

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

LOK SABHA
STARRED QUESTION NO. 279
ANSWERED ON 03RD AUGUST, 2017

ADMINISTRATIVE COSTS FOR LAND ACQUISITION

*279. DR. GOKARAJU GANGA RAJU:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS
सड़क परिवहन और राजमार्ग मंत्री

be pleased to state:

- (a) whether it is a fact that levying of administrative charges by the States for acquiring land for building or widening National Highways has become a major cause of concern for the National Highways Authority of India (NHAI) ever since the new rates for compensation have come into effect and if so, the details thereof;
- (b) whether it is also true that the Public Investments Board (PIB) had recommended that States may be requested not to levy any administrative costs for land acquisition or charge actual expenditure or not exceeding 2.5 per cent of compensation;
- (c) if so, the details thereof; and
- (d) the quantum of compensation released by NHAI during each of the last three years, State-wise?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

- (a) to (d) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 279 ANSWERED ON 03.08.2017 ASKED BY DR. GOKARAJU GANGA RAJU REGARDING ADMINISTRATIVE COSTS FOR LAND ACQUISITION

(a) Yes, Madam. 12 States levy a percentage of compensation as administrative charges for acquisition of land for the National Highways. Haryana, however, has prescribed a fixed charge of Rs. 1.00 Lakh per acre for the purpose. Introduction of provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLARR) Act, 2013, for determination of compensation for land has resulted in 3 to 4 times increase in expenditure on compensation. Since, these 12 States levy a percentage of compensation as administrative charges for acquiring land, this increase in expenditure on compensation has also resulted in increase in expenditure on administrative charges levied by State Governments for acquiring land.

(b) Yes, Madam.

(c) The details of States levying administrative charges as a percentage of the compensation amount are given in Annexure-I. The matter has been taken up by the NHAI and the MoRTH with these States requesting for rationalization of these administrative charges. While appraising the proposal of Bharatmala Pariyojana Phase-I, the PIB has also recommended that “State Governments will be requested not to levy any such administrative costs for land acquisition or charge the actual expenditure incurred in the process or, in the alternative, an amount not exceeding 2.5% of the compensation amount. Similarly, State Governments will be requested that supervision charges for utility shifting should also be capped at 2.5% of the approved estimates”.

(d) State wise compensation deposited by NHAI with Competent Authority for Land Acquisition for the last three years is enclosed as Annexure-II.

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF LOK SABHA STARRED QUESTION NO. 279 ANSWERED ON 03.08.2017 ASKED BY DR. GOKARAJU GANGA RAJU REGARDING ADMINISTRATIVE COSTS FOR LAND ACQUISITION

Details of Administrative Costs/Charges levied by the States on acquisition of land for the National Highways:-

1. The States of J&K, Punjab, Rajasthan, Karnataka, Andhra Pradesh, Telengana and Tamil Nadu are not levying any administrative costs/charges for acquisition of land for the NHAI projects. In case of Haryana also, the rates are very reasonable and the state has never insisted on payment of the same.
2. Following 13 states are levying the administrative charges on acquisition of land for the National Highways:

Sr. No.	State	Admin. Charges (AC)	Remarks
1.	Bihar	20.5% of the Compensation Amount (20% + 0.50% contingencies)	(i) Not all States are charging Administrative Costs (AC) at present. As per section 3(i) of RFCTLARR Act, 2013, AC is included in the cost of acquisition and such AC is to be specified by the appropriate Govt. (ii) As may be seen, different State Government are charging different ACs which do not appear to be based on any norm. Land acquisition expenses, on an average, have tripled as compared to pre-January, 2015 acquisition however, administrative charges being levied by the State Government have not been rationalized.
2.	Uttar Pradesh	10% of the Compensation Amount	
3.	Assam	10% of the Compensation Amount	
4.	Gujarat	10% (for valuation amount above Rs.10 Lakh)	
5.	West Bengal	10% of the Compensation Amount	
6.	Kerala	20% on cost of land or 50% of the total establishment charges of the regular LA Unit, whichever is less (as per order dated 14.06.1999).	
7.	Haryana	Rs. 1.00 lakh per acre as per clause 19 (ii) of Government of Haryana Government Notification dated 09.11.2010.	
8.	Himachal Pradesh	9% (7% towards establishment charges +2% contingencies) of Compensation Amount to be paid to the State Government.	
9.	Chhattisgarh	10% of the Compensation Amount	
10.	Jharkhand	6% to 21% of the Compensation Amount (5% to 20% Establishment Charges + 1% AC)	
11.	Madhya Pradesh	10% of the Compensation Amount	
12.	Maharashtra	6% (3% AC to be deposited with Sate Govt. + 3% (to be deposited in PLA) for facilities to the office of LAO	
13.	Uttarakhand	10% of the Compensation Amount	

ANNEXURE REFERRED TO IN REPLY TO PART (d) OF LOK SABHA STARRED QUESTION NO. 279 ANSWERED ON 03.08.2017 ASKED BY DR. GOKARAJU GANGA RAJU REGARDING ADMINISTRATIVE COSTS FOR LAND ACQUISITION

State wise compensation deposited by National Highways Authority of India with Competent Authority for Land Acquisition for the last three years

Name of States	Compensation deposited with Competent Authority(LA)		
	(in Rs. Crore)		
	2014-15	2015-16	2016-17
Andhra Pradesh	119.21	697.48	268.12
Assam	124.44	4.37	2.05
Bihar	630.82	2112.49	1112
Chhattisgarh	95.57	78.3	693.43
Gujarat	216.59	260.59	615.13
Goa	0	0	0
Haryana	2210.14	1662.41	771.36
Himachal Pradesh	12.99	920.31	1272.18
Jammu & Kashmir	48.37	89.38	0
Jharkhand	10.07	1556.2	700.85
Karnataka	736.93	342.08	807.16
Kerala	274.52	154.73	33.22
Madhya Pradesh	0	174.47	29.87
Maharashtra	610.29	2758.07	1055.63
Meghalaya	24.89	22.81	155.63
Orissa	497.33	520.16	427.03
Punjab	3.63	754	135.58
Rajasthan	433.66	531.95	759.3
Tamil Nadu	311.68	674.2	1442.98
Telangana	-	-	79.07
Uttarakhand	98.31	446.5	1039.5
Uttar Pradesh	1393.17	6259.29	7888.22
West Bengal	1174.39	1913.65	341.85
TOTAL	9027	21933.44	19630.16
