

Initial Environmental Examination

June 2017

IND: Green Energy Corridor and Grid Strengthening Project

(400 kV AC power transmission systems associated with HVDC terminal stations at Pugalur, Tamil Nadu)

Annexures 1–2

This initial environmental examination is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature. Your attention is directed to the [“terms of use”](#) section on ADB's website.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

ANNEXURE – 1

GUIDELINES ISSUED BY GOVT OF INDIA REGARDING ROW COMPENSATION

No.3/7/2015-Trans
Government of India
Ministry of Power
Shram Shakti Bhawan
Rafi Marg, New Delhi – 110001

Dated, 15th October, 2015

To

1. Chief Secretaries/Administrators of all the States/UTs
(As per list attached)
2. Chairperson, CEA, New Delhi with the request to disseminate the above guidelines to all the stakeholders.
3. CMD, PGCIL, Gurgaon.
4. CEO, POSOCO, New Delhi.
5. Secretary, CERC, New Delhi.
6. CMD of State Power Utilities/SEBs

Subject: Guidelines for payment of compensation towards damages in regard to Right of Way for transmission lines.


During the Power Ministers Conference held on April 9-10, 2015 at Guwahati with States/UTs, it has, *inter alia*, been decided to constitute a Committee under the chairmanship of Special Secretary, Ministry of Power to analyse the issues related to Right of Way for laying of transmission lines in the country and to suggest a uniform methodology for payment of compensation on this count. Subsequently, this Ministry had constituted a Committee with representatives from various State Governments and others. The Committee held several meetings to obtain the views of State Governments on the issue and submitted its Report along with the recommendations (copy of the Report is at **Annex-1**).

2. The Recommendations made by the Committee are hereby formulated in the form of following guidelines for determining the compensation towards "damages" as stipulated in section 67 and 68 of the Electricity Act, 2003 read with Section 10 and 16 of Indian Telegraph Act, 1885 which will be in addition to the compensation towards normal crop and tree damages. This amount will be payable only for transmission lines supported by a tower base of 66 KV and above, and not for sub-transmission and distribution lines below 66 KV:-

- (i) Compensation @ 85% of land value as determined by District Magistrate or any other authority based on Circle rate/ Guideline value/ Stamp Act rates for tower base area (between four legs) impacted severely due to installation of tower/pylon structure;

- (ii) Compensation towards diminution of land value in the width of Right of Way (RoW) Corridor due to laying of transmission line and imposing certain restriction would be decided by the States as per categorization/type of land in different places of States, subject to a maximum of 15% of land value as determined based on Circle rate/ Guideline value/ Stamp Act rates;
- (iii) In areas where land owner/owners have been offered/ accepted alternate mode of compensation by concerned corporation/ Municipality under Transfer Development Rights (TDR) policy of State, the licensee /Utility shall deposit compensation amount as per (i) & (ii) above with the concerned Corporation/ Municipality/ Local Body or the State Government.
- (iv) For this purpose, the width of RoW corridor shall not be more than that prescribed in the table at **Annex-2** and shall not be less than the width directly below the conductors.
3. Necessary action may kindly be taken accordingly. These guidelines may not only facilitate an early resolution of RoW issues and also facilitate completion of the vital transmission lines through active support of State/ UT administration.
4. All the States/UTs etc. are requested to take suitable decision regarding adoption of the guidelines considering that acquisition of land is a State subject.

Yours faithfully,


(Jyoti Arora)

Joint Secretary (Trans.)

Tele: 011-2371 0389

Copy, along with enclosure, forwarded to the following:

1. Secretaries of Government of India (Infrastructure Ministries/Deptt including MoEF - As per attached list)
2. Prime Minister's Office (Kind Attn: Shri Nripendra Mishra, Principal Secretary to PM).
3. Technical Director, NIC, Ministry of Power with the request to host on the website of Ministry of Power.

Copy to PS to Hon'ble MoSP (IC) / Secretary (Power) / AS (BNS) / AS (BPP) / All Joint Secretaries/EA/ All Directors/DSs, Ministry of Power.

