Review the processing of mining lease/permit application
- (f).Examine the problems faced by the lessees or Mining permit holders.
- (g).Tender suggestions within the guidelines for their better implementation
- (h).Review the prospects of establishment of mineral based industries.

8. COLLECTION OF ADVANCE ROYALTY:

- 8.1 The Director of Geology and Mining or the authorized Mining Engineer/Assessing Authority shall visit every intended mining area, coal depots, waysides, loading points etc. and make assessment, based on the area of operation, coal depots/stockyards, dumps, machineries, manpower, etc. and such other parameters as may be necessary for operating the mine and make assessment of the possible coal production per annum or period, or coal produced and stocked in coal depots ,loading points, wayside dumping etc. and submit report to the competent authority.
- 8.2 The Director of Geology and Mining or the authorized Mining Engineer/Assessing Authority after taking proper evaluation/assessment of the mining area, stockyards, way sides ,dumping, loading point etc. shall issue the Assessment/Valuation Slip to the Licensees/transporters, which shall contained the quantity of coal so assessed and the value of royalty payable to the Government, and direct the Licensees/transporters to deposit the required amount of royalty in advance as per the Assessment/Valuation Slip, before the Coal challan (CC) is issued to them.
- 8.3 The Coal challan (CC) shall be issued as per the assessed quantity of expected production assessed by the Mining Engineer/Assessing Authority and shall be issued by the Director and shall bear the name of the permit holder and shall indicate the authorized quantity of coal each challan can carry.
- 8.4 Wherever, weigh bridge is installed, royalty shall be collected based on the data generated by the weigh bridge at the designated coal depots.
- 8.5 Wherever, weigh bridge is not install royalty shall be collected based on the measurement of the truck body by volume.
- 8.6 Advance royalty may also be collected directly from the Licensee without assessment, which shall be regulated at the check gates/stockyards.
- 8.7 Each Coal Depot shall deposit a minimum advance royalty prescribed by the Department from time to time.
- 8.8 Annual reconciliation of advance royalty payments with coal challan, weigh bridge record shall be done at the end of every financial year.

9. COLLECTION OF ROYALTY FROM ILLEGAL TRNSPORTERS AT CHECK GATES:

- 9.1 The authorized officers /staff manning the mineral check gates shall impose penalty from the illegal transporters. In the event of the lessee or permit holder or transporter failing to pay the royalty assessed or intentionally trying to evade royalty without having valid mining lease or trying to carry more than the quantity

prescribed in the Transport Challan/Coal Challan, a penalty of 50% of royalty rate per tone over and above the actual rate of royalty at the spot, shall be imposed on him.

9.2 In the event of failure to pay the imposed fine, the material along with the vehicle shall be confiscated, and the Licensee or Transporter shall be given a time of 24 hours to pay 10 (ten) times the rate of royalty per tone of coal (i.e. Rs 4350/- per tone of coal) and in the event of failure to do so, the material so confiscated shall be disposed-off by public auction by concerned Assessing Authority/Mining Engineer/District officer authorized by the Director.

10. **ERECTION OF MINERAL CHECK GATES AND MOBILE CHECK GATES:**

10.1 The Department of Geology and Mining shall erect check gates or barricades or mobile gate at such places as may be considered necessary in any part of the State to regulate and control transportation of coal within and outside the State, for which check gates are to be set up.

10.2 The Directorate of Geology and Mining may have an option to adopt an alternative system of collection of royalty on contract basis/bidding process as it deem fit.

11. **ISSUE AND CONTROL OF COAL CHALLAN:**

11.1 It shall be the prerogative of the Director to print the requisite number of Coal Challan in triplicate copies with different colours for cross checking of used challan, for use as Coal Challan (CC) and the same shall be issued to the concerned Mining Engineer after collection of advance royalty through treasury challan.

11.2 The Coal Challan (CC) shall be signed by the "Issuing Authority" i.e. Director or his authorized officer. The Coal Challan (CC) shall bear the signature and rubber seal of the issuing Authority and Mining Engineer.

11.3 The Gate In Charge shall verify the Coal Challan(CC) at the gate and after confirming and Satisfying himself about the veracity of the challan, shall put his signature with dated and a rubber seal marked with the word "checked and passed" on the back of the Coal Challan and issue to the transporter.

11.4 The Director shall issue coal challan to Mining Engineer and the Mining Engineer shall in turn issue coal challan to all designated coal depots and other various check gates under his jurisdiction depending upon the need and necessity for control of coal transportation.

11.5 The Gate in Charge and checker shall check illegal coal transportation and authenticity of the coal challan.

12. **RATE OF COAL ROYALTY:**

12.1 The rate of royalty on coal shall be fixed and revised from time to time by the State Government after every 3 (three) years. The prevailing rate of royalty on coal is @ Rs. 290/- per tonne w.e.f. November, 2013.

13. CONTROL OF MINERAL CHECK GATES:

- 13.1 The Gate In Charge shall make daily entry in the Daily Vehicle Entry Register (VER) kept for the purpose and shall submit the Weekly Revenue Return Statement in a prescribed format-“WRRS” along with the report of the vehicle entry record in a prescribed format-“VER” weekly to the concerned District In Charge.
- 13.2 The Mining Engineer/District In Charge shall compile all the Revenue Return Statement received weekly from the Gate In Charge and shall submit the same in a prescribed format “MRRS” along with counter-foiled of the Coal Challan to the Director on or before 10th of every month.
- 13.3 The authorized Gate In Charge and checker shall handover the revenue collected from illegal coal transporters to their respective Mining Engineer/District In Charge at the end of every week or on or before 8th day, 15th day, 22nd day and 29th day of every month. or before handing over of the charge to his successor at the Gate.
- 13.4 The Mining Engineer/District In Charge shall after proper examination and compilation of the weekly royalty return statement submitted by the Gate In charges, shall prepare Monthly Royalty Return Statement in a prescribed format-“MRRS” and submit the same along with used coal challan counterfoil and give his comments and views if any, to the Director, Directorate of Geology and Mining on or before 10th day of every proceeding month.
- 13.5 The Gate In Charge shall submit regularly the weekly royalty return statement in a prescribed format-“WRRS” along with the used Coal Challan Counterfoil (CCC) to the concerned Mining Engineer/District In Charge weekly.

14. DISCIPLINARY ACTION ON ERRING OFFICERS AND STAFF:

Disciplinary action shall be initiated against erring officers and staffs, for misappropriation of the revenue money or violation of the provisions of the Govt. guidelines, rules and standing orders etc. while discharging duties.

15. SETTING UP OF COAL DEPOTS AND INSTALLATION OF WEIGH BRIDGES:

15.1 Coal Mining lease holder:

It shall be mandatory on the part of the Coal Mining Lease holders to establish their coal depot within Nagaland. No Licensee shall set up coal depot outside the State Nagaland of Nagaland. The coal mining lease of those violators shall be cancelled without serving any notice.

15.2 Coal Depot License:

- (i) The State Govt. shall set up Govt. designated coal depot in all the coal bearing districts. Such Coal depots may be either directly run by the Govt. or through the State PSUs.
- (ii) In the event of such designated coal depots run by the PSUs, they shall strictly abide by the terms and conditions laid down in appendix-I.
- (iii) The State Govt. may issue Coal Trading License to such PSUs interested to do coal trading in the Govt. designated coal depots.
- (iv) All coal produced from Nagaland shall be traded through the Govt. designated coal depots.

- (v). No coal shall be allowed to be stocked randomly by the side of the roads.
- (vi). The Mining Engineer through the District Administration shall issue "prohibiting order" for stocking of coal in places other than the Government designated coal depots.
- (vii). No Nagaland coal shall be transported outside the State without trading through the Govt. designated Coal Depots. The District Administration shall extend full assistance to the Department of Geology and Mining and take such necessary action as deem fit to ensure that all coal produced by the operators/miners are brought to such designated coal depots before the coal is exported outside the state.
- (viii). The Mining Engineer/Assessing Authority shall make assessment of the coal and shall collect advance royalty based on the actual quantity of coal so assessed at the designated coal depots.
- (ix). Coal Challan in triplicate copies with different colours shall be printed and used by Directorate of Geology and Mining for cross checking of used challan;
- (x). Any violation of such order, the Mining Engineer in co-ordination with the District Administrative shall confiscate the coal and impose such finds as deem fit.

15.3 Installation of weigh bridge:

- (i). Weigh Bridges shall be installed at all such designated coal depots either by the department directly or through PSUs; that are willing and capable of installing such weigh bridges.
- (ii). It shall be mandatory on the part of the coal trading license holders to install Weigh Bridges in such designated coal depots.
- (iii). All un authorized weigh bridge installed for weighing coal at various places shall be declared illegal from the date of coming into force of this Rules.

16. SALE TAX REGISTRATION AND PAYMENT OF TAXES:

- 16.1 It shall be mandatory on the part of All Mining Lease holders/Trading License holders to register themselves with Taxes Department, Govt. of Nagaland and pay such N.S.T.,C.S.T. taxes as per rules.
- 16.2 Registration of NST and CST shall be mandatory for grant of CPL and CML.
- 16.3 No Coal Challan shall be issued, unless the licensee produces N.S.T. and C.S.T. registration Nos. while transporting coal.

