

GOVERNMENT OF INDIA  
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2586**  
ANSWERED ON 27<sup>TH</sup> DECEMBER, 2018

**ADMINISTRATIVE CHARGES FOR LAND ACQUISITION**

2586. SHRI ASADUDDIN OWAISI:

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

be pleased to state:

- (a) whether at present the States are charging between 6 to 20.5% of the compensation amount for land acquisition as administrative charges from NHAI and Highway Ministry;
- (b) if so, the details thereof;
- (c) whether States are making profits by levying such high charges;
- (d) whether an inter-Ministerial panel has recommended not to levy more than 2.5 to 1% of compensation and other charges by States;
- (e) whether States have agreed to this proposal of the Government; and
- (f) if so, the such annual charges being paid by NHAI to States and further steps taken/ being taken in this regard?

**ANSWER**

THE MINISTER OF STATE IN THE  
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(SHRI MANSUKH L. MANDAVIYA)

- (a) to (b) At present 13 states levy administrative charges for acquisition of land for the National Highways. These charges vary from about 10% to 20.5% of the compensation amount. The details of administrative charges being levied by the States are annexed.
- (c) Ministry of Road Transport and Highways does not have any such details.
- (d) The issue of administrative charges for acquisition of land for the National Highways was deliberated in-depth in the Ministry and the States were asked to rationalise the same and choose from the following three options:
  - (i) Raise a bill for the actual expenditure incurred by the State Government on land acquisition for the National Highways; or
  - (ii) Consider prescribing a fixed amount per hectare acquisition cost (as in the case of Haryana, it is Rs. 1.00 lakh per acre or Rs. 2.5 lakh per hectare); or
  - (iii) Cap the administrative charges at a uniform rate of 2.5% of the compensation amount, while allowing for adjustment of the additional expenditure incurred by the Project Implementing Agencies of this Ministry, on engagement of the Special Land Acquisition Support Units to assist the CALA.
- (e) and (f) Most of the States have agreed to rationalise the administrative charges. As per the decision taken by the Ministry, wherever a State has not rationalized the administrative charges, the Ministry and/or its executive agencies have been paying this amount with a cap of 2.5% of the compensation amount. No annual charges are being paid by NHAI to States but only administrative charges as mentioned above are paid on case to case basis, for acquisition of land for National Highway projects.

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (b) OF LOK SABHA UNSTARRED QUESTION NO. 2586 ANSWERED ON 27.12.2018 ASKED BY SHRI ASADUDDIN OWAISI REGARDING ADMINISTRATIVE CHARGES FOR LAND ACQUISITION**

<b>Details of Administrative Costs/ Charges levied by states on acquisition of land for the National Highways.</b>		
<b>Sr. No.</b>	<b>State</b>	<b>Administrative Charges (AC)</b>
1.	Andhra Pradesh	Nil
2.	Arunachal Pradesh	Nil
3.	Assam	10% of the Compensation Amount
4.	Bihar	2.5% of the Compensation Amount
5.	Chhattisgarh	2.5% of the Compensation Amount
6.	Goa	NIL
7.	Gujarat	NIL
8.	Haryana	Rs. 1.00 lakh per acre as per clause 19(ii) of Government of Haryana Government Notification dated 09.11.2010
9.	Himachal Pradesh	2.5% of the total award value
10.	Jammu & Kashmir	Nil
11.	Jharkhand	2.5% of the Compensation Amount
12.	Karnataka	Nil
13.	Kerala	2.5% of the Compensation Amount
14.	Madhya Pradesh	2.5% of the Compensation Amount
15.	Maharashtra	2.5% of the Compensation Amount
16.	Manipur	Nil
17.	Meghalaya	Nil
18.	Mizoram	Nil
19.	Nagaland	Nil
20.	Odisha	20% of the estimated compensation amount
21.	Punjab	Nil
22.	Rajasthan	Nil
23.	Sikkim	Nil
24.	Tamil Nadu	Nil
25.	Telangana	Nil
26.	Tripura	Nil
27.	Uttarakhand	2.5% of the Compensation Amount. However, if the actual expenditure incurred by the State Government on land acquisition for the National Highways is more, then Administrative charges shall be the actual expenditure incurred by the State Government or 5% of the compensation amount, whichever is lower.

**Details of Administrative Costs/ Charges levied by states on acquisition of land for the National Highways.**

<b>Sr. No.</b>	<b>State</b>	<b>Administrative Charges (AC)</b>
28.	Uttar Pradesh	(a) For expenditure incurred towards establishment of acquisition units. (Includes pay, allowances, leave, pay, pension, gratuity and all other relevant expenses) – administrative cost @ 2.50% of compensation cost. (b) For expenditure incurred towards preparation of records, preliminary spot inspections and other works in the preliminary stages of acquisition, expenses on the process where consent of affected family has to be obtained or not to be obtained, as the case may be. – Administrative cost shall be the real expenditure on land acquisition establishment unit.
29.	West Bengal	2.5% of the Compensation Amount

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