

No. NHII-39 (99)/72

Dated the 21st Jan., 1976

Subject : Procedure to deal with the claims of the State Govts. for payment to them of the cost of State lands to be taken over for the improvements of existing N.Hs/conversion of existing State Highways into N.Hs.

The question of dealing with the claims of the State Govts. for payment to them of the cost of the State lands taken over/to be taken over for the improvement of an existing N.H. or the conversion of an existing State Highway into a National Highway has been under consideration in this Ministry for the past several years. It has been decided to deal with such claims in the manner as indicated in the extracts of the notes of the Secretary (Transport) and the Secretary (Finance E), reproduced below.

To

All Technical Officers of the level of the S. Es and above/US (B), US (NH)B/US (NH) A. Regional Officers/Engineer Liaison Officers of all States and NHIII

#### EXTRACTS OF THE NOTES OF SECRETARY (TRANSPORT)

For the future we may lay down that before we sanction the improvement of an existing N.H. or the conversion of an existing State Highway into a N.H., the State Govt. concerned should give an undertaking that any Govt. lands required for the purpose of the proper maintenance and improvement of the N.H. concerned should be transferred to the Central Govt. free of cost. As regards private lands acquired for this purpose we are even now bearing the necessary charges and this should presently continue. Once the undertaking of the kind referred to above is given by the State Govts prior to the sanctioning of a work, we will have effectively put an end to controversies of this kind. The States are vitally interested in improving or adding to the NHs and it should be easy for them to accept the kind of undertaking. One exception may, however, arise; when according to the State Govt's own practice in regard to State Highways some lands particularly belonging to the commercial Deptts. like Forests are acquired debits are raised against the Highway project towards the value of the land, we will have to agree to follow similar practice. In regard to Forest lands, it is well-known that the trees and other growth over the ground are separately valued and the amounts realised through their disposal are

limited to the minimum area absolutely necessary. I am enclosing herewith a copy of a letter dated the 5th March, 1982 to Chief Secretaries of all State Governments, suggesting that utmost restraint should be exercised in acquiring land. Since quite some acquisition takes place at the instance of Central Ministries, similar restraint should also be exercised by them and by organizations and public sector units under their control.

The Prime Minister has further desired that, in such cases, efforts should also be made to find employment for persons displaced from land as a result of acquisition. A review Committee, which had been appointed by Government of India in 1967, to examine, among other things, the question of Government's responsibility to rehabilitate the persons displaced as a result of acquisition, suggested that Government should accept social and moral responsibility for rehabilitation of such persons. The Committee had suggested that such persons should be given preferential treatment in the matter of employment opportunities in the project for which the land was acquired. It further suggested that other measures of rehabilitation including imparting of new skills to persons affected by the project should be taken up. The recommendations of the Committee were brought to the notice of all Ministries and Departments of the Union Government in November, 1972.

I will be grateful if this suggestion is kept in view in cases where large scale acquisition of land takes place at the instance of Central Ministries or of organisations and public sector units under their control.

LETTER NO. 22011/29/2/82-LRD, DATED 5.3.82 FROM THE MINISTRY OF RURAL DEVELOPMENT NEW DELHI  
ADDRESSED TO THE CHIEF SECRETARIES OF ALL UNION TERRITORY ADMINISTRATIONS AND OTHERS.

Subject :— Need to limit acquisition of land to the minimum necessary area

I am directed to say that the Prime Minister has recently expressed concern over reports of acquisition of land in excess of requirement and observed that acquisition should be limited to the area absolutely necessary.

2. While it is inevitable that the State's need for land will increase with enlargement in its development functions, it is necessary that utmost restraint is exercised in acquisition. As a matter of fact, the growing need of the State for land should inspire an attitude of acquiring only so much land as is absolutely necessary for the project. There can be no doubt that acquisition causes hardship to landowners, especially those with small holdings, and the hardship is not always mitigated by payment of compensation to the owner. That apart, the land acquired in excess of requirement represents an avoidable waste of the State's scarce resources. As is well known, the availability of land particularly of good agricultural land, is limited. The net sown area has, subject to marginal fluctuations, remained fixed at about 140 million hectares throughout the last decade. In the meantime, increases in both the overall population and the rural population have been significant, leading to much larger demand for agricultural products and for land-based employment. It will obviously be in the public interest to conserve as much land as possible for agricultural production and not to permit its diversion to a non-agricultural purpose except when such diversion subserves an important public purpose. Even then, the diversion should be limited to the minimum.
  3. It is suggested that the State Government may consider issuing suitable instructions along these lines to all concerned, enjoining upon them the need for very careful examination both of the proposal for acquisition and the area proposed for acquisition.
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