17. POWER OF MINING ENGINEER/DISTRICT IN CHARGES TO REQUISITION POLICE FORCES:

- 17.1 The Mining Engineer/District In charge of a district shall have the prerogative to requisition Indian Reserve Battalion (IRB) and Nagaland Police wherever necessary for control of illegal coal mining and coal transportation, law and order problems etc. by submitting requisition directly to Officer In Charge of the nearest IRB or Nagaland Police out post.
- 17.2 The Officer In Charge of the IRB/Police on receipt of the requisition shall act quickly and immediately deploy Police at his level.
- 17.3 The Local administrative officer(s) shall assist the Mining Engineer/District In Charges by deploying DBs and police forces and inform the authority about the action taken.

17.4 Necessary direction and Notification shall be issued by the Home Department to both Civil Administration and Police to extend assistance to the District In Charges for implementation of 17.1 above.

18. USE OF EXISTING GOVERNMENT CHECK BARS:

18.1 The Department of Geology and Mining shall as and when require use any existing Police and Forest gates as Common Bar for the purpose of checking, regulating and collection of Revenue from mineral.

18.2 The Nagaland Police Personnel posted in the concerned check gate shall extend full assistance to the Directorate of Geology and Mining officials on duty.

19. ROLE OF VILLAGE COUNCILS:

19.1 The Village Council shall collect 10% Naga Commission payable to the landowners/Village Council directly from the concerned Mining Engineer at the District Level.

19.2 The Village councils shall not directly issue N.O.C. to any person or company for undertaking coal mining activity within the village jurisdiction. However, they may recommend such application on the merit of the case to local administration for issue of N.O.C. after satisfying that such company or person has the technical expertise and financial capability.

19.3 The village council shall ensure that the company or Entrepreneur carried out back filling of the mined out areas and minimum social responsibility work programme especially for providing a minimum sustainable income generating ambience to the affected villagers.

19.4 The Village Council shall ensure that the Company or Licensee shall causes minimum damage to the environment and without affecting the health and infra structural development during the development stage of mining.

19.5 The Village council shall not claim any environmental damage or crop damage compensation from the State Govt. once they have recommended the case to the local administration for issue of N.O.C.

19.6 The Village Council shall strictly prohibit illegal coal mining within the village jurisdiction and extend full cooperation to the Geology and Mining department for prevention of illegal mines.

19.7 In the event of allowing such illegal coal mining activity within the village jurisdiction and failing to give their cooperation to the Department of Geology and Mining, Govt. of Nagaland in matter of revenue collection, the village council shall be fully responsible, which shall lead to suspension of all Govt. developmental activities including withholding of the VDB fund.

19.8 The Village Council shall extend full cooperation to the officials of the Directorate of Geology and Mining and shall ensure within its Village jurisdiction that all mined out pits are re claimed and undertake re-vegetation by the company or licensee before abandoning of mine.

20. **ROLE OF APEX TRIBE HOHO/UNION/ORGANIZATION:**

20.1 The Apex Tribe HoHo, Union, Organization shall extend their full cooperation to the Government for successful implementation of the Nagaland Coal Policy.

20.2 They shall extend all possible assistance to the Village Councils of coal bearing areas with regard to illegal mining and environmental degradation.

21. **BENEFITS ACCRUABLE TO THE LAND OWNERS.**

21.1 **Revenue Sharing and Resource Equity:**

(i). The Government shall share 10% of revenue on coal with the landowners/Village Council through the Village Council in the form of Naga Commission.

(ii) The Land owners after drawing Agreement with the company(ies), giving their land on lease to companies/firms shall be paid a minimum of 16% of the pit head value per tone of coal by the companies/firms/Agencies.

(iii) The rate of resource equity may be revised from time to time depending upon the quality and the prevailing market rate of coal.

21.2 **Land compensation and Rehabilitation:**

(i). While acquiring land for mining operations, proper land Compensation as well as crops and plantation damage compensation shall be paid to landowners as per rate prescribed by the District administration.

(ii). The mining company or mine owner shall take full responsibility to give compensation and rehabilitation to the people who are affected by the hazards of mining activities.

21.3 **Land Access Fee:**

The mining Company or Agent or Mine owner shall pay land access fee to the landowners at the following rates directly at the source. However, information on payment of such land access fee shall be furnished to the Director, Directorate of Geology and Mining for record:

(i) For area measuring 1to 5 hectare @ Rs 30,000/-

(ii) For area measuring: $5 < \text{area} \leq 10$ hectares @ Rs 50,000/-

(iii) For area measuring: $10 < \text{area} \leq 50$ hectares @ 2,50,000/-

(iv) For area measuring $50 > \text{area} \leq 100$ hectare @ Rs 7,50,000/-

22. **STANDARDIZATION OF LOCAL COAL RATE:**

The Geology and Mining Department shall fix the local Coal rate based on the following criteria. The rate may be revised from time to time depending on the market.

(i) Quality of coal or Grade of coal

(ii) Pit head value and Coal Depot value

(iii) Existing market value of the neighboring state

(iv) Existing local market rate of coal etc.

23. **PUBLIC AWARENESS PROGRAMME:**The Department of Geology and Mining shall organize consultative programme, sensitization programme, public awareness programme etc. with the NGOs, Village Councils, Licensees, etc. from time to time.

24. CREATION OF DATA BASE ON MINERAL RESOURCES:

The collection and exchange of data and information on geological prospecting, reserve and quality of mineral resources in the State is of utmost importance. The Directorate of Geology and Mining shall work in coordination with other Central and State Agencies who are also engaged in exploration activities in other States like; Geological Survey of India(GSI), Indian Bureau of Mines(IBM), mineral Exploration Corporation Ltd (MECL), Coal Mines Planning and Designing Ltd. (CMPDL) North Eastern Coal Field Ltd. (NECL), Nagaland Mineral Development Corporation Ltd. (NSMDC) etc. The data and information collected by these organizations in addition to the data collected by the Directorate shall be properly catalogued to work as a data bank.

25. POLICY IMPLEMENTATION

- 25.1 Internal Empowered Committee headed by the Director, Directorate of Geology and Mining as Chairman and the Mining Sectional Head as Member Secretary with the Additional Director and all Mining Engineers/District In Charges as Members will be constituted; to take suitable steps for ensuring compliance of the measures envisaged under this policy guidelines. The Committee shall meet monthly.
- 25.2 The State Level Task Force headed by the Secretary Geology and Mining as its Chairman with Director, Directorate of Geology and Mining as Member Secretary and all the Deputy Commissioners of the coal bearing districts as members will be constituted to review the implementation of coal policy and guidelines and to recommend annual action plan for effective implementation of coal policy and rules. The Task Force shall meet at-least once in a year in the month of August.

26. CONCLUSION:

Coal is finite and non-renewable. It is one of the economic resources for development. The management of this important resources and its optimal and economical use are matters of National, Regional and State importance. The success of this policy will depend on commitment of all concerned to fulfill its underlying principles and objectives.

Sd/-
Secretary
to the Government of Nagaland

**MODALITIES FOR
NAGALAND COAL CONTROLLING AND TRADING SYSTEM (NCCTS)**

1. INTRODUCTION:

Nagaland State is endowed with moderate deposits of coal resource having prognostic reserves of about 316. 41 million tones. The coal resource is being developed, extracted and marketed by local landowners in collaboration with outsiders/registered companies/Agencies. In Nagaland the land holding system is unique. The ownership of land vests directly with the concerned individuals/community. Nevertheless, the State Govt. has the power to regulate and control over the said resource for the purpose of its conservation and judicious utilization. The State Govt. also has the power to issue licenses, levy taxes and regulate coal mining and transportation as per the Nagaland Coal Mining Rules and Policy, 2006 (First amendment) enacted under the Nagaland (Ownership and Transfer of land and its Resources Act), 1990.

Therefore, it is proposed to set up a common platform for trading of Nagaland coal under the name and style "Nagaland Coal Controlling and Trading System (NCCTS)" by setting up of "Integrated Coal Depots" in all the coal bearing districts:

2. JUSTIFICATIONS FOR SETTING UP OF INTEGRATED COAL DEPOTS:

The individuals/landowners through the Village councils have certain rights, to which they enter into any business agreement or MoU with individual/company/Agency for undertaking coal business (leasing, selling, and buying of coal resource and its deposits) that lies exclusively in individual or community land. The local coal operators/landowners do not have sufficient financial source to develop and extract their complicated coal deposits, nor do they possess sufficient knowledge and ability to link with national and international markets. As a result, they sold out their coal resource to such individuals/business communities/investors coming from outside the State through the middlemen (mostly from Assam State) at very nominal price and thus, Nagaland coal market is being monopolized by outsiders, which is incurring huge economic-losses to the local people and the State as a whole (by this system the sole owner of the resource are being deprived of their shares). There should have been a proper market-linkage between the producers and the buyers by the State, in order to do away with such market monopoly by vested interest and outsiders.

The Directorate after thorough deliberation and examination on the terms of reference has submitted this proposal with suggestions and recommendations for consideration of the State Govt. Now the New policy has been approved by the cabinet and was laid in the Nagaland legislative Assembly and shall come into force from the date of publication in the Nagaland Gazette.

3. PROPOSED LOCATIONS:

3.1 The following locations have been earmarked for setting up of coal depots in the State in the first phase:

- (i). Singphan Reserved Forest in Mon District;

- (ii). Naginimora Town in Mon District
- (iii). Shetab in Longleng District;
- (iv). Shemyucheng in Longleng District;
- (v). Anaki "C"-Anakiyisen sector in Mokokchung District;
- (vi). Saringyimsen, in Mokokchung District
- (vii). Bhandari in Wokha District;
- (viii). Sanis in Wokha District.

3.2 Wherever setting up of Coal Depot is not feasible, the department shall continue to adopt the existing system of controlling.

