

No. IDA/W-20 (21)/63

Dated the 17th July, 1965

To

All State Governments  
(Departments dealing with roads)

Subject : Acquisition of land required for National Highways and other roads financed from the Central funds

I am directed to say that the question regarding various items to be included in land acquisition estimates relating to the National Highways and other roads financed partly or fully from the funds provided by this Ministry has been under consideration by the Government of India and it has been decided that such estimates should provide for the following items :

- (i) Likely expenditure on actual demarcation, measurements and other field work including preparation of working drawings.
  - (ii) Estimated amount of compensation for land and property thereon which is payable to the owners of land and property. The prevailing rates for compensation payable to land/property owners are broadly ascertained initially by the Executive Engineers from the Collectors of the Districts.
  - (iii) Reasonable provision for work-charged establishments and contingencies which may be 2% and 3% of the amount of (i) & (ii) above. The provision for work-charged establishment is intended to cover the expenditure involved on the engagement of supervisory staff for demarcation, measurements and other field work including preparation of working drawings. The provision for contingencies is intended for meeting possible variations in the acquisition awards given by the Revenue authorities and the estimated amount of compensation and for departures in respect of the measurement work.
  - (iv) 7½% agency charges on (i), (ii) and (iii) above — This is intended to include the departmental charges paid in the District Revenue offices and other secretariat work.
2. I am to add that estimates for compensation referred to at item (ii) above are specifically meant to cover actual compensation and should not include any provision for the Revenue and other regular establishment employed on land acquisition.
  3. I am to request that in future all land acquisition estimates relating to National Highways and other roads financed partly or fully from the funds provided by this Ministry should be prepared on the above lines. Such estimates should also be accompanied by certificate to the effect that no provision is included in item (ii) above for meeting expenditure on establishment of the Revenue and other Departments of the State Government.