

Report of the Rehabilitation & Resettlement  
Committee for Project Affected People of  
New Town Project.



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**GOVERNMENT OF WEST BENGAL**

D. 1679/H1/HG/H1/NTP/1R-3/99(Pt.) DTD., Calcutta, the 1st December, 99

NOTIFICATION

The undersigned is directed by order of the Governor to say that the Governor has been pleased to constitute a Committee with the following members to examine all the related issues in connection with the matter of resettlement and rehabilitation of the persons affected/to be affected by the New Town Project and to recommend a package of benefits for those persons, in particular the persons who have lost their homesteads :-

- i) Shri D. Bandopadhyay, I.A.S. (Retd.)  
Former Secretary,  
Revenue and Rural Development,  
GOVERNMENT OF INDIA ..... Chairman
- ii) Shri Bir Narayan Dasgupta,  
Chairman,  
Land Procurement Committee,  
NEW TOWN PROJECT.

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*2/12*  
The Committee should give its recommendation to the Govt. within three months. Secretarial, logistic and other support will be provided by the West Bengal Housing Infrastructure Development Corporation Ltd. (WBHIDCO).

*Self*  
T. K. MAJUMDER  
JOINT SECRETARY

No. 1680(6)-H1 Dt. 1.12.99

Copy forwarded for information & necessary action, to:-

1. Shri D. Bandopadhyay, IAS (Retd.)  
58-C, Block 'D', New Alipore,  
Calcutta-700 053.
2. Shri Bir Narayan Dasgupta,  
Chairman, Land Procurement Committee,  
GD-84, Sector-III, Salt Lake,  
Calcutta-700 091.
3. The Managing Director,  
West Bengal Housing Infrastructure  
Development Corp. Ltd. (WBHIDCO).
4. The Chief Engineer, Housing Dte.
5. The Secretary,  
West Bengal Housing Board,  
105, S.W. Banerjee Road, Calcutta-14.
6. The L.A. Collector,  
North 24 Parganas, Barasat,  
North 24 Parganas.

*Keer*  
JOINT SECRETARY

**GOVERNMENT OF WEST BENGAL  
DEPARTMENT OF HOUSING  
N.T.P. BRANCH  
NEW SECTT. BLDGS. 1<sup>ST</sup> FLOOR, BLOCK-'A', CALCUTTA-700 001.**

No. 178H1/GH/NTP/1R-3/99(pt.)

Dated : Calcutta the 17<sup>th</sup> December 1999

**NOTIFICATION**

In partial modification of the Notification No.1679-H1/HG/H1/NTP/1R-3/99 (pt.) dt. 01.12.99 regarding constitution of a Committee on Resettlement & Rehabilitation of the persons affected/to be affected by the New Town Peojct, the undersigned is directed by the order of the Governor to say that the words "The persons who have lost their homesteads" appearing in the 7th line of the first paragraph of the said notification will be replaced by the words "The persons who have lost their dwelling houses".

K. K. PAL 17.12.99  
JOINT SECRETARY

No. 178 (6)-H1 Dt. 17.12.99

Copy forwarded for information & necessary action, to :-

1. Shri D. Bandopadhyay, IAS (Retd.)  
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Development Corporation Ltd. (WBHIDCO).
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5. The Secretary,  
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105, S. N. Banerjee Road, Calcutta-14.
6. The L. A. Collector,  
North 24 Parganas, Barasat.  
North 24 Parganas.

K. K. PAL 17.12.99  
JOINT SECRETARY

Report of the Committee set up by the Department of Housing, Government of West Bengal, to examine all the related issues regarding resettlement and rehabilitation of project affected people, particularly of persons who lost their dwelling houses in connection with the New Town Project.

1.1 Government of West Bengal in the Department of Housing constituted a Committee to examine all the related issues in connection with the matter of resettlement and rehabilitation of the persons affected by the New Town Project and to recommend a package of benefits for those persons, in particular the persons who have lost their homestead. The members of the Committee were :-

1. Shri D. Bandyopadhyay, IAS (Retd.)  
Former Secretary  
Revenue and Rural Development  
Government of India Chairman
2. Shri Bir Narayan Das Gupta  
Chairman  
Land Procurement Committee  
New Town Project Member

[Notification No.1679/HI/HG/HI/NTP/IR-3/99(pt.) dated Calcutta the 1<sup>st</sup> December, 1999 - Annexure-I]

The Committee was directed to submit its report to the Government within three months.

1.2 Subsequently by another Notification [vide No.1784/HG/HI/NTP/IR-3/99(Pt) Dated Calcutta the 17<sup>th</sup> December, 1999 - Annexure-II] it was clarified that the attention has to be focussed on the "persons who have lost their dwelling houses"

2.1 The Committee was informed that so far 1494.615 acres of land had been acