

**Land Acquisition and R&R**  
**issues in Coal Mining Projects**

# PREREQUISITES FOR STARTING A COAL MINE

- Land (Tenancy /Government land).
- Forest (Diversion/lease).
- Environmental clearance.
- Coal evacuation Infrastructure - Road/Rail.
- Land Acquisition/ R&R is a major challenge CIL is faced with in opening new mines/ expanding existing mines.

# Current Scenario on L.A./E.C./F.C.

- Land Acquisition and Forest land (included in the mining area) diversion are prerequisites for any coal mine to be started.
- It is our general experience that LA/EC/FC takes long time to get them cleared, and as such pose major challenge to the Coal Companies.
- However, eventually every proposed project gets off the ground - but some on time, many very late - 3 -10 years.
- So Land Acquisition/EC/ FC does happen eventually. It is a question of time - & the challenge for CIL is how to avoid such inordinate delays.
- Solution - Plan your Project pipe line well in advance.

- Look for Low hanging fruits, so that delayed LA/EC/FC projects can come for later production.
- Low hanging fruits could be expanding existing OC Projects as much as possible.
- Convert UGs to OCs wherever possible.
- Certainly most of the abandoned UGs can be opened up as OCs & Start producing Coal soon - as evacuation Infra is already available – Land / Forest clearance is also available.

## Possible opportunities / options for procuring Land

- Different innovative models for acquiring the land is the need of the hour - in order to secure private lands for coal mining purposes.
- Already Decoaled Areas can be transferred to village community/land losers as an exchange for coal bearing private lands in the same/ nearby localities.
- It may work only in some areas where land value/commercial land uses are developed.
- The decoaled areas can be used for solar power plants/ other non agricultural uses like industries etc in collaboration with potential land losers.

# Current practice of Employment to land losers

- Employment to every land user is absolutely a non-sustainable proposition - Financially and otherwise too.
- Land loser employees are very poor in skills/productivity
- It is worthwhile paying 50% of salary for 10-15 years rather than giving employment, if agreeable to them.

- If the cost of employment is included in the project operational cost (Revenue Expenditure) many of the projects are not viable (12% IRR is not possible).
- Land pooling is another option, where commercially viable plots can be given to farmers in view of agriculture/ non agriculture land @ say about 1000 sq. mtrs per acre etc.
- Out right purchase at market prices is another option, where you can do away with R&R requirement (e.g. G.O. Ms. No. 123 of Telangana).

**Thank you**