4. MODALITIES:

The Govt. of Nagaland, Directorate of Geology and Mining or PSUs/NSMDC shall set up integrated coal depots in all feasible areas. However, the project shall be executed in phase manner.

4.1 SETTING UP OF INTEGRATED COAL DEPOTS IN THE STATE BY THE STATE GOVERNMENT THROUGH THE DEPARTMENT OF GEOLOGY AND MINING or PSUs/NSMDC:

In the event of the proposed Integrated Coal Depots set up by the State Government the following action plan is proposed:

- (1) The State Government through the Department of Geology and Mining shall immediately set up all the aforesaid 8 (eight) proposed integrated coal depots.
- (2) All infrastructures and Amenities at the coal depots have to be set up departmentally through the State Government funding.
- (3) The Department of Geology and Mining shall check, control and regulate all coal depots and shall collect revenue from the designated coal depots accordingly.
- (4) The State Govt. shall compulsorily requisition "Nagaland coal" to the nearest designated coal depots for trading.
- (5) The State Govt. shall declare all coal depots other than the aforesaid Govt. designated coal depots as illegal and such illegal coal depots or coal carrying trucks shall be seized and forfeited.
- (6) The State Government may deploy special force such as Indian Reserve battalion; Nagaland Arm Police etc. at all designated coal depots and mining check gates, so as to assist the department for strict enforcement of rules and policy of the Govt.

4.2 CONDITIONS FOR SETTING UP OF COAL DEPOTS BY PSUs/COMPANIES.

- i) The Directorate of Geology and Mining shall invite expression of Interest (EOI) in the form of advertisement in all the local papers and media for setting up of the Integrated Coal Depots within the State. It shall be the prerogative of the Director to call for expression of interest either district-wise, block-wise or all blocks at a time.
 - ii) Interested PSUs/Companies may submit application in a prescribed format duly filled in along with all requisite documents as listed in rule-5 of the NCMR(First Amendment),2014 and non-refundable processing fee amounting to Rs 5,00,000/- (Rupees five lakhs) only by Demand draft in favour of the Director, Directorate of Geology and Mining
- Criteria for selection of PSUs/companies:

The PSUs/Companies must:

- (a) have a minimum 5(five) years working experience either in opencast or underground in coal mining. In support of their experience, a copy of Mining Lease presently holds or being held alongwith PSU's/Company's profile, list of Directors, organization chart, working experiences etc. may be enclosed.
 - (b). have qualified mining engineers and geologist as its employees as prescribed in rule 18 of the NCMR (First Amendment) 2014. Appointment letters of mining engineers and geologists from the company a long with attested copies of their qualification certificates may be enclosed.
 - (c). have financially sound. In support of their net worth, three years balance sheets certified by a qualified registered chartered accountant may be submitted.
 - (d). submit all mandatory documents as per the provisions of rule 5 & 22 of the NCMR(Amendment),2014 along with three years Income Tax return statements and IT clearance certificate;
 - (e). have sound commercial background and technology. A brief presentation of the technology to be adopted must be presented in the form of PPP.
 - (f). be willing to accept and respect the customary law of the land and pay land access fee and royalty/taxes etc. payable as per the provisions of the NCMR(Amendment), 2014.
- iii) The propose area of coal depots for advertisement may be for the entire Nagaland at a time or district-wise subject to conditions,
 - iv) Interested State PSU's/companies shall apply for grant of Coal Trading License for setting up of Coal Depots, weigh Bridges etc. within the designated locations in the State in accordance with the prescribed terms and conditions;
 - v) The License shall be granted for a period of 3 (three) years which may be renewable subject to satisfactory performance of the Licensee,
 - vi) It shall be the sole responsibility of the Licensee to acquire land for setting up of Coal Depots and Weigh Bridges at their own expenses and arrangement;
 - vii) The Licensee shall set up the designated coal depots with the minimum infrastructure and Amenities as listed in Clause-3.
 - viii) The Licensee shall set up Environment friendly Coal Depots and comply to all rules and regulations of the State;
 - ix) The Directorate of Geology and Mining shall have the right to access to all information and data and shall monitor Weigh Bridges and Coal Depots set up by the Licensee as per rules.
 - x) The selected Coal Trading Agency/ Company shall buy all the coal produced by the miners as per the rate fixed by the State Govt. based on quality /Grade of coal.
 - xi) The Directorate of Geology and Mining shall collect royalty/revenue directly from the Coal Trading Agency/PSU as per the record of the Weigh Bridge which shall be jointly monitored by the Licensee and the Directorate of geology and Mining on regular basis.
 - xii) All such Coal Depots along with Weigh Bridges shall be compulsorily set up within the territory of the State.
 - xiii) The Licensee shall make all arrangement in respect of accommodation and utility services for police personnel and Directorate of Geology and Mining staff at such designated Coal Depot.
 - xiv) The Licensee shall set up effluent treatment plant including construction of settling tank/pond, Garland drain etc around the depot to ensure that any effluent is treated properly to avoid contamination of both surface and underground water before it is release and also for safe guarding aquatic life.
 - xv) The State Govt. shall compulsorily requisition "Nagaland coal" to the nearest designated coal depots for trading.

- xvi) The State Govt. shall declare all coal depots other than the aforesaid Govt. designated coal depots as illegal and such illegal coal depots or coal carrying trucks shall be seized and forfeited.

4.3 BASIC MINIMUM INFRASTRUCTURE REQUIREMENT AND FINANCIAL IMPLICATION FOR SETTING UP OF INTEGRATED COAL DEPOT:

The basic minimum Infrastructure and Amenities and anticipated budget requirement for each Integrated Coal Depot is worked out and furnished here below:

Sl. No.	Items	Rs. In lakh
(1).	Land measuring 2 ha. each on lease @ Rs 10000/ha/Annum.	: 0.20
(2).	Temporary Security Fencing (wire-mesh)	: 1.50
(3).	Procurement of Weigh Bridge @ 9lakh/Weigh Bridge	: 9.00
(4).	Temporary Office cum-Satellite camp(15mx10m)	: 5.00
(5).	Civil work for installation of Weigh Bridge with Control Rooms	: 10.00
(6).	Temporary Canteen (12mx6m).	: 1.00
(7).	Temporary Staff House	: 10.00
(8).	Temporary Common Kitchen for Drivers/Helpers	: 2.00
(9).	Temporary Public Toilet and Bath Room	: 1.00
(10).	Temporary Waiting shed	: 1.00
(11).	Temporary Basha Type for Police personnel	: 5.00
(12).	Electrification	: 1.00
(13).	Drinking Water Supply	: 1.00
	Sub-Total (A)	Rs. 47.70

(ii). EFFLUENT/WATER TREATMENT PLANT.

(1).	Construction of Settling Tank	: 5.00
(2).	Construction of Garland Drain	: 3.00
(3).	Effluent Treatment	: 5.00/Annum
	Sub-total (B)	Rs. 13.00

Total (A) + (B) 60.70

Therefore, total Minimum Financial Implication for setting up of
1 (one) Nos. of Coal Depots with Weigh Bridge = Rs 60.70 lakhs

(5). DEPLOYMENT OF SPECIAL POLICE AT ALL COAL DEPOTS AND MINING GATES:

- (i). Coal mining activities and coal business involves huge investment and it is always anticipated that social security is paramount important for smooth transaction of business at all such "Coal Depots" either the coal depot is run departmentally or by PSUs/Companies. Therefore, the State Govt. shall deploy Nagaland Arm Police, Indian Reserve Police (IRB), Nagaland Police (NP) at all designated "Coal Depots" to provide proper social security to the implementing agency and the Government officials on duty.

- (ii). On requisition by the concerned Mining Engineers/District In charges, the Special Police Force shall be deployed to assist the department and block all un authorized route and exits by setting temporary camps in all sensitive locations during Coal Mining season.
- (iii). Necessary Govt. directive shall be issued by Govt. of Nagaland, Home Department to all police out posts to assist the Department of Geology and Mining for effective control of illegal mining and Transportation.

6. PROHIBITION OF UNAUTHORIZED COAL DEPOTS AND TRADERS:

No Nagaland coal shall be transported outside the State without Passing/trading through the Govt. designated Coal Depots. The District Administration shall extend full assistance to the Department of Geology and Mining and take such necessary action as deem fit to ensure that all coal produced by the operators/miners are brought to such designated coal depots before the coal is exported outside the state.

Henceforth, all coal depots/stockyards other than the govt. designated coal depots/stockyards is hereby banned w.e.f. the date of issue of this Notification.

Sd/
Bendang Longchari IAS
Secretary to the Govt. of Nagaland

GOVERNMENT OF NAGALAND
DEPARTMENT OF GEOLOGY AND MINING
NAGALAND : KOHIMA

No: GM-21/Coal-88/2014

: Date Kohima, the 17th December 2014

In exercise of the power conferred by section 15 of the Nagaland (Ownership of Land and Its Resources) Act, 1990 (Act No. 1 of 1993), the State Government hereby makes the following rules for regulating the grant of Prospecting Licenses and Mining Leases in respect of Coal and for the purposes connected therewith, namely;

"THE NAGALAND COAL MINING RULES (FIRST AMENDMENT), 2014"

CHAPTER-I

PRELIMINARY

1. SHORT TITLE, EXTENT AND APPLICATION:-

- (1). These rules may be called the Nagaland Coal Mining Rules (First Amendment), 2014.
- (2). They extend to the whole of Nagaland.
- (3). It shall come into force from the date of Notification.