ANNEXURE – 2

TREE / CROP COMPENSATION PROCEDURE

TREE AND CROP COMPENSATION PROCEDURES

In exercise of the powers vested with Power Grid Corporation of India Limited (POWERGRID) under Indian telegraph Act'1885, part 3, section 10 to 19 conferred under section 164 of the Electricity Act 2003 through Gazette by India, extra ordinary dated 24th Dec. 2003, has the authority to place and maintain transmission lines under over along or across and posts in or upon, any immoveable property. As per the provisions of Indian Telegraph Act1885 Part III Section 10 (b) which prohibits acquisition of any rights other than that of use only, land for tower and right of way is not acquired and agricultural activities are allowed to continue. However, as per clause 10 (d) of same act stipulates that the user agency shall pay full compensation to all interested for any damages sustained during the execution of said work. Accordingly, POWERGRID pays compensation to land owners towards damages if any to trees or crop during implementation of transmission project as well as during Operation and maintenance phase. The procedure followed for such compensation is as follows:

POWERGRID follows the principle of avoidance, minimization and mitigation in the construction of line in agricultural field having crop due to inherent flexibility in phasing the construction activity and tries to defer construction in cropped area to facilitate crop harvesting. However, if it is unavoidable and is likely to affect project schedule, compensation is given at market rate for standing crops. All efforts are also taken to minimize the crop damage to the extent possible in such cases. As regards trees coming in the Right of Way (RoW) following procedure is adopted for enumeration:

- i) All the trees which are coming within the clearance belt of ROW on either side of the center line are identified and marked/numbered from one AP to the other and documented.
- ii) Type, Girth (Measured 1 m. above ground level), approximate height o the tree is also noted for each tree
- iii) Trees belonging o Govt., Forest, Highways and other local bodies may be separately noted down or timely follow up with the concerned authorities for inspection and removal.
- iv) Cashew, Guava, Lemon and other hybrid trees which are not of tall growing nature are not marked for cutting since these trees can be crossed using standard tower extensions if required.

A notice under Indian Telegraph Act is served to the land owners informing that the proposed transmission line is being routed through the property of the individual concerned. The notice shall contain the particulars of the land, ownership details and the details of the trees/crops inevitably likely to be damaged during the course of the construction of the proposed transmission line and acknowledgement received from land owner. A copy of said notice is further issued to the Revenue Officer, who has been authorized by the State Govt. for the purpose of assessment/valuation and disbursement of compensation to the affected parties.

The revenue officer shall further issue a notice of intimation to the concerned land owner and inspect the site to verify the documents related to the proof of ownership and a detailed Mahazar is prepared for the identified trees and crops inevitably damaged during the course of the construction. For assessing the true value of timber yielding trees help of forest officials is taken and for fruit bearing trees help of Horticulture department is taken.

The Mahazar shall contain the land owner details type of tree/crop, its present age, variety, yielding pattern etc. and the same is prepared at site in the presence of the land owner. These Mahazars are further compiled and a random verification is conducted by the concerned District Collector OR his authorized representative in order to ascertain the assessment carried out by the revenue office is genuine and correct. After this process the District collector issues a tree cutting permit to Power Grid Corporation to enable removal / damage to the standing tree/crop identified in the line corridor.

Once the tree/crop is removed / damaged, POWERGRID shall issue a tree cutting/crop damaged notice to the land owner with a copy to the Revenue Officer to process the compensation payment. Based on the above the compensation payment is generated by means of a computerized programme developed by the National Informatics Center exclusively for this purpose. The detailed Valuation statement thus generated using this programme is verified at various levels and approval of payment of compensation is accorded by the concerned District Collectors.

On approval of compensation, the revenue officer shall further intimate the amount payable to the different land owners and POWERGRID arranges the payment by way of

Demand Draft to the affected parties. The payment is further disbursed at the local village office after due verification of the documents in presence of other witnesses.

Procedure exclusively followed in Kerala State:

Due to typical demography of Kerala state and presence of several orchards of Coconut and Rubber, State government in consultation with Kerala State Electricity Board (KSEB) have devised a formula for arriving the compensation which is as follows:

Compensation = yield X constant factor X average market value X future age.

The constant factor is to arrive the net return component for the particular variety of tree in line with the annuity ratio slab prescribed for the balance life of the tree. A sample calculation sheet using the said formula to arrive at compensation towards trees / crop is enclosed for ready reference.

Another measure adopted in Kerala to expedite assessment and disbursement by POWERGRID is to appoint an Special Revenue Officer and associated staff on deputation from State Government exclusively for the project under execution. This has helped in timely assessment and distribution of compensation amount to affected farmer. Moreover, it has further contributed in simplifying the process as affected farmer need not to visit revenue official again and again and his case is processed at site quickly.

TREE / CROP COMPENSATION PROCESS

