कोल इण्डिया लिमिटेड महारत्न कंपनी

3 तल्ला, कोर-2. प्रेमिसेस-04-एमआर,प्लॉट-ए एफ-III, एक्शन एरिया-1A, न्यूटाउन, रजरहट, कोलकाता-700156 फोन033-२३२४६५२६.फैक्स-033-२३२४६५१०

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Coal India

Coal India Limited A Maharatna Company (A Govt.of India Enterprise)

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Dated: 28.07.2021

Ref.NoCIL:XI(D):4157/4156:2021:

To, Listing Department, Bombay Stock Exchange Limited, 14th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001 Scrip Code 533278 To, Listing Department, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. Ref: ISIN – INE522F01014

Sub:- News Clarification- CIL arm CCL seeks reconciliation on Jharkhand's Rs 56,000 cr dues demand from Coal India

Dear Sir,

Kindly refer to your mail dated 27.07.2021 where you had sought clarification on Media report-CIL arm CCL seeks reconciliation on Jharkhand's Rs 56,000 cr dues demand from Coal India. Reply of Coal India is as under:

A. <u>Demand against lease bandobasti and rent for payment of Rs 26132.2048 crores as rent for Government Land acquired by subsidiaries of Coal India(CCL) in Jharkhand State.</u>

- On 07.02.2020 Jt. Secretary Government of Jharkhand has sent letter to Dy. Commissioner of 10 districts regarding verification of land details in pursuance of letter of Deputy Secretary, Ministry of Coal dated 13.01.2020. Further, they have advised for verification of proposed demand of rent Salami, Cess and lagan. The total proposed amount due from CCL is coming to be Rs 26218.15 crores (Twenty Six Thousand two hundred and Eighteen Crore and Fifty lakh Only)
- On 14th Feb 2020, CMD CCL had a meeting with honorable Chief Minister of Jharkhand in presence of Chief Secretary and briefed about the development of this issue. Again CCL officials had a meeting with Revenue Secretary Government of Jharkhand and during the meeting through Video Conferencing respective Additional collector of Districts were directed to verify the land details . However , on request for expediting the process of land record certification and authentication , Secretary. Revenue advised to make payment against Government Land as demanded by the State government then only authentication process can be expedited.
- The modality of calculation adopted by GoJ to reach the said amount is not maintainable because the calculation included Rent, Cess and Salami for a lease period whereas the land acquired under Section 9(1) of CBA (A&D) Act, 1957 vests to the Central Government free from all encumbrances under Section 10 of CBA (A&D) Act, 1957 which reads as;



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Ouote

"Sec 10. Vesting of land or rights in Central Government.—(1) On the publication in the Official Gazette of the declaration under section 9, the land control the rights in or over the land, as the case may be, shall vest absolutely in the Central Government 6[free from all encumbrances]." Unquote

• However, previously payment against govt. land acquired under CBA (A & D) Act 1957 by CCL as land compensation to govt. of Jharkhand in C latra district against Govt. and which is as follows :-

SL No.	Area of Land (In acr.)	Amount paid(In INR)
1	732.58	51,21,060.00
2	507.94	69,63,054.40

• It is pertinent to note that, during the visit of Cabinet Secretary, Govt. of India on 8th February 2013, the issues of CCL relating to Govt. of Jharkhand was discussed on 8th Feb 2013 in which decision regarding Double payment was taken as following:-

Quote

"CCL is not required to pay to State govt. for the GM & Land which has already been settled to some tenants, clarification will be issued by state gov, within a week. For that portion of GMK Land which has not been settled but has encroached upon. State govt will issue the necessary directives within a fornight." Unquote

• Govt. of Jharkhand demanding land compensation ease bandobasti from CCL also directs to pay land compensation to authenticated land owners as settled by them against the acquired Govt. land which attracts double payment.

compensation for GMK settled land pertaining to one of the Areas of CCL that it must be ensured that no double payment is made for same piec: of land.

Whereas, Ministry of Coal, Government of India has directed in the sanction of land

• The Deputy Secretary, Govt. of India, Ministry of Coal, LA & IR has written under captioned subject "Land data in respect of Govt. Land acquired under CBA (A&D) Act, 1957 from period 01.04.2009-31.03.2019" vide letter dated 30.09.2019 and reminder dated, 22.10.2019, 13.01.2020, 05.02.2020, and 20.03.2020, on 22.05.20 0 Jt. Sec GoJ gave demand of Rs 5104.97 crore from CCL to MoC against 13746.84 acre Govt land used by CCL.