2. DEFINITIONS:-

In these rules, unless there is anything repugnant in the subject or context:

- 1) "Act" means the Nagaland (Ownership and Transfer of Land and Its Resources) Act, 1990.
- 2) "Director" means the Director of Geology and Mining, Nagaland;
- 3) "Form" means a Form appended to these Rules;
- 4) "Assessing Authority" means the Joint Director (Mining) or Mining Engineer authorized by the Govt. to act as Assessing Authority.
- 5) "Transport Challan" means a pass issued by the Director or Joint Director (minin) or Mining Engineer duly authorized by him for lawful transportation of coal raised;
- 6) "Carrier" means any mode or conveyance of facility by which coal is transported from one place to another;
- 7) "Dealer" means a person who deals in coal;
- 8) "Coal Mining Lease" and "Coal Prospecting License" have the same meaning as assigned to them in the Nagaland (Ownership and Transfer of Land and Its Resources). Act, 1990.
- 9) "Coal" includes anthracite, bituminous coal, lignite, peat and other form of carbonaceous matter sold or marketed as coal;
- 10) "Mining Engineer and District In Charge" means any person holding the post of designated Mining Engineer and authorized by the Director to act as District In Charge of a particular district(s).
- 11) "Competent person" in relation to any work or any machinery, plant or equipment means a person who has attained the age of 20 years and who has been duly appointed in writing by the manager as a person competent to supervise or perform that work, or to supervise the operation of that machinery, plant or equipment, and who is responsible for the duties assigned to him, and includes a short-firer;

- 12) "district magistrate" in relation to any mine, means the District magistrate or the Deputy Commissioner, as the case may be, who is vested with the executive powers of maintaining law and order in the revenue district in which the mine is situated;
- 13) "explosive" means an explosive manufactured by any firm and is used in underground or opencast mines which are able or likely to explode;
- 14) "face" means the moving front of any working place or the inbye end of any gallery, roadway or drift;
- 15) "form" means a form as set out in the first Schedule;
- 16) "gas" includes fume or vapour;
- 17) "machinery" means-
 - (i) Any locomotive or any stationary or portable engine, air compressor, boiler or steam apparatus, which is or
 - (ii) Any such apparatus, appliance or combination of appliances intended for developing, storing, transmitting, converting or utilizing energy, which is, or
 - (iii) Any such apparatus, appliances or combination of appliances if any power developed, stored, transmitted, converted or utilized thereby is, used or intended for use in connection with mining operations;
- 18) "material" includes coal, stone, debris or any other material;
- 19) "month" means a calendar month;
- 20) "official" means a person appointed in writing by the owner, agent or manager to perform duties of supervision in a mine or part thereof, and includes an under manager or assistant manager, an overman, a Sadar an engineer and a surveyor;
- 21) "public road" means a road maintained for public use and under the jurisdiction of any government or local authority;
- 22) "quarter" means a period of three months ending in the 1st March, 30th June, 30th September or 31st December;
- 23) "railway" means a railway as defined in the Indian Railway Act, 1890;
- 24) "river" means any stream or current of water, whether seasonal or perennial and includes its banks extending up to the highest known flood level;
- 25) "schedule" means a schedule appended to these regulations;
- 26) "shaft" means a way or opening leading from the surface to work below ground or from one part of the working belowground to another, in which a cage or other means of conveyance can travel freely suspended with or without the use of guides;
- 27) "Working place" means any place in a mine to which any person has lawful access.
- 28) "small pocket coal deposit" means the coal deposit in a hilly terrain, which is isolated, scattered with limited dimension and not sufficient for opencast mining by adopting scientific and economic development in a coordinated and integrated manner and coal production do not exceed 1000 tonnes per year and coal produced by the Lessee/licensee will not be required to be transported by rail/wagon.

CHAPTER-II

3. GRANT OF RECONNAISSANCE PERMIT:

- (i) Reconnaissance permit will be issued as per provision of the Nagaland Mineral Concession Rules, 2007 for a period not exceeding 1 (one) year, which may be renewable;
- (ii) No reconnaissance permit shall be granted unless the Directorate of Geology and Mining Nagaland is satisfied that there is evidence to show that the area, for which the area is applied for, has the prospect and indication of the existence of coal.
- (iii) Notwithstanding anything in the sub-rule (i), the Director of Geology and Mining or any other officers authorized by him may exempt 'small coal pocket deposit' from reconnaissance permit and may directly issue Small Pocket Deposit License without undertaking reconnaissance survey.
- (iv) The Director shall be the sole authority to decide whether the deposit comes under the category of 'small coal pocket deposit'.
- (v) No reconnaissance permit shall be processed or granted unless the applicant produces land possession certificates from the Landowner and Village Council, and No Objection Certificate (N.O.C.) from the concerned Local Administration.
- (vi) It shall be mandatory, on the part of the applicant to furnish N.O.C. from the competent authority, if the propose reconnaissance survey area falls under the Govt. reserved forest or wild life sanctuary.

4. PROCEDURE FOR GRANT OF COAL PROSPECTING LICENSE:-

- (i) Coal Prospecting License will be issued as per provision of the Nagaland Mineral Concession Rules, 2007 for a period not exceeding 1 (one) year, which may be renewable subject to satisfactory performance;
- (ii) No Coal Prospecting License (CPL) shall be processed unless the applicant produces Land Possession Certificates from the Landowners and the Village Council and No objection Certificate from the Local Administration.
- (iii) No Coal Prospecting License shall be processed unless applicant produces a certificate from the Geologist indicating the existence of coal in the proposed area.
- (iv) No Coal Prospecting License shall be processed unless applicant submit a Prospecting Scheme prepared and duly certified by the Mining Engineer
- (v) No Coal Prospecting License shall be issued to individuals unless the applicant is a registered and reputed coal mining company having sufficient experience in Coal mining activities.
- (vi) No prospecting License shall be granted unless the Directorate of Geology & Mining Nagaland is satisfied that there is evidence to show that the area for which the license is applied for, indication of coal deposit.
- (vii) Every holder of a prospecting license for coal shall submit to the Directorate of Geology and Mining an annual report in the Form- A so as to reach them by 30th April of the following year.

5. MANDATORY DOCUMENTS REQUIRE FOR GRANT OF PROSPECTING LICENSE (CPL):

Any person applying for Coal Prospecting licence (CPL) shall submit the following in the prescribed format along with requisite documents as under.

- (i) Geological report of the area prepared by Geologist.

- (ii) Prospecting scheme and inspection report prepared by Mining Engineer.
- (iii) Land Possession documents from the land owner or land ownership certificate
- (iv) The recommendation of the concerned village council to the Local Administration as per clause 26(b) of this Policy.
- (v) N.O.C. and integrity Certificate from Local Administration.
- (vi) In case of company a lease agreement made between the land owner and the company and duly registered.
- (vii) In case of partnership a partnership Deed made between the partners and duly registered.
- (viii) Application fees through treasury challan
- (ix) Affidavit of no demand certificate from the court.
- (x) The Mining Section shall examine the case and put up with observation and comments to the Director for approval.
- (xi) The Director shall further submit the application along with all the documents to the Govt. for grant of Coal prospecting licence (CPL).
- (xii) Prior to the issue of Coal Prospecting License notification, Coal Prospecting Agreement shall be signed between the department and the applicant.
- (xiii) The initial period of Coal Prospecting License shall not exceed 1 (one) year, which may be renewable subject to satisfactory performance
- (xiv) Any proposed Mining area falling under Government Reserved Forest may obtain, Forest Clearance from the competent authority.

6. MANDATORY DOCUMENTS REQUIRED FOR GRANT OF COAL MINING LICENSE (CML)/COAL DEPOT LICENSE:

Any person applying for grant of Coal mining license/Coal depot License shall submit the following in the prescribed format along with the requisite documents as under.

- (i) Prospecting report
- (ii) Inspection report
- (iii) Mining plan
- (iv) Progressive mine closure plan and final mine closure plan
- (v) Environmental impact assessment (EIA) and environmental management plan (EMP)
- (vi) Land Possession or land ownership certificate, Recommendation and NOC from landowner, Village Council and Local Administration respectively as specified.
- (vii) In case of company a lease agreement made between the land owner and the company and duly registered
- (viii). In case of partnership a partnership deed made between the partners and duly registered
- (ix). Certificate of integrity of the applicant from the Civil Administration of the area concerned
- (x). Prescribed application fees and security deposit through treasury challan
- (xi). Consent from the Nagaland Pollution Control Board
- (xii). The Director shall further submit the application to the Govt. for approval of Coal Mining Lease (CML).
- (xiii). The Coal Mining Lease agreement shall be signed between the department and the applicant before issue of CML notification.
- (xiv). The initial period of Coal Mining Lease shall not exceed 5 (five) years, which may be renewable subject to satisfactory performance

- (xv). No CML shall be issued, unless the applicant produces N.S.T. and C.S.T. Registration Nos. from the department of Sal Tax, Govt. of Nagaland.
- (xvi) Any proposed Mining area falling under Government Reserved Forest may obtain, Forest Clearance from the competent authority.

7. PROCEDURE FOR GRANT OF SHORT TERM SMALL POCKET DEPOSIT LICENSE (SPDL):

All small pocket deposits of coal may be declared by the Director as isolated, scattered with limited and not sufficient for scientific economic development in a co-ordinate and integrated manner.

