

**GOVERNMENT OF INDIA  
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS**

**LOK SABHA  
UNSTARRED QUESTION NO. 3047  
ANSWERED ON 16<sup>TH</sup> DECEMBER, 2021**

**LAND ACQUISITION FOR ROAD PROJECTS**

**3047. SHRI ANNASAHEB SHANKAR JOLLE:**

**SHRI B.Y. RAGHAVENDRA:**

**SHRI PRATHAP SIMHA:**

**SHRI L.S. TEJASVI SURYA:**

**DR. UMESH G. JADHAV:**

**SHRI SANGANNA AMARAPPA:**

**Will the Minister of ROAD TRANSPORT AND HIGHWAYS**

सड़क परिवहन और राजमार्ग मंत्री

**be pleased to state:**

- a. whether the Government is planning for land acquisition for construction of National Highways and Bypass or Ring Roads through the Value Capture Finance Model and Land Monetization Model;**
- b. if so, the details thereof;**
- c. the salient features of both these models; and**
- d. the details of companies/organization which have come forward to participate in these models for the purpose in the country particularly in Karnataka?**

**ANSWER**

**THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS**

**(SHRI NITIN JAIRAM GADKARI)**

**(a) To (c) The Value Capture Finance Model is not employed solely for land acquisition for construction of National Highways and Bypass or Ring Roads. However, the National Highways Authority of India vide its circular dated 18.03.2021 has issued a policy regarding Value Capture Finance (VCF) Model in National Highways development with a view to share the cost of Project with respective State Government/ UT. Some of the salient features/ details of VCF policy are as under:**

- i. Project facilitation by State/ UT Government;**
- ii. Contribution through land;**
- iii. Waiving/ refunding of royalty/ taxes etc.**
- iv. Sharing the enhanced value of land in the Project impact area;**
- v. Exploring the possibility of development of residential/ commercial real estate in the project impact zone for which connectivity to the highway/ service road may be provided by NHAI.**

**Further, the revenue generated from monetization of roads is utilized for development, maintenance, management of National Highways (NHs), repayment of loan etc.**

**(d) The details of State Governments including Karnataka, who have agreed to participate in the VCF model are at Annexure.**

**ANNEXURE****ANNEXURE REFERRED TO IN REPLY TO PART (D) OF LOK SABHA UNSTARRED QUESTION NO. 3047 ANSWERED ON 16.12.2021 ASKED BY SHRI ANNASAHEB SHANKAR JOLLE AND OTHERS REGARDING LAND ACQUISITION FOR ROAD PROJECTS**

<b>State Government</b>	<b>VCFs Support</b>
<b>Karnataka</b>	<p>The consent of 30% Land Acquisition (LA) cost share without exemption of GST/royalty by Government of Karnataka has been received, subject to condition that “the State share shall be reimbursed from the toll revenue collected after the development of this road”. NHAI has agreed to this subject to the condition that no reimbursement of 30% amount is demanded by the State Govt.</p> <p>Sharing of 50 % LA cost by Govt. of Karnataka (GoK) for all standalone Ring Roads / Bypasses. (STRR, Mangalore, Kumta, Tumkur bypass / Ring road). Consent to bear LA cost of Rs. 140 Cr (50%) &amp; Rs. 200 Cr (25%) as GoK share for Belagavi &amp; Tumkur Bypass has been received from Govt. of Karnataka. NHAI has agreed to the proposal of State Govt. subject to condition that 50% of actual cost of Rehabilitation and Resettlement (R&amp;R) and land acquisition is borne by the State Govt. for Belagavi &amp; Tumkur Bypass.</p>
<b>Kerala</b>	<p>Sharing of 25 % LA cost for widening of NH-66, 85, 966, SH-1 and all Port Connectivity Projects. Further 50% LA Cost will be shared for Thiruvanthapuram Outer Ring Road.</p>
<b>Tamil Nadu</b>	<p>4 lane Elevated Highways from Chennai Port to Madhuravoyal. Cost of Rs. 470 crore is estimated towards land acquisition and R&amp;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 acquisition and R&amp;R shall be borne by Government of Tamil Nadu.</p>

<b>Punjab</b>	<b>50% of cost of land acquisition for ladowal bypass, Ludhiana.</b>
<b>Madhya Pradesh</b>	<b>State Govt. provided 292 Ha Land for Chambal expressway-309Km. Relaxation on Royalty of Murrum &amp; Soil for construction of Highway. Supervision Charges needs to be paid as per actual work done for Utility Shifting works of NHAI Projects in the State of Madhya Pradesh. Centages is to be done 7.5% instead of 11.5%</b>
<b>Himachal Pradesh</b>	<b>State Govt to bear the additional land acquisition cost (Rs 15.19 Cr) for Himachal section of Pinjore Baddi Nalagarh project.</b>
<b>Uttar Pradesh</b>	<b>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.</b>
<b>DDA, Delhi</b>	<b>Funding of UER-II (NH-344M, NH-344P &amp; NH-344N) to the tune of Rs. 3600 cr. Accordingly, financial agreement has been signed by NHAI and DDA.</b>
<b>Bihar</b>	<b>100% cost of land acquisition for the construction of Patna ring Road Phase-I (approx. length 60 KM).</b>
<b>Telangana</b>	<b>State Govt. to bear 50% of the Land acquisition &amp; Pre-construction cost for the Proposed Regional Ring Road around Hyderabad city.</b>
<b>Odisha</b>	<b>50% of cost of land acquisition for Bhubaneswar Cuttack bypass</b>

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