

No. 49029/3/2022-LAIR
Government of India
Ministry of Coal

Shastri Bhawan, New Delhi – 110001.
Dated: 7th April, 2022

To,
Chairman-cum-Managing Director,
Coal India Limited,
Coal Bhawan Premise No. 04 MAR,
Plot No. AF-III, Action Area-1A,
Newtown, Rajarhat,
Kolkata – 700 156.

Chairman-cum-Managing Director,
NLC India Limited
No. 135, EVR Periyar High Road,
Kilpauk, Chennai – 600 010,
Tamil Nadu.

Chairman-cum-Managing Director,
Singareni Collieries Company Limited,
Kothagudem Collieries
Bhadradi Kothagudem District,
Telangana State – 507 101.

Sub. Entry of name of Government companies into the land records for the land acquired under Coal Bearing Areas (Acquisition and Development) Act, 1957.

Sir,

Please refer to letters dated 12.02.1999, 20.03.2002, 03.04.2002 and 24.04.2007 issued by Ministry of Coal in which it was communicated that -

“(a) Mutation: In terms of Section 10 of the Coal Bearing Areas (Acquisition and Development) Act, 1957, on the publication in the Official Gazette of the declaration under Section 9, the land or the rights in or over the land, as the case may be, shall vest absolutely in the Central Government free from all encumbrances. Similarly Section 3(1) of the Coal Mine (Nationalization) Act, 1972 provides that on the appointed day, the right, title and interest of the owners in relation to the Coal mines or the Coking coal mines, as the case may be, specified in the Schedules respectively shall stand transferred to, and shall vest absolutely in the Central Government free from all encumbrances. By virtue of the aforesaid provisions, Coal mines vest absolutely in the Central Government and thereafter the rights of the Central Government in relation to lands, Coal mines or Coking Coal mines, as the case may be, are made exercisable by a Government company by virtue of Section 11 of the Coal Bearing Areas (Acquisition and Development) Act, 1957, Section 5 of the Coal Mines (Nationalization) Act, 1972, respectively. Since neither, the Central Government nor a Government company, in which the rights of the Central Government are so vested, are tenants of the State Government the question of

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seeking any mutation for entry in the Tenant's Ledger in relation to the lands under the management and control of CCL does not arise in law.

(b) Land Rent: As is clear from the aforesaid provisions of law that the lands or the rights in or over the land, as the case may be, vest absolutely in the Central Government free from all encumbrances, there is no case as such, nor any provision in the law, for payment of surface rent or land rent of any kind on such lands. Section 18A of the CBA (A&D) Act, 1957 provides for payment of royalty under a mining lease granted by the State Government. Coal companies are paying such royalty to the concerned State Government as is prescribed from time to time."

2. From the above, it is established that the land acquired under CBA Act and vested into the coal companies under S.11 of the said Act grants absolute ownership of land or the rights in or over the land, free from all encumbrances in the coal company. Therefore, Government coal companies may consider getting the land records mutated in the name of the company as an absolute owner to prevent fraudulent transactions and legal complications. However, it is to be ensured that name of Government company may not be entered in the Tenant's Ledger of the respective State Government.

3. Further, in no case the company is to be treated as a 'tenant' by the State Govt. or be directed to mutate the land records as a tenant or be required to make payments in form of rent/fee/charge/tax applicable on tenants since the government company is the absolute owner of such land. However, any charge/fee/tax applicable to owner of the land or to be paid by the owner for any process of mutation/ updation of land record shall be payable by the government company.

4. This issues with the approval of Secretary (Coal).

Yours faithfully,



(Ram Shiromani Saroj)

Deputy Secretary to the Government of India

Tel: 011-23380026

Copy to:

- i. Chief Secretaries of Assam, Arunachal Pradesh, Chhattisgarh, Gujarat, Jharkhand, Meghalaya, Madhya Pradesh, Maharashtra, Nagaland, Odisha, Rajasthan, Uttar Pradesh and West Bengal.
- ii. CMD, BCCL/CCL/ECL/MCL/NCL/SECL/WCL/CMPDI.
- iii. CMDs/MDs of all other Central Public Sector Undertakings/ State Public Sector Undertakings acquiring land for coal mining under CBA (A&D) Act, 1957.
- iv. Senior Technical Director (NIC), Ministry of Coal – with request to upload this letter on website of Ministry of Coal.