- (i) No small Pocket Deposit License shall be issued unless the applicant is in possession of Coal Prospecting License (CPL) and the area is prospected.
- (ii) Small Pocket Deposit License (SPDL) shall be granted only to individual landowners for undertaking rat hole mining and shall not be granted to any company. The license period shall not exceed 1(one) year, where the intended mining area do not exceed 2(two) hectares, and annual coal production capacity do not exceed 1000 (one thousand) tones, and no Heavy Mining Machinery (HMM) shall be used for extraction.
- (iii) The applicant must submit all the required documents listed in Rule-6 above, alongwith the duly filled in formats and any other requirements as may be specified from time to time.
- (iv) No SPDL shall be granted unless the applicant submits an eco-friendly mining plan and Consent of the Nagaland pollution control board.
- (v) Environmental Clearance/Forest Clearance from Forest department, where the propose area falls under Govt. reserved.
- (vi) On receipt of all requisite documents, the Director shall further submit the application to the Govt. for approval.
- (vii) The SPDL Agreement shall be signed between the department and the applicant before issue of Notification.
- (viii) No SPDL shall be issued, unless the applicant produces N.S.T. and C.S.T. registration Nos. from the department of Sal Tax, Govt. of Nagaland.

8. PROCEDURE FOR GRANT OF COAL MINING LEASE:

8.1 ISSUE OF COAL MINING LEASE:

- (i) Coal Mining Lease will be issued as per provision of the Nagaland Mineral Concession Rules, 2007 for a period not exceeding 5 (five) year, which may be renewable subject to satisfactory performance;
- (ii) No Coal Mining Lease shall be granted unless the area, for which the License is applied for, has been prospected for coal and the existence of coal therein has been established.
- (iii) Application in Form-I of the NMCR, 2007 shall be received by the Director, Geology and Mining who shall examine and disposal of within 6 (six) months from the date of receipt of application.
- (iv) Issue of Mining License for 'small coal deposit' of coal, shall be restricted to local Bonafide citizen of the State of Nagaland and land owner only who intend to operate in their own land.
- (v) It shall be mandatory on the part of the applicant to produce all documents listed in Rule-6.

9. MINING PLAN AND MINE CLOSURE PLAN:

(i) Mining plan as a pre-requisite to the grant of lease:-

(a) No lease shall be granted or renewed, unless there is a mining plan and mine closure plan prepared by the authorized mining Engineer duly approved by the Director of Geology and Mining, or in his absence by any authorized Mining Engineer.

(b) The State Government may exempt in full or in part, this requirement in deserving and exceptional cases.

(ii) Mining plan to be prepared by a Mining Engineer:-

(a) No mining plan shall be processed for approval unless it is prepared by a serving or retired mining engineer who serves or served as the State Govt. employees not below the rank of Deputy Director.

(b) In exceptional case, a mining plan prepared by a Qualified Person (RQP) registered with the Ministry of Coal, GOI may be examined by the technical experts of the Coal Cell and if technically found to be satisfactory, the same may be recommended to the Director for approval.

(iii) Approval of mining Plan and submission of Mining Lease application:-

On receipt of application for grant of coal mining lease (CML) for undertaking mining operations for coal in the prescribed format, the Coal Cell-Mining Section of the Directorate of Geology and mining shall scrutinize all documents and if found satisfactory shall process the matter. The Director after approval of the Mining Plan, shall forward the mining plan along with the application to the State Govt. for administrative approval. On receipt of the said application, the State Government shall take decision to grant precise area for the said purpose and communicate such decision to the Director. The Director on receipt of approval from the State Govt. shall issue Coal Mining Lease Notification and Registration Certificate to the applicant.

It shall be mandatory on the part of the applicant to submit integrated mining plan, environmental Impact Assessment Plan (EIA), Mine Closure Plan etc. along with the CML application to the Director, Directorate of Geology and Mining. The said mining plan shall incorporate:-

(a) the plan of the precise area showing the nature and extent of the coal body; spot or spots where the excavation is to be done in the first year and its extent; a detail cross section and detailed plan of spots of excavation based on the prospecting data gathered by the applicant; a tentative mining scheme for the first years of the lease.

(b) details of the geology and lithology of the precise area including coal reserves of the area;

(c) the extent of manual mining or mining by the use of machinery and mechanical devices on the precise area;

(d) the plan of the precise area showing natural water course, limits of reserved and other forest areas and density of trees, if any, assessment of impact of mining activity on forest, land surface and environment including air and water pollution; detail of scheme for restoration of the area, use of pollution control devices and other such measures as any be directed by the State Government from time to time.

- (e). annual programme and plan for excavation on the precise area from year to year for five years;
- (f). Any other matter which the State Government may require the applicant to

MINING OPERATION.

(1) Mining operation to be in accordance with mining plan:-

Every holder of a lease shall strictly carry out mining operations for coal in accordance with the approved mining plan with such terms and conditions as may have been prescribed by the State Government.

(2) Mine Workings:-

The State Government may direct the lease holder to carry out such system of working as may be considered necessary with respect to safety, conservation and productivity.

(i) In alluvial, morum, clay, debris or other similar ground:-

(a). The side shall be sloped at an angle of safety not exceeding 45 degrees from the horizontal or such other angle as the Mining Engineer authorized by the Director may permit by an order in writing and subject to such conditions as he may specify therein; or

(b). The side shall be kept benched and the height of any bench shall not exceed 1.5 meters and the breadth thereof shall not be less than the height:

(c). Where any pillar is left in situ for the purpose of measurement its heights shall not exceed 2.5 meters and the base of such pillars shall not be less than 1.5 meters in diameter.

(ii). In an excavation in any hard rock and compact ground or in prospecting trenches or pits, the side shall be adequately benched, sloped or secured so as to prevent danger from fall of sides.

(iii). In coal the side shall either be kept sloped at an angle of safety not exceeding 45 degrees from the horizontal; or the sides shall be kept benched and the height of any bench shall not exceed 3(three) meters and the breadth thereof shall not be less than the height.

(iv) No tree, loose stone or debris shall be allowed to remain within a distance of 3 (three) meters from the edge or side of excavation.

(v) No person shall undercut any face or side or cause or permit such undercutting as to cause any over-hanging.

(3) Development work:-

(i) The dimensions of pillars and galleries, and the shape of pillars, formed in any seam of section shall be such as to ensure stability during the formation and extraction of pillars, and during the period between such formation and extraction.

(ii) Save with the previous permission of the Director or his authorized Mining Engineer and subject to such conditions as he may specify therein, no gallery in a seam or section shall exceed 3 (three) meters in width at any place.

(iii) The pillar formed in any seam or section shall normally be rectangular in shape.

(iv) The distance between the centre of any two pillars left in a seam or section shall not be less than the specified in the appended table as corresponding to the depth of the

seam or section from the surface at that point and the width of the galleries in the working in question:

- (v) In case of all workings, wherein the opinion of the authorized Mining engineer the dimensions of pillars or galleries are such as to render it likely that crushing of pillars or the premature collapse of any part of the workings will occur either before or during the extraction of pillars, he may, by an order in writing, require such modification of the dimensions aforesaid in respect of any future working as he may specify.

(4) Depillaring operations:-

- (i) No extraction or reduction of pillar extraction shall be commenced, conduct or carried out except with the permission in writing of the Director or the authorized mining Engineer and in accordance with such conditions as he may specify therein. An application under this sub-rule shall be accompanied by two copies of an up-to-date plan of the area where pillars are proposed to be reduced or extracted, showing the proposed extent of extraction or reduction of pillars, the manner in which such extraction or reduction is to be carried out, the thickness and depth of the seam, the nature of the roof and the rate and direction of the dip.
- (ii) The extraction or reduction of pillars shall be conducted in such away as to prevent, as far as possible the extension of a collapse or subsidence of the goaf over pillars which have not been extracted.
- (iii) Except where the voids formed as a result of extraction are stowed solid with sand or other incombustible materials, no extraction of pillar in any seam or section shall commenced until fire-dams or stoppings have been provided in all openings, other than opening essential for ventilation and haulage, foundations for such dams or stoppings shall be prepared, and bricks and other suitable materials shall be kept readily available in their vicinity. Shale or other carbonaceous materials shall not be used in the construction of fire-dams or stoppings.
- (iv) Where the method of extraction is to remove all coal or as much as of the coal as practical and to allow the roof to cave in, the operations shall be conducted in such a way as to leave as small an area of un-collapsed roof as possible. Where possible, suitable means shall be adopted to bring the goaf at regular intervals.
- (v) Where the void formed as a result of extraction are stowed with sand or other materials, the owner, agent or manager shall, on or before the 10th day of every month submit to the Director or his authorized Mining Engineer a statement giving the quantity of coal raised and the quantity of sand or other materials stowed in every district during the preceding month.

(5) Notice for opening of a mine and intimation of existence of mine:-

The owner of the mine shall send to the State Government intimation in Form-B of the opening of mine so as to reach them within fifteen days of such opening.

- (6) **Abandonment of mines:-**(a). The owner, agent, mining engineer or manager of every coal mine shall not abandon or surrender a coal mine or a part of mine

within the subsistence of the lease except with prior approval of the State Government.

(b). Notice for abandonment or surrender of a coal mine or a part thereof shall be given in Form-C and shall be accompanied by plans and section on a scale not less than 1 cm= 10 meters showing accurately the work done in such mine up to the date of submission of the notice.

(c). Where an abandonment of coal mine or part thereof takes place as a result of natural calamity beyond the control of the owner, the mining engineer or manager of such mine, shall send an intimation to the State Government within a period of twenty four hours and a notice shall be submitted to the State Government in Form-C within fifteen days of such abandonment or termination.

(7). Notice of temporary discontinuance of work in mines:-

The owner, agent mining engineer or manager of every mine shall send to the State Government a notice in Form- D when the work in such mine is discontinued for a period exceeding sixty days so as to reach them within seventy five days from the date of such temporary discontinuance.

