

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:1829
ANSWERED ON:04.08.2010
INCREASE IN COMPENSATION PAID TO FARMERS
Ahir Shri Hansraj Gangaram

Will the Minister of COAL be pleased to state:

- (a) whether the Coal India Limited (CIL) is paying less money to farmers for acquisition of their land compared to private sector;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the several coal mine projects have been adversely affected due to lower compensation paid by CIL;
- (d) if so, whether the Government has formulated any policy to increase compensation to farmers whose land has been acquired for coal mine projects; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL AND THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION (SHRI SRIPRAKASH JAISWAL)

(a) & (b) : Coal India Limited (CIL) acquire land for coal mining projects under the Coal Bearing Areas (Acquisition and Development) Act, 1957 (CBA Act) or under the Land Acquisition Act, 1894 (LA Act) and compensation is paid as per the provisions contained in the respective Act. The CBA Act provides for assessment of compensation on the basis of the market value on the date of notification under section 4(1) of the said Act and it is determined by taking into account the average of the last three years registered sale deeds in the locality and also the ready reckoner rate for the year of notification under section 4(1) of the said Act, prescribed by the State Governments. In addition to the market value so determined, solatium @ 30% of the market value, escalation @ 12% per annum from the date of notification under section 4(1) to the date of notification under section 9(1) of the said Act or for a period of 36 months, whichever is less, interest for delayed payment from the date of notification under section 9(1) of the said Act @ 9% per annum for the first year and 15% per annum for the subsequent years are also being paid to the land losers. In the case of any dispute, the land losers can approach the tribunal set up under the CBA Act. For land acquired under the LA Act, the compensation amount is assessed by the concerned District Collector as per the provisions of the said Act and as per the award of compensation under section 11 of the LA Act is paid. The subsidiaries of CIL deposit the amount with the District Collector to disburse the compensation amount to the land losers. In addition to the land compensation, a rehabilitation and resettlement package is provided which includes employment to eligible land losers. Besides those, who forgo employment, are being paid monetary compensation in lieu of employment @ Rs.2,00,000 for first acre of land on pro-rata basis subject to a minimum of Rs.50,000, Rs.1,50,000 for 2nd and 3rd acre of land on pro-rata basis and Rs.1,00,000 for land beyond 3 acres on pro-rata basis.

(c) : CIL has reported that some projects have been affected, like Magadh Opencast Project of Central Coalfields Limited, Yekona-I and II Opencast Project, Bina/Bhanegaon Extension Opencast Project and Singori Opencast Project of Western Coalfields Limited, due to excess demands over and above the prescribed norms.

(d) & (e) : As stated above, compensation is being paid to the land losers in accordance with the provisions as contained in the CBA Act and LA Act.