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- On 22.05.2020, Jt. Sec. GoJ gave demand of Rs 2787.70 crore against 5298.058 acre GM(JJ) land on LEASE SETTLEMENT FORMULA which is not required as land is acquired under CBA(A&D) Act 1957.
- On 24.06.2020 a= DO letter was issued by Jt Sec MoC informing Secretary Revenue GoJ that "... Coal India Limited has been directed to pay entitled land compensation for the acquired land to the Govt. of Jharkhand at the earliest.
- A meeting was held on 30.07.2020 between Hon'ble Minister of Coal & parliamentary affairs and Hon'ble Chief Minister of Jharkhand in presence of Secretary, Ministry of Coal, Chief Secretary, GoJ and other senior officials of MoC and GoJ. The minutes of the said meeting was issued on 9th Sept 2020 in which following decisions were taken:
 - a. It has been decided in principle to pay compensation for land acquired under CBA Act as per the present circle rate of agricultural land.
 - b. Compensation will be paid to the State Govt after joint verification of the land possessed by CCL.
 - c. State Govt should constitute a committee with the officials of CIL/ CCL to determine the exact quantum of Govt land possessed by CCL.
- Till date Rs 598.12 Crore has been paid as advance against the entitled payment to Govt. of Jharkhand.
- The advance payment has been made against GM(Jungle Jhari Land) for which NOC / FRA and diversion proposal is pending with state government .CCL officials are regularly pursuing with State govt. basis of calculation of present circle rate of agricultural land and formation of committee to determine the exact quantum of govt. land possessed by CCL.
- On 28.09.2020, Dept. of Revenue, Registration and Land Reforms formed a committee under chairmanship of Director Industries GoJ, Director LA, and PCCF representative.
- The Secretary, MoC has also communicated vide D.O. no. 43025/1/2019-LA&IR dt. 07.01.2021 to Chief Secretary, Jharkhand deliberating the above issue and has requested to take appropriate action in the matter in line with the decisions taken in the meeting referred above for early issuance of NOC.
- The Secretary, MoC again communicated to Chief Secretary, Jharkhand vide D.O. no. 43025/1/2019-LA&IR dt. 10.05.2021 referring his previous letter and the requested him to intervene and reconsider the matter and re-appropriate the demand notes in line with the decision taken in the said meeting.
- CCL is in regular persuasion with the Govt. of Jharkhand through various correspondences and meetings for early resolution of the matter. However, till date, no clarification has been received from Govt. of Jharkhand to CCL in this respect..

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Conclusion:-

The modality of calculation adopted by GoJ to reach the said amount is not maintainable because the calculation included Rent, Cess and Salami for a lease period and calculated on Commercial rate of land whereas the land acquired under Section 9(1) of CBA (A&D) Act, 1957 vests to the Central Government free from all encumbrances uncer Section 10 of CBA (A&D) Act, 1957 and calculation to be made on the basis of decisior taken during meeting between Hon'ble Minister of Coal & parliamentary affairs and Hon'ble Chief Minister of Jharkhand on 30.07.2020 to pay compensation for land acquired uncer CBA Act as per the present circle rate of agricultural land. The revised calculation of the same is awaited from Govt. of Jharkhand.

B. Brief in respect of common cause case is as under :-

• With reference to Hon'ble Supreme Court Order of India order dated 02.08.2017 in Common Cause Vs Union of India and ORS, Penalty u/s 21(5) of MMDR Act- 1957 to the tune of INR 32735.97 Crores have been raised against CIL subsidiary companies and Rs 13699.53 crores was imposed on Central Coalfields Limited.

• After this judgement of 02.08.2017, DMO/AMOs of Jharkhand State Government raised demand notices for 42 mines of CCL for a total amoun of Rs 13699.53 crores.

Conclusion:-

CCL filed Revisional Applications (RA) against the demand notices of DMO/AMOs and subsequently, Revisional Authority, Coal Tribunal, Ministry of Coal, Government of India issued interim stay orders on 16.01.2018 and 22.01.2018

This is for your information and record as per Regulation 30 of SEBI LoDR' 2015.

Yours faithfully,

(M. Viswanathan/एम॰ विस्वनार्थन) Company Secretary/कंपनीसचिव & Compliance Officer/कम्प्लायंसऑफिसर