(8). Intimation of re-opening of a mine:-

The owner, agent, mining engineer, manager of every mine shall send to the State Government intimation in Form- E of re-opening of such mine after temporary discontinuance so as to reach them within fifteen days from the date of re-opening.

(9). Copies of plans and section to be submitted:-

The owner, agent, mining engineer or manager of every mine shall submit a copy of the mining plan and section maintained to the concerned Mining Engineer/District In Charge with a copy to the Director, Geology and Mining on or before the 31st day of March every year

(10). Preparation of plans:-

(a) All plans and tracings or copies thereof kept at the coal mine shall be serially numbered or suitable indexed.

(b) Every plan, section or part thereof prepared under this policy shall carry thereon a certificate for its correctness and shall be signed by the Mining Engineer or manager of the mine employed by the licensee/company on regular basis.

(c) Every copy of a plan and section or part thereof submitted or maintained under these rules shall bear a reference to the original plan or section from which it was copied and shall be certified thereon by the owner, agent, mining engineer or manager to be a true copy of the original plan or section.

(10)A. Mine Closure Plan:-

Every mine shall have Mine Closure plan, which shall have two types:-

- (i) A progressive mine closure plan, and
- (ii) A final mine closure plan.

(10)B. Submission of progressive mine closure plan:-

- (i) The owner, agent, manager, or mining engineer shall, in case of fresh grant or renewal of mining lease, submit a progressive mine closure plan as a

component of mining plan duly prepared by mining engineer to the Director of Geology and Mining or any other officer authorized by him.

- (ii) The Director or Joint Director (Mining) or Mining Engineer authorized by him shall convey his approval or refusal of the progressive mine closure plan within 90 days to the owner, agent, manager, or mining engineer.
- (iii) The owner, agent, manager or mining engineer shall review the progressive mine closure plan every five years from the date of its approval in case of existing mine or from the date of opening of the mine in case of fresh grant.

(10)C. Submission of final mine closure plan:-

- (i) The owner, agent, manager or mining engineer shall submit a final mine closure plan duly prepared by mining engineer to the Director of Geology and Mining or mining engineer authorized by him.
- (ii) The Director of Geology and Mining or mining engineer authorized by him shall convey his approval or refusal of the final mine closure plan within 90 days from the date of its receipt to the owner, agent, manager or mining engineer.

(10)D. Responsibility of the holder of the mining lease:-

- (i) The owner, agent, manager or mining engineer shall have the responsibility to ensure that the protective measures contained in the mine closure plan referred to this rule including reclamation and rehabilitation works have been carried out in accordance with the approved mine closure plan and Environmental Management Plan.
- (ii) The owner, agent, manager or mining engineer shall submit a yearly report to Mining Engineer or District In Charge with a copy to the Director of Geology and Mining before 1st July of every setting forth the extent of protective and rehabilitative work carried out as envisaged in the approval mine closure plan.
- (iii) it shall be mandatory on the part of the owner, agent or mining engineer to strictly implement mine closure plan and environmental plan and do back filling of the mined out area and do plantation, failing of which, security deposit shall be forfeited and the same shall be utilized for back filling and re-vegetation of the mined out area.

(10)E. Financial assurance/Security Deposit:-

- (i) Financial assurance/Security Deposit has to furnish by every leaseholder. The amount of financial assurance shall be rupees one lakh for "A" category mines and rupees fifty thousand for "B" category mines, and Rupees twenty five thousand for SPDL mines per hector of the mining lease are put to use for mining and allied activities.
- (ii) The Financial assurance/security Deposit shall be deposited by Term Deposit Receipt or by Demand Draft in favour of the Director, Directorate of Geology and Mining.
- (iii) Release of financial assurances/Security deposit shall be effective upon the notice given by the lessee for the satisfactory compliance of the provision

contained in the mine closure plan, environmental management plan and certified by the Mining Engineer or any other officer authorized by the Director.

- (iv) If the Mining Engineer or any other officer authorized on this behalf has a reasonable ground to believe that the protective reclamation rehabilitation measures as envisaged in the approval mine closure plan, EIA, EMP in respect of which financial assurance was given has not been or will not be carried out in accordance with the mine closure plan. Then the Director or any other officer authorized by him shall issue a writing of intention to issue the orders for forfeiting the sum assured 30 days prior to the date of the financial assurance release order to be issued.
- (v) Within thirty days of the receipt of notice if no satisfactory reply has been received in writing from the lessee, the Mining Engineer or any other officer authorized by him shall pass an order for forfeiting the surety amount and a copy of such order shall be endorsed to the Government.
- (vi) Upon the issuance of order by the Mining Engineer or any other authorized on this behalf as the case may, the State Government may realized any letter of credit or bond or any other surety, guarantee provided or obtained as financial assurance for the purpose of performance of protective, reclamation, rehabilitation measures and shall carry out those measures, or appoint an agent to do so.

CHAPTER-III

11. SUPERVISION OF MINING ACTIVITIES:

For expeditious disposal of mining lease/permit application, the mining section of the Directorate of Geology and Mining shall supervise, monitor and administer the following activities. In addition to this, the mining section shall ensure proper methods and systematic working of the mines and safety of the mines with due consideration to environments impact and mines closure plan.

- (a). Grant of prospecting license
- (b). Grant of mining lease/permit.
- (c) Monitor the existing mining lease/permit.
- (d). Monitor the physical performance and payment of royalty.
- (e). Review the processing of mining lease/permit application
- (f). Examine the problems faced by the lessees or Mining permit holders.
- (g). Tender suggestions within the guidelines for their better implementation
- (h). Review the prospects of establishment of mineral based industries.

12. COLLECTION OF ADVANCE ROYALTY:

- (a) The Director of Geology and Mining or the authorized Mining Engineer/Assessing Authority shall visit every intended mining area, coal depots, waysides, loading points etc. and make assessment, based on the area of operation, coal depots/stockyards, dumps, machineries, manpower, etc. and such other parameters as may be necessary for operating the mine and make assessment of the possible coal production per

annum or period, or coal produced and stocked in coal depots, loading points, wayside dumping etc. and submit report to the competent authority.

- (b) The Director of Geology and Mining or the authorized Mining Engineer/Assessing Authority after taking proper evaluation/assessment of the mining area, stockyards, way sides dumping, loading point etc. shall issue the Assessment/Valuation Slip to the Licensees/transporters, which shall contained the quantity of coal so assessed and the value of royalty payable to the Government, and direct the Licensees/transporters to deposit the required amount of royalty in advance as per the Assessment/Valuation Slip, before the Coal challan (CC) is issued to them.
- (c) The Coal challan (CC) shall be issued as per the assessed quantity of expected production assessed by the Mining Engineer/Assessing Authority and shall be issued by the Director and shall bear the name of the permit holder and shall indicate the authorized quantity of coal each challan can carry.
- (d) Wherever, weigh bridge is installed, royalty shall be collected based on the data generated by the weigh bridge at the designated coal depots.
- (e) Wherever, weigh bridge is not install royalty shall be collected based on the measurement of the truck body by volume.
- (f) Advance royalty may also be collected directly from the Licensee without assessment, which shall be regulated at the check gates/stockyards.
- (g) Each Coal Depot shall deposit a minimum advance royalty prescribed by the Department from time to time.
- (h) Annual reconciliation of royalty payments with coal challan, weigh bridge record shall be done at the end of every financial year.

13

COLLECTION OF ROYALTY FROM ILLEGAL TRNSPORTERS AT CHECK GATES:

- (a) The authorized officers /staff manning the mineral check gates shall impose penalty from the illegal transporters. In the event of the lessee or permit holder or transporter failing to pay the royalty assessed or intentionally trying to evade royalty without having valid mining lease or trying to carry more than the quantity prescribed in the Transport Challan/Coal Challan, a penalty of 50% of royalty rate per tonne over and above the actual rate of royalty at the spot, shall be imposed on him.
- (b) In the event of failure to pay the imposed fine, the material along with the vehicle shall be confiscated, and the Licensee or Transporter shall be given a time of 24 hours to pay 10 (ten) times the rate of royalty per tonne of coal (i.e. Rs 4350/- per tone of coal) and in the event of failure to do so, the material so confiscated shall be disposed-off by public auction by concerned Assessing Authority/Mining Engineer authorized by the Director.

14. ERECTION OF MINERAL CHECK GATES AND MOBILE CHECK GATES:

- (a) The Department of Geology and Mining shall erect check gates or barricades or mobile gate at such places as may be considered necessary in any part of the State to regulate and control transportation of coal within and outside the State, for which check gates

are to be set up at places within the State and a notification/publication/notice in this regards be issued by the Government.

- (b). For the purpose of checking the transport and storage of minerals raised without lawful authority, the Director or his authorized District Officer shall have the power to set up mobile check gates at any place for which prior approval or Notification of the Govt. may not be mandatory.
- (c). The Directorate of Geology and Mining may have an option to adopt an alternative system of collection of royalty on contract basis/bidding process as it deem fit.

15.

ISSUE AND CONTROL OF COAL CHALLAN:

- (a). It shall be the prerogative of the Director to print the requisite number of Coal Challan in triplicate copies with different colours for cross checking of used challan, for use as Coal Challan (CC) and the same shall be issued to the concerned Mining Engineer/District In Charge after collection of advance royalty through treasury challan.
- (b). The Coal Challan (CC) shall be signed by the "Issuing Authority" i.e. Director or his authorized officer. The Coal Challan (CC) shall bear the signature and rubber seal of the issuing Authority and the authorized Mining Engineer.
- (c). The Gate In Charge shall verify the Coal Challan(CC) at the gate and after confirming and Satisfying himself about the veracity of the challan, shall put his signature with dated and a rubber seal marked with the word "checked and passed" on the back of the Coal Challan and issue to the transporter.
- (d). The Director shall issue coal challan to Mining Engineer/District In Charge and the Mining Engineer after signing shall in turn issue coal challan to all designated coal depots and other various check gates under his jurisdiction depending upon the need and necessity for control of coal transportation.
- (e). The Gate in Charge and checker shall check illegal coal transportation and authenticity of the coal challan.

