

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
RAJYA SABHA
UNSTARRED QUESTION NO -2478
ANSWERED ON – 22/03/2023

STATE'S SHARE IN LAND ACQUISITION FOR NATIONAL HIGHWAYS

2478. DR. JOHN BRITTAS:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether Government has taken a policy to charge from the States a portion of the expenses incurred in land acquisition for the expansion of National Highways in the country;
- (b) if so, the details thereof;
- (c) the State-wise details of the National Highways where State Governments have given or committed portion of the expenditure for the land;
- (d) whether there are demands from States to exonerate them from this burden; and
- (e) if so, response thereto?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) and (b) No Sir. However, National Highways Authority of India (NHAI) has issued a policy guidelines of Land Value Capture Finance (VCF) vide policy circular no.7.1.72/2021 dated 18th March, 2021 and is uploaded on NHAI website at link <https://library.nhai.org/nhailibrary/Assets/Pdf/7.1.72.pdf>

(c) The present status of implementation of the Land Value Capture Finance (VCF) Mechanism in various States is attached as Annexure-I. Government of Nagaland has decided to hand over land free of cost for the construction of all 2-lane National Highways projects falling under the jurisdiction of National Highways & Infrastructure Development Corporation Ltd (NHIDCL). Only damage compensation for assets/standing properties has been claimed by the Government of Nagaland for such projects. Government of Manipur has handed over complete land (including assets and standing properties) free of cost for the development of Tamenglong-Assam-Manipur border Section of NH-137.

(d) and (e) No, Sir.

ANNEXURE REFERRED TO IN REPLY TO PART (C) OF RAJYA SABHA UNSTARRED QUESTION NO. 2478 ANSWERED ON 22ND MARCH, 2023 ASKED BY DR. JOHN BRITTAS REGARDING “STATE'S SHARE IN LAND ACQUISITION FOR NATIONAL HIGHWAYS”

VALUE CAPTURE FINANCE (VCF) IN HIGHWAY PROJECTS

Response of State Governments on the NHAI VCF proposal, as on 20.03.2023, is as under:

State Government	VCFs Support
Kerala	Sharing of 25% LA cost for widening of NH 66, 85, 183, 966, SH-1 and all Port Connectivity Projects. Further 50% LA Cost will be shared for Thiruvanthapuram Outer Ring Road. Govt of Kerala has also been requested for sharing 25% LA cost for Shengottai- Kollam section of NH-744 greenfield alignment- 59Km, New Mysore-Malappuram Economic Corridor-156Km, 6 laning of Walayar-Vadakkanchery section of NH-544, and 6 laning of of Thrissur –Angamaly -Kundanoor Section of NH-544.
Tamil Nadu	4 lane Elevated Highways from Chennai Port to Madhuravoyal: Cost of Rs. 470 crore is estimated towards land acquisition and R&R. Amount of Rs. 235 crore will be shared by Chennai Port Trust and amount of Rs. 235 crore will be shared by Government of Tamil Nadu. Further, all other Additional Cost of acquisition of land of acquisition and R&R shall be borne by Government of Tamil Nadu. The State Govt. agrees to bear additional cost towards the utilities, beyond 47 Crore assessed cost being provided by MoRTH, subject to maximum of 25% of Rs.47 crore.
Karnataka	Sharing 25% cost land acquisition for Bangalore ring road. Sharing of 50% of LA cost by GoK for all standalone Ring Roads / Bypasses, (Mangalore, Kumta, Tumkur Bypass/Ring Road). Consent of State Govt. awaited. Consent to bear LA cost of Rs. 140 Cr (50%) & Rs. 200 Cr (25%) as GoK share for Belagavi & Tumkur Bypass has been received. State Govt has earlier given consent for bearing 50% of LA Cost for the project of Belgavi Ring Road. Now the LA cost has revised and the NHAI has requested the State Govt to give consent for bearing 50% of revised LA cost(on the basis of actual award). For Mangalore & Kumta Bypass, consent is awaited from GoK.
Punjab	State Government agreed to bear 50% of cost of land acquisition for Ladowal bypass, Ludhiana and the amount has been paid to NHAI.
Madhya Pradesh	State Government provided 292 Ha Land for Chambal expressway- 309Km.

	<p>Relaxation on Royalty of Murrum & Soil for highways construction.</p> <p>Supervision Charges is needs to be paid as per actual work done for Utility Shifting works of NHAI Projects in the State of Madhya Pradesh.</p> <p>Centages is to be done 7.5% instead of 11.5%.</p>
Himachal Pradesh	<p>State Government agreed to bear the difference between award amount calculated as per circle rate of 2017-18 (48.17 Cr) and that as per year 2020-21 (32.98 Cr), which is Rs 15.19 Cr, only for Himachal section of Pinjore Baddi Nalagarh project.</p> <p>The amount of Rs.14.93 Crs has been deposited by State Government.</p>
Uttar Pradesh	<p>Waived off 2.5% tax on earth and further discussion are going on waiving of Royalty on aggregate and GST on material like Cement, Steel, etc.</p>
Delhi	<p>Funding of UER•II (NH.344M, NH•344P & NH•344N) to the tune of Rs. 3600 cr. Accordingly, financial agreement was signed by NHAI and DDA on 19.04.2021. Installment of Rs.1620 Cr. Has been deposited by Delhi Development Authority (DDA) to NHAI.</p>
Bihar	<p>100% cost of land acquisition for the construction of Patna ring Road Phase-I (approx..length 90.16 Km).</p>
Telangana	<p>State Government agreed to bear 50% of the Land acquisition & Preconstruction cost for the Proposed Regional Ring Road around Hyderabad city.</p>
Odisha	<p>State Government has agreed to share 50% of cost of land acquisition for Bhubaneswar Cuttack bypass (Rameswar on NH-16 to Govindpur on NH-55-70.5 Km and Govindpur on NH-55 ot Tangi on NH-16-40.7 Km) -111.2 Km.</p>
<p>Other States are being approached to for VCF Support</p>	
