

# THE HINDU Business Line

## Making efforts to reduce time lag in approval process: FM

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Seeking to assuage concerns over inordinate delays in giving approval to mega projects, Finance Minister Mr Pranab Mukherjee on Sunday said the government is making efforts to reduce the time lag in clearing the proposals.

"We are trying to reduce the time lag so that the projects could be cleared as expeditiously as possible," Mr Mukherjee said, when asked about the steps being taken by the government to prevent delays in giving clearance to real estate projects.

At the post-Budget customary interaction with industry leaders, he said the government is aware of the developer community's concern of unusual long time taken in clearing the projects at different levels.

The government has formed a committee of group of ministers regarding clearances, especially the environmental approvals, to address this issue, Mr Mukherjee said.

"Through the instrumentality of group of ministers, currently we are addressing mega power projects, its coal linkage and environmental clearances - all three taken together," he said.

Raheja Developers Chairman and Managing Director Mr Navin M Raheja said that over 50 clearances are required to obtain to start construction of a project and it usually takes about two years to receive all the approvals.

Talking about the Land Acquisition, Rehabilitation and Resettlement Bill, 2011, Mr Mukherjee said it has already been tabled in the Parliament and went to the Standing Committee for its recommendations.

"The Land Act is under the consideration of the Parliament. As soon as the relevant standing committee makes its recommendations available, we will definitely enact," he added.

Confederation of Real Estate Developers Associations of India had earlier opposed the Bill, which was tabled last year, saying that land acquired by private companies should not be covered under it as this would lead to a sharp rise in land cost and affordable housing would become impossible.

According to the Bill, rehabilitation and resettlement provisions will apply only when private firms buy land for a project of more than 100 acres in rural areas or more than 50 acres in urban areas. The compensation to land owners will be four times higher than market rate in rural areas, along with other benefits.

During the discussion, Mr Raheja reiterated the long-standing demand of the real estate developers to grant industry status to the sector, especially the housing segment "for the economically weaker section and low income group".