CHAPTER-IV

16. SYSTEMATIC AND SCIENTIFIC MINING:-

(i) Precaution for safety measures in the mine:-

The owner, agent, mining engineer, manager shall ensure that all safety measures are adopted in the mine, such as roof support, detection of mine gases, mine fire, inundations, mine lighting, ventilation etc. while conducting mining of coal in the leasehold are as may be notified by the Government from time to time.

(ii) Protection of environment:-

Every holder of a mining lease shall take all possible precautions for the protection of environment and control of pollution while conducting mining of coal in the area as may be notified by the Government from time to time.

(iii) Removal and utilization of top soil:- Where topsoil exist and is to be excavated for mining operation for coal, the top soil so removed shall be utilized for restoration and

rehabilitation of land which is no longer required for mining operations or for stabilizing or landscaping the external dump.

(iv) Storage of overburden, waste rock etc.

(a) The overburden, waste rock generated during mining operations shall be stored in separate dumps.

(b) Such dump shall be properly secured to prevent the escape of materials in harmful quantities, which may cause degradation of the surrounding land or silting of watercourses.

(c) Wherever possible such waste rock or overburden or other rejects shall be used for backfilling of the work out coal mine, where coal has been recovered up to the maximum depth with a view to restore the land to its original position to the extent possible.

(v) Reclamation and Rehabilitation of land:-

Every leaseholder shall undertake in a phase manner restoration, reclamation and rehabilitation of lands affected by mining operations as envisaged in the approved mine closure plan and shall complete such work before the conclusion of such operation or the abandonment of the mine.

(vi) Precaution against Gas:-

Every owner, agent, mining engineer, manager shall take such precautionary measures against abnormal rise of mine gases, spontaneous heating and ignition of gas or coal dust, in the mine as per the laid down guidelines or instructions given by the State Government from time to time.

(vii) Precaution against mine fires and spontaneous heating:-

The owner, agent mining engineer, manager of every mine shall take all precautionary measures such as collection of air sample, stacking of coal, regular inspection of working faces by mining engineer or competent person with adequate gas testing instruments, maintaining proper ventilation system of the mine etc. as per guidelines/instructions or standing order of the State Government issued from time to time.

(viii) Precaution against inundation in mine:-

The owner, agent, mining engineer, manager of every mine shall ensure all precautionary measures such as keeping adequate pumping capacity, maintain surface plan, cut a suitable drains around the periphery of the mine, leave sufficient barrier of solid coal, as may be laid down in the standing order of the Government from time to time.

(ix) Precaution against air pollution:-

Air pollution due to dust, exhaust emission or fumes during mining operations and relates activities shall be controlled and kept within the permissible limits specified in the standing order of the Government from time to time.

(x) Precaution against noise:-

Noise arising out of prospecting and mining shall be abated or controlled by the mining leaseholder at the source so as to keep it within the permissible limit.

(xi) Discharge of effluents:-

Every holder of a mining lease shall take all possible precautions to prevent or reduce to a minimum discharge of toxic and objectionable liquid, effluents from coal mine into the surface, or ground water bodies and useable lands.

(xii) Adoption of Ventilation system:-

Every holder of a mining lease shall adopt proper ventilation system of the mine as per the standard norm notified by the Government from time to time.

(xiii) Restoration of Flora:-

Every leaseholder shall take immediate measures for planning in the area held under the lease or any other area selected by the State Government in such a manner so as to cause least damage to the flora of the area held under mining lease and the nearby area.

CHAPTER- V

CRITERIA FOR SELECTION OF GRANT OF MINING LEASE

17. CRITERIA FOR SELECTION.

17.1 Where two or more persons have applied for mining lease in lease shall be granted in the following order of priority:-

- (a) Landowner willing to open a mine in his own land.
- (b) Bonafide Local citizen of the village or area.
- (c) A qualified Mining Engineer/Geologist.
- (d) A Government Company or Corporation owned by the Government.
- (e) A Cooperative Society.

CHAPTER-VI

18. EMPLOYMENT OF QUALIFIED GEOLOGIST AND MINING ENGINEERS.

For the purpose of carrying out prospecting and mining operations in accordance with these rules, every holder of a prospecting license or a mining lease shall employ qualified Geologist or Mining Engineer as follows:-

(i) Employment of Geologist:-

Every holder of a prospecting license shall employ a qualified geologist either on whole time, part-time. The duties of the geologist employed for prospecting shall be as follows:-

- (a) Preparation of the necessary geological plans and sections which are required to delineate the coal deposit:-
- (b) Determination of the coal reserves.
- (c) Maintaining of proper records of the prospecting operations and records of sinking of shafts and boreholes.
- (d) Working out the appropriate method of sampling and ensuring preparation of samples accordingly.

(ii) Employment of Mining Engineer:-

For the purpose of carrying mining operation, every holder of mining lease shall employ qualified Mining Engineer on whole time basis. The duties of the Mining Engineer shall be as follows:-

- (a) To prepare scientific mine plan for development and systematic extraction of coal with due consideration to the conservation, safety of the workers and protection of environment.

- (b) To prepare and maintain plans, sections, of the mine³ in systematic means.
- (c) To prepare reports and scheme in accordance with the rules and regulations
- (d) To carry out orders and directions as may be given by the Government from time to time.
- (e) To make necessary arrangement to ensure that there is sufficient provision of proper materials, appliances and facilities at all times at the mine for the purpose of carrying out the provision of these rules and orders.

19. RATE OF COAL ROYALTY AND MODE OF COLLECTION:

- (a) The rate of royalty on coal shall be fixed and revised from time to time by the State Government after every 3 (three) years. The prevailing rate of royalty on coal is @ Rs. 290/- per tonne, w.e.f. November, 2013.
- (b). The Revenue may be collected by cheque or demand draft and deposit through the Govt. Treasury in the name of the Director, Directorate of Geology and Mining on or before 5th day of every proceeding month.
- (c). No officer or staff shall retain revenue collection cash-in-hand beyond 5th of every proceeding month.

20. DISCIPLINARY ACTION ON ERRING OFFICERS AND STAFF:

Disciplinary action shall be initiated against erring officers and staffs, for mis-appropriation of the revenue money or violation of the provisions of the Govt. executive rules and standing orders etc. while discharging duties.

21. SHARING OF ROYALTY:

- (a) The Government shall share the revenue on coal @ 10% with the landowners/Village Councils through the Village Council in the form of Naga Commission as specified in Schedule-I.
- (b) The Village Council shall directly deduct the 10% Naga Commission from the concerned Mining Engineers at the District level.

CHAPTER-VII

22. SETTING UP OF COAL DEPOTS AND INSTALLATION OF WEIGH BRIDGES:

22.1 Coal Mining lease holder:

It shall be mandatory on the part of the Coal Mining Lease holders and Coal Trading License holders to establish their coal depot within Nagaland. No Licensee shall set up coal depot outside the State Nagaland of Nagaland. The coal mining lease of those violators shall be cancelled without serving any notice.

22.2 Coal Depot License:

- (i) Coal Depots Licenses already issued by the State Govt. to the private Companies/Agencies prior to Notification of this rules shall continue to function and shall be renewable under the provision of rules.
- ✓ (ii) The State Govt. shall set up Govt. designated coal depot in all the coal bearing districts. Such Coal depots may be either directly run by the Govt. or through the State PSUs.
- (iii) In the event of such designated coal depots run by the PSUs, they shall strictly abide by the terms and conditions laid down in appendix-I.
- (iv) Interested PSUs may submit Application in a prescribed format duly filled in along with all requisite documents and the prescribed non-refundable processing fee as given in appendix-I may be submitted to the Director for consideration.

- (v) The State Govt. may issue Coal Trading License to such PSUs interested to do coal trading in the Govt. designated coal depots.
- (vi) All coal produced from Nagaland either by Licensees or non-licensees shall be traded through the Govt. designated coal depots.
- (vii). No coal shall be allowed to be stocked randomly by the side of the roads or near any other public places that is endangering environment and ecological of the area.
- (viii). The District Administration shall declare illegal and issue "prohibiting order" for stocking of coal in places other than the Government designated coal depots.
- (ix). No Nagaland coal shall be transported outside the State without passing/trading through the Govt. designated Coal Depots. The District Administration shall extend full assistance to the concerned Mining Engineers, Department of Geology and Mining and take such necessary action as deem fit to ensure that all coal produced by the operators/miners are brought to such designated coal depots before the coal is exported outside the state.
- (x) The Mining Engineer/Assessing Authority shall make assessment of the coal stocked at the coal depot and shall collect advance royalty based on the actual quantity of coal so assessed at the designated coal depots.
- (xi) Any violation of such order, the department in co-ordination with the District Administrative shall confiscate the coal and impose such finds as deem fit.

22.3 Installation of weigh bridge:

- (i) Weigh Bridges shall be installed at all such designated coal depots either by the department directly or by PSUs/Companies.
- (ii) if coal depot is run by the PSUs, It shall be mandatory on the part of the coal trading license holders/PSUs to install Weigh Bridges in such designated coal depots.

