

# Relocation and Rehabilitation Policy- A Case of Aihole

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**Abstract**—Relocation and rehabilitation is carried out due to natural calamities or for development purposes. It is not a recent phenomenon, it is happening since 3<sup>rd</sup> century, and it took momentum under British rule under land acquisition act 1894 and was intensified under independence due to industrial policy 1947 and the first five year plan 1951. Earlier in India the people who relocated were less and hence could resettle in any desired place without much problem hence there was no need for any policy, but in present time the effect after relocation got intensified as there is increase in population and due to scarce land. The growing consciousness about the adverse consequences of the development project and its resulting displacement has led to the formulation of policies for resettlement of the displaced people.

The first such initiative was taken by the World Bank which gave its policy on resettlement to be accepted by all loan seeking project authorities. Then Asian development bank also formulated its policy on involuntary resettlement in 1995. Then later in 2007 the government of India came up with Nation Relocation and Rehabilitation Policy 2007. In all these policies land acquisition and relocation and rehabilitation were treated as two different components but when it was realized that both of them are related this led to formulation of Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

This paper compares the eminent national policies of India and identifies the problems and potentials. It also demonstrates the same with a live case study and points out the lacunas in it.

## 1. INTRODUCTION

Displacement or the involuntary and forced relocation of people has come to be acknowledged as among the most significant negative impacts of large mining, hydal power projects and water resources development projects such as dams. Alone in India it was estimated that some 21 million to 42 million people have been displaced by dams and reservoirs (India country study 2000)/

The factor causing displacement are numerous, sometimes its demographic pressure on land, economic compulsions, natural disasters or governmental – planned development projects like irrigation, mining, hydro-power, industry, thermal power plants etc. The factor can be one or more together to cause a

displacement of affected population. A very less number of displaced persons get proper resettlement while other has to seek for place to live under constant insecurity, vulnerability and exploitation of all kinds.

The Relocation was caused to suite British economy under the name of development, from first coal mines in 1820's in Raniganj, to coffee plantations in Karnataka, tea plantations in Assam, the construction of Grand Trunk Road in 1830's and the Railways in 1840's and other projects, this was done under Land Acquisition Act 1894. This relocation was intensified after independence due to industrial policy enunciated in 1947 and the first five year plan launched in 1951 where the government used the same colonial legislation to displace people in the name of national development. In India around 50 million people have been relocated due to development projects in over 50 years.

People Displaced Due to Development Projects		
Sl No	Type of Development Induced Displacement	No of People Displaced
1	Dams	16.4 million
2	mines	2.55 million
3	Industrial Development	1.25 million
4	Wild Life Sanctuaries & National Parks	0.6 million

Fig. 1: People Displaced Due to Development Projects

And this resulted in land less labours, and other service groups mostly from low castes that are displaced or otherwise deprived of access to the resources that are their livelihood, felt the negative impacts more than others did. Thus the post-independence scenario was enormous increase in number of DP's and PAP's out of which only few have been rehabilitated.

## 2. OBJECTIVE

The main objective of the paper is to compares the eminent national policies of India and identifies the problems and

potentials. It also demonstrates the same with a live case study and points out the lacunas in it.

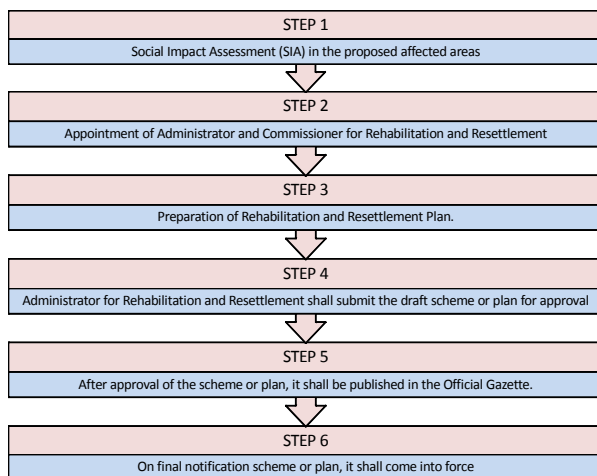
## Policies in India

The growing consciousness about the adverse consequences of the development project and its resulting displacement had led to the formulation of policies for resettlement of the displaced people. The first such initiative was taken by the World Bank which gave its policies on resettlement to be accepted by all loan seeking project authorities. The Asian development bank also formulated its policies on involuntary resettlement in 1995. Then later in 2007 the government of India came up with Nation Relocation and Rehabilitation Policy 2007. This is how the relocation and rehabilitation policy was developed in India.

### 3. NATIONAL REHABILITATION AND RELOCATION POLICY 2007

Since 1947 India has deprived an estimated 60 million persons of their sustenance in the name of national development but its first rehabilitation policy was finalised only in 2003 (NPRR 2003) and promulgated in February 2004. It was criticised for its lack of sensitivity to persons displaced (DP) for development and others deprived of sustenance without physical relocation (PAP or project affected persons). Because of such criticism, the National Advisory Council (NAC) of the Government that came to power in May 2004 appointed a committee to revise it. The Ministry of Rural Development (MRD) prepared another draft (NRP 2006). The former dealt with the issues that made NPRR 2003 unacceptable. But the latter that did not deal with them was promulgated on 31<sup>st</sup> October 2007.

#### Process of Rehabilitation and Relocation



**Fig. 2: Process of Rehabilitation and Relocation National Rehabilitation and Relocation Policy 2007**

### 4. COMPENSATION FOR REHABILITATION AND RESETTLEMENT AS PER THE SECOND SCHEDULE OF LARR ACT, 2013

#### Provision of housing units in case of displacement

If a house is lost in rural area, constructed house shall be provided as per IAY specification. If in rural area if any family opts not to take house than the equivalent cost of the house may be offered in lieu of the constructed house. If a house is lost in urban area, a constructed house shall be provided not less than 500 sqmt in plinth area. (If necessary, be provided in multi storied building complexes.) If any family opts not to take the house offered, shall get one time financial assistance for house construction, but not less than 1 lakh rupees. No family shall be given more than one house.

#### Land for land

In case of irrigation project, a minimum of 1 acre of land in command area of the project for which land has been acquired will be allotted in the name of each person to the landless or marginal farmers.

#### Offer for developed land

In case land is acquired for urbanization process, 20% of developed land will be reserved and offered to land owning project affected families, in proportion to the area of the land acquired and at the price equal to the cost of acquisition and the cost of development. If the land owning project affected family wishes to avail to of this offer an equivalent amount will be deducted from land acquisition compensation package payable to it.

#### Choice of annuity or employment

Where jobs are created through the project, make provision for employment at rate not lower than minimum wages to at least 1 member per affected family in a job project. Per affected will get one-time payment of Rs5 lakh. Annuity policies shall be registered that shall pay not less than Rs10, 000 per month per family for 20yrs for agricultural laborers.

#### Subsistence grant for displaced families for a period of one year

Each affected family which is displaced shall be given a monthly subsistence allowance of Rs3, 000 for 1 year from date of award. In addition for SC and ST displaced from Schedule Areas shall receive an amount equivalent to Rs50, 000.

#### Transportation cost for displaced families

Each family displaced shall get one time financial assistance of Rs50,000 minimum for shifting of the family, building materials, belonging and cattle.

**Cattle shed/petty shops cost**

Each affected family having cattle shed or a petty shop shall get one time financial assistance of Rs25, 000 minimum for construction of cattle shed or petty shop.

**One time grant to artisan small traders and certain others**

Affected family of artisan small trader or self-employed person or an effected family which owned nonagricultural land or commercial or industrial or institutional structure in the affected area shall get a minimum of Rs 25,000.

**Fishing rites**

In case of fishing or hydel project, the affected families may be allowed fishing rights in the reservoirs as prescribed by appropriate govt.

**One time resettlement allowance**

Each family will be given one time "Resettlement Allowance" of Rs 50,000.

**Stamp duty and registration fee**

The stamp duty and other fees payable for registration of the land or house allotted shall be borne by the requiring body. The land or house allotted shall be free from all encumbrances. The land or house allotted may be in the joint names of wife and husband of the affected families.

**5. STATE POLICY OF KARNATAKA REHABILITATION AND RELOCATION POLICY KARNATAKA**

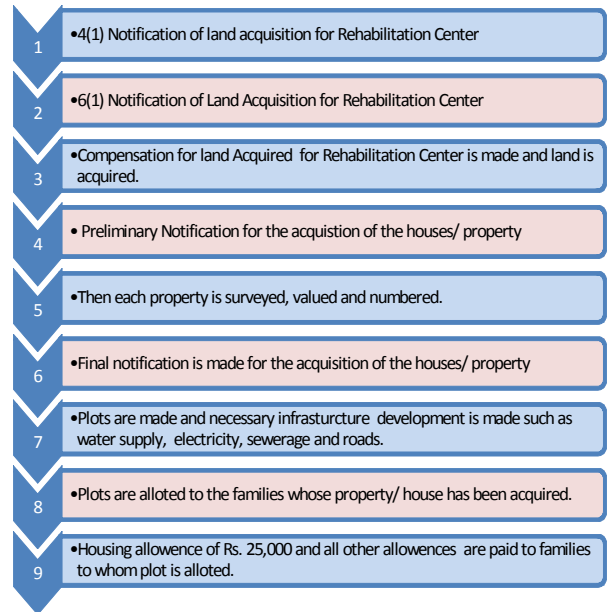
**Birth of relocation and resettlement policy in Karnataka**

For the first time in India the relocation and resettlement policy was framed by Karnataka and was enacted on 12/04/1989 during Upper Krishna Irrigation Project, Phase II. The UKP is an irrigation project across the Krishna River to provide irrigation to 1536,000 acres of land (6,220 km<sup>2</sup>) drought-prone areas of 5 Districts of state of Karnataka namely, Bijapur District, Bagalkot District, Raichur District, Gulbarga District, Yadgir District

The foundation stone UKP was laid on 22 May 1964 by former Indian Prime Minister Lal Bahadur Shastri. The entire project is divided into 3 stages, stage 1 is already complete, stage 2 is in progress and stage 3 is yet to start. 201 villages were affected by the project and 136 villages were completely submerged in the backwaters of the reservoirs constructed as a part of the project. In the process the government had to acquire 201 villages and of land, for which it took assistance form World Bank, which made mandatory to relocate and rehabilitate all project displaced families. Hence relocation

and rehabilitation policy of Karnataka was framed by Dr. S. M. Jamdar

**Process of Relocation and Rehabilitation in UKP**



**Fig. 3: Process of Relocation and Rehabilitation in UKP**

**6. COMPARISON OF 3 POLICES**

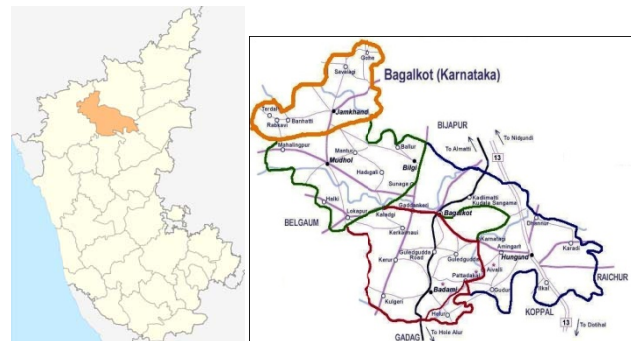
Sl No	Aspect	Rehabilitation And Relocation Policy Karnataka, 1989	National Relocation And Rehabilitation Policy 2007	Right To Fair Compensation And Transparency In Land Acquisition, Rehabilitation And Resettlement Act, 2013
1	Selection of site for relocation	Type of land to be selected for the relocation of village is not specified	Barren or non-irrigated land to be selected for the relocation of village	Type of land to be selected for the relocation of village is not specified
2	Provision of Housing	If a house is lost then housing plots are given to the PDF+2 major sons dependent according to the agricultural land lost for the project for which land is acquired	If a house is lost then housing plot to the extent of the actual loss but not more than 250 sqmt.	If a house is lost then a constructed house as IAY specifications

3	Land	No land was to any person whose land was lost or acquired	Anybody who loses land either 1HA of irrigated land and 2HA of non-irrigated land is given	Minimum 1HA of land is given
4	Choice of annuity or employment	No employment was offered	No employment was offered	Employment to minimum 1 per family was made in job oriented projects. Or onetime cash payment of RS 5 lakh per family
5	Subsistence for displaced families for the period of one year	No financial assistance was given	No financial assistance was given	Financial assistance of Rs. 3,000 per month for 1 year from the date of award
6	Transportation cost for displaced families	Financial assistance of Rs 2,500 per family was provided	Financial assistance of Rs 10,000 to each family was provided	Financial assistance of Rs 50,000 to each family was provided
7	Cattle and petty shop grants	No financial assistance was given	Financial assistance of Rs 15,000 for construction of cattle shed Financial assistance of Rs 25,000 for construction of working shed or shop	Every affected family having cattle shed or shop shall get one time financial Assistance of Rs 25,000 to construct cattle shed or shop
8	One time grant to artisan, small traders, and others	One time financial assistance of Rs 22,000 to every landless PDF and training through Self Employment Generating Scheme	Financial assistance of Rs 25,000 for construction of working shed or shop	Every affected family of artisan or small trader owning non-agricultural, commercial, industrial or institutional land shall get one time financial Assistance of Rs 25,000
9	One time resettlement allowance	Financial assistance of Rs 25,000 was given	No financial assistance was given	Financial assistance of Rs 50,000 was given

10	Stamp duty and registration fee	Registration and stamp duty fee for the Land allotted to PDF shall be borne by the requiring body	Registration and stamp duty fee for the Land or house allotted to PDF shall be borne by the requiring body; it shall be free from all encumbrances	Registration and stamp duty fee for the Land or house allotted to PDF shall be borne by the requiring body; it shall be free from all encumbrances
		The land allotted was on the name of head of the family of the affected family	The land or house allotted may be in the joint names of wife and husband of the affected families.	The land or house allotted may be in the joint names of wife and husband of the affected families.

**7. AIHOLE – A CASE STUDY**

Aihole is located in the state of Karnataka in Bagalkot District. The climate here is hot and dry with summer temperature ranging from 30°C to 40°C and winter temperature ranging from 10°C to 22°C, and since Aihole is tourist place the best time to visit Aihole is October to May.





**8. REASON FOR RELOCATION OF AIHOLE**

According to section 20(A) of the Ancient Monuments & Archaeological Sites & Remains Act 1958 (Amendment & Validation Act 2010), every protected monument has a prohibited area (no construction zone) 100 mt on all sides and a regulated area (construction can be done but only with consent of) 200 mt on all sides of the monument. Hence, in March 2003 there was proposal of removal of 114 properties around seven temple complexes, which was approved by state government in 2006. But on 22/11/2006 the villagers themselves requested the authorities to relocate entire village instead of relocation only 114 houses in Gram Sabha.

**Table 1: List of properties to be relocated in village Aihole in 2005**

Sl. No	Location	No. Of Properties	Area Sq.M	Amount To Be Approved
1	Gourigudi Area	13	772	Rs. 4,74,31,600
2	Yoginarayana Temple Complex	9	295	
3	Chakragudi Area	14	777	
4	Charantimath Area	17	1439	
5	Huchhappayya Math Temple	3	150	
6	Konthi Gudi Temple	34	3153	
7	Trayambakeswara Temple	24	1438	
<b>Grand Total</b>		<b>114</b>	<b>8024</b>	<b>2 Acres</b>

relocation process will be carried out by Rehabilitation & Resettlement under Upper Krishna Project Office, Bagalkot. Hence the relocation will done in par with relocation done for the irrigation project in Bagalkot dist.



**Fig. 5: Satellite image showing the location of proposed site for village relocation and the old village**

**People’s perception on relocation**

People are not happy with the relocation they say that they do not have any other option other than relocating. They say because of ASI norms they are neither allowed to repair their houses which require regular maintenance nor to add additional rooms to the houses due to increasing family, hence the housing condition is so bad that they might collapse any time. And if the village is once relocated they can build better and strong houses. Due to same norm all the infrastructure development in the village has been stopped. They always wanted to construct toilets in their houses but as there are proposals for relocation people say that construction of toilets is mere waste of their money, as eventually they will to build a new one in the new village. The level of social infrastructure is very bad since the government is not ready to invest as it will be relocated eventually.



**Fig. 4: Satellite map showing location of temples in the village**

**9. LOCATION OF REHABILITATION CENTRE**

It is located to the north east side of existing village at a distance of 1km. 942 families are to be relocated to this site, and the approximate land required for relocation will be 145 acres. It is primarily a flat agricultural land with black soil and cotton, soya bean and tobacco are grown the most. The

**10. COST BENEFIT ANALYSIS FOR THE PROJECT AS PER ALL THE 3 POLICES OF RELOCATION AND REHABILITATION POLICY**

**As per land acquisition and relocation and rehabilitation policy Karnataka**

The total expenditure of relocating a village as per Land acquisition act 1857 was 4729.10 lakhs + grants for artisans + compensation for the acquired houses in the villages for the house owners. As time gap between earlier 4(1) notification

and 6(1) notification has lapsed and now if the has to be acquired, the procedure will start from 11(1) notification of Right to fair Compensation and Transparency in Land Acquisition Rehabilitation And Resettlement Act, 2013

**Table 2: Cost benefit analysis for village relocation as per land acquisition and relocation and rehabilitation policy Karnataka**

SL NO	PARTICULARS	COST AND AREA ANALYSIS			
1	Total no of families	942			
2	<b>Land requirement for settlement of new village</b>				
	Approx. land allotted to every family	600	sqmt	main displaced family(400 sqmt) + 2 major sons above 18 yrs(100 sqmt each) + dependents (100 sqmt)	
	Total land required for residential use	565200	sqmt		
		56.52140	Ha acre		
	Total land required for infrastructure and other amenities	5	acre		
	Total land required	145	acre		
3	<b>Value of total land to be acquired</b>				
	Land value per acre		2,23,000	Rs/acre	
			322600	Rs/acre	
			323	lakh Rs	
4	<b>Housing grant</b>				
	Housing grant allotted to per family minimum (main displaced family + 2 major sons above 18 yrs + dependents)	32826	ppl ppl	25,000 706,50,000	Rs Rs
	Total money for housing grant			706.50	lakh Rs
	Money given after as compensation for acquisition of old houses			X	lakh Rs
	Grants given for the landless people through self-employment generating scheme			X	lakh Rs
5	<b>Transportation cost</b>				
	Transportation cost per affected main family from old village to new village	942	Families	500	Rs
				4,71,000	Rs
	Total transportation cost			5	lakh Rs
6	<b>Cost for infrastructure in new village</b>				
	Approximate construction cost for infrastructure facilities such as roads, water supply, electricity			874	lakh Rs
7	<b>Demolition of old village</b>				
	Demolition of all 942 houses + other buildings in old village			2,826	lakh Rs

<b>TOTAL</b>	<b>145</b>		<b>4,729.10</b>	<b>lakh Rs</b>
<b>Total amount + other grants for artisans + compensation for the acquired houses in the villages for the house owners</b>				

## 11. AS PER NATIONAL RELOCATION AND REHABILITATION POLICY, 2007

If the relocation and rehabilitation had to be done as per National Relocation and Rehabilitation Policy 2007 then the approximate cost incurred for relocation of village would be 874 lakhs + other grants for artisans + compensation for the acquired houses in the villages for the house owner. But as we all know from 1 January 2014 it was notified that if relocation and rehabilitation is carried out due to land acquisition then compensation must be as per LARR 2013.

**Table 3: Cost benefit analysis for village relocation as per National Relocation and Rehabilitation Policy, 2007**

SL NO	PARTICULARS	COST AND AREA ANALYSIS			
1	Total no of families	942			
2	<b>Land requirement for settlement of new village</b>				
	Approx. residential land allotted to every family	250	sqmt		
	Total land required for residential use	235500	sqmt		
		23.5558	Ha acre		
	Total land required for infrastructure and other amenities	5	acre		
	Total land required	63	acre		
3	<b>Value of total land to be acquired</b>				
	Land value per acre			3,15,000	Rs/acre
				199,05,867	Rs/acre
				199	lakh Rs
	One time financial assistance for agricultural production per family			10000	Rs/Ha
				9420000	Rs
4	<b>Transportation cost</b>				
	Transportation cost per affected main family from old village to new village	942	Families	10,000	Rs
				94,20,000	Rs
	Total transportation cost			94	lakh Rs
5	<b>Grant and Compensation</b>				
	Money given after as compensation for acquisition of old houses	942	Families	X	lakh Rs
	Grants given to construct cattle shed	X	Families	X	Rs/Family
				X	lakh Rs
	Grants given to construct cattle shed	X	Families	X	Rs/Family
				X	lakh Rs

	Total		X	lakh Rs
7	<b>Cost for infrastructure in new village</b>			
	Approximate construction cost for infrastructure facilities such as roads, water supply, electricity	874		lakh Rs
<b>TOTAL</b>	<b>63 acre</b>	<b>94,20,968.20</b>		<b>lakh Rs</b>
<b>Total amount + other grants for artisans + compensation for the acquired houses in the villages for the house owners</b>				

## 12. AS PER RIGHT TO FAIR COMPENSATION & TRANSPARENCY IN LAND ACQUISITION, REHABILITATION AND RESETTLEMENT ACT, 2013

Since from 1 January 2014 it was notified that if relocation and rehabilitation is carried out due to land acquisition then compensation must be as per LARR 2013. The total expenditure incurred as per LARR will be was 6521.28 lakhs + grants for artisans + compensation for the acquired houses in the villages for the house owners.

**Table 4: Cost benefit analysis for village relocation as per Right to Fair Compensation & Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013**

SL NO	PARTICULARS	COST AND AREA ANALYSIS			
1	Total no of families	942			
2	<b>Land requirement for settlement of new village</b>				
	Approx. land allotted to every family	600	sqmt	As per IAY specifications considering that the plots will be given as per the earlier policy	
	Total land required for residential use	56520	sqmt		
		0			
		56.52	Ha		
		140	acre		
	Total land required for infrastructure and other amenities	5	acre		
	Total land required	145	acre		
3	<b>Value of total land to be acquired</b>				
	Land value per acre			3,15,000	Rs/acre
				1822,76,320	Rs/acre
				1,823	lakh Rs
4	<b>Housing grant under IAY</b>				
	IAY Grant per main displaced family for construction of houses	70,000		Rs/house	
		659,40,000		Rs	
	Total money spent as housing grant under IAY	659		lakh Rs	
	Money given after as compensation for acquisition of old houses	X		lakh Rs	

	Grants given for the people for construction of petty shops and cattle shed		X	lakh Rs	
5	<b>Transportation cost</b>				
	Transportation cost per affected main family from old village to new village	942	Families	50,000	Rs
	Total transportation cost			471,00,000	Rs
				471	lakh Rs
6	<b>Subsistence for displaced families</b>				
	Subsistence for displaced families for the period of one year			3000	rs/month
				36000	rs/year/family
				0	rs/year
				0	lakh Rs
7	<b>Cost for infrastructure in new village</b>				
	Approximate construction cost for infrastructure facilities such as roads, water supply, electricity			874	lakh Rs
8	<b>Demolition of old village</b>				
	Demolition of all 942 houses + other buildings in old village			2,826	lakh Rs
<b>TOTAL</b>		<b>145</b>	<b>acre</b>	<b>6,182.16</b>	<b>lakh Rs</b>
<b>Total amount + other grants for artisans + compensation for the acquired houses in the villages for the house owners</b>					

From all these comparison it is observed that the cost for relocation and rehabilitation would go upto 3 times higher than the earlier policy, because the land value is 4 times the market value, there was increase in housing grant and additional subsistence was given to every PDF for 12 months from the date of relocation.

## 13. CONCLUSION

All the policies have potential and serve their purpose, but they do have some lacuna. But it is heartening to see that the policies are being amended and revised as the land value is increasing in the market. Since land acquisition is a sensitive issue which affects people's life, it should be tackled well.

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