23. SALE TAX REGISTRATION AND PAYMENT OF TAXES:

- (a). All Mining Lease and Coal Trading License holders shall compulsorily register themselves with Taxes Department, Govt. of Nagaland and pay such N.S.T., C.S.T. taxes as per rules.
- (b) Registration of NST and CST shall be mandatory for grant of CPL, SPDL and CML.
- (c) No Coal Challan shall be issued, unless the licensee produces N.S.T. and C.S.T. registration Nos. while transporting coal.

POWER OF MINING ENGINEER/DISTRICT IN CHARGES TO REQUISITION POLICE FORCES:

- (a). The Mining Engineer/District In charge of a district shall have the prerogative to requisition Indian Reserve Battalion (IRB)/NAP and Nagaland Police wherever necessary for control of illegal coal mining and coal transportation, law and order problems etc. by submitting requisition directly to Officer In Charge of the nearest IRB or Nagaland Police out post.
- (b). The Officer In Charge of the IRB on receipt of the requisition from the Mining Engineer/District In Charge shall act quickly and immediately deploy Police at his level.
- (c). The Local administrative officer(s) shall assist the Mining Engineers/District In Charges by deploying DBs and police forces(IRB/NAP) and inform the authority about the action taken.
- (d). Necessary direction and Notification shall be issued by the Home Department to both Civil Administration and Police to extend assistance to the District In Charges for implementation of Clause (a),(b) and (C) of 24 above.

25. USE OF EXISTING GOVERNMENT CHECK BARS:(a). The Department of Geology and Mining as and when require shall use any existing Police and Forest gates as Common Bar for purpose of checking, regulating and collection of Revenue.

- (b). The Police Personnel posted in the concerned check gate shall extend full assistance to the Mining Engineers and the Directorate of Geology and Mining officials on duty.

26. **ROLE OF VILLAGE COUNCILS:**

- (a) The Village Council shall collect 10% Naga Commission payable to the landowners/Village Council from the concerned Mining Engineers/District In Charges at the District level.
- (b) The Village councils shall not directly issue N.O.C. to any person or company for undertaking coal mining activity within the village jurisdiction. However, they may recommend such application on the merit of the case to local administration for issue of N.O.C. after satisfying that such company or person has the technical expertise and financial capability.
- (c) The village council shall ensure that the company or Entrepreneur carried out back filling work of the mined out areas and minimum social responsibility work programme especially for providing a minimum sustainable income generating ambience to the affected villagers.
- (d) The Village Council shall ensure that the Company or Licensee shall causes minimum damage to the environment and without affecting the health and infra structural development.
- (e) The Village council shall not claim any environmental damage or crop damage compensation from the State Govt. once they have recommended the case to the local administration for issue of N.O.C.
- (f) The Village Council shall strictly prohibit illegal coal mining within the village jurisdiction and extend full cooperation to the Geology and Mining department for prevention of illegal mines.
- (g) In the event of allowing such illegal coal mining activity within the village jurisdiction and failing to give their cooperation to the Department of Geology and Mining in matter of revenue collection, the village council shall be fully responsible, which shall lead to suspension of all Govt. developmental activities including withholding of the VDB fund.
- (h) The Village Council shall extend full cooperation to the officials of the Directorate of Geology and Mining and shall ensure within its Village jurisdiction that all mined out pits are re claimed and undertake re-vegetation by the company or licensee before abandoning of mine.

27. **ROLE OF APEX TRIBE HOHO/UNION/ORGANIZATION:**

- (a) The Apex Tribe HoHo, Union, Organization shall extend their full cooperation to the Government for successful implementation of the Nagaland Coal Policy.
- (b) They shall extend all possible assistance to the Village Councils of coal bearing areas with regard to illegal mining and environmental degradation.

28. **BENEFITS ACCRUABLE TO THE LAND OWNERS.**

(a) **Revenue Sharing and Resource Equity:**

- (i). The Government shall share 10% of revenue on coal with the landowners/Village Council through the Village Council in the form of Naga Commission.

- (ii) The Land owners after drawing Agreement with the company(ies), giving their land on lease to companies/firms shall be paid a minimum of 16% of the pit head value per tone of coal by the companies/firms/Agencies.
- (iii) The rate of resource equity may be revised from time to time depending upon the quality and the prevailing market rate of coal.

(b) Land compensation and Rehabilitation:

- (i). While acquiring land for mining operations, proper land Compensation as well as crops and plantation damage compensation shall be paid to landowners as per rate prescribed by the District administration.
- (ii). The mining company or mine owner shall take full responsibility to give compensation and rehabilitation to the people who are affected by the hazards of mining activities.

(c) Land Access Fee:

The mining Company or Agent or Mine owner shall pay land access fee to the landowners at the following rates directly at the source. However, information on payment of such land access fee shall be furnished to the Director, Directorate of Geology and Mining for record:

- (i) For area measuring 1to 5 hectare @ Rs 30,000/-
- (ii) For area measuring: $5 < \text{area} \leq 10$ hectares @ Rs 50,000/-
- (iii) For area measuring : $10 < \text{area} \leq 50$ hectares @ 2,50,000/-
- (iv) For area measuring $50 > \text{area} \leq 100$ hectare @ Rs 7,50,000/-

29. STANDARDIZATION OF LOCAL COAL RATE:

The Geology and Mining Department shall fix the local Coal rate based on the following criteria. The rate may be revised from time to time depending on the market.

- (i) Quality of coal or Grade of coal
- (ii) Pit head value and Coal Depot value
- (iii) Existing market value of the neighboring state
- (iv) Existing local market rate of coal etc.

30. PUBLIC AWARENESS PROGRAMME:

The Department of Geology and Mining shall organize consultative programme, sensitization programme, public awareness programme etc. with the NGOs, Village Councils, Licensees, etc. from time to time.

CHAPTER-VIII

31. NOTICES AND RETURNS, REVISION AND PENALTY AND MISCELLANEOUS.

31.1 NOTICES AND RETURNS:-

a) Quarterly and annual returns:-

The owner, agent, mining engineer, manager of every mine shall submit to the State Government;

- i). a quarterly return in Form-F for every quarter ending 30th June, 30th Sep, 31st Dec and 31st March.

- ii). an annual return in Form-G which shall be submitted before the 1st July of each year for the preceding year.

b) Notice of certain appointments:-

When any new appointment of competent/qualified person is made or when employment of any such person is terminated or any such person leaves the said employment or when any change occur in the address of any such person, the owner, agent of the coal mine shall within fifteen days from the date of such appointment, termination, leaving or changing in address, give a notice in Form-H to the State Government.

c) Copies of notices to be maintained:-

The owner, agent, mining engineer and manager of every coal mine shall maintain at an office established by him the labour attendance register, production and dispatch register, explosive consumption register, test report of mine gases, fire, air etc. and details of mining machinery and copies of all notice and returns, plans, section and schemes submitted to the State Government and this shall be made available at all reasonable times to the State Government.

31.2 REVISION AND PENALTY

(i) Revision:-

Any person aggrieved by any order or direction issued, the concern authorities may within ninety days of the communication of such order apply to the State Government for revision of the said order.

(ii) Penalty for contravention of rules:

Whoever contravenes any of the provisions of this rules or order any coal from any land, the State Government may recover from such person the mineral so raised, or where such coal has already been disposed of, the price thereof along with penalty shall be recovered from such person, and he shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to ten thousand rupees or with both and in the case of continuing contravention, with additional fine which may extend to one thousand rupees for every day during which such contravention continues after conviction for the first such contravention.

32. MISCELLANEOUS:-

(i) Obligation to provide facilities for undertaking research or training:

Every holder of prospecting license or mining lease shall have the obligation to provide facilities for research and development works or training to the persons authorized by the State Government.

(ii) Obligation to supply other information:

The owner, agent, mining engineer, manager of every coal mine shall furnish such information regarding mine or any matter connected therewith as the State Government may require and the information shall be furnished within such time as may be specified by the State Government.

(iii) Delegation of powers:

The State Government may by notification in official Gazette, direct that any power exercisable by it in relation to such matters and subject to such conditions, if any, be exercisable by such officer or authority as may be authorized by the State Government.

(iv) Exemption:

The Government may by notification in the official Gazette exempt any person or class of persons from the purview of these rules provided coal is stored/carried for the purpose of scientific test and research work only.

33. REPEAL AND SAVING:
The Nagaland Coal Policy, 2006 and the Nagaland Coal Mining Rules, 2006 and any other rules corresponding to these rules, which were enforce immediately before the commencement of these rules are hereby repealed in respect of the Nagaland Coal Mining Rules and Policy.
Provided that any executive order or action taken under the rules so repealed shall be deemed to have been made or action taken validly under the corresponding provision of these rules.

Sd/-
Bendang Longchari, IAS
Secretary to the Government of Nagaland.

SCHEDULE-I

Sl.No.	Particular of item	Quantity per	Rate per tone in Rs.	Percentage
1.	Royalty of coal {see Rule-21 (a)}	Metric tone	290.00	100%
2.	Sharing with Landowner. {See Rule-23 (a)}	Metric tone	29	10%
3.	Penalty fee {See Rule-15 (a)}	Metric tone	145	50%

FORMS.

- FORM-A
- Yearly report of prospecting operations carried out
- FORM-B
- Notice of intimation of opening of mine.
- FORM-C
- Notice of intention of abandonment/surrender of mine.
- FORM-D
- Notice of temporary discontinuation of work in mine.
- FORM-E
- Intimation of re-opening.
- FORM-F
- Quarterly return.
- FORM-G
- Annual return.
- FORM-H
- Notice of certain appointment/resignation/termination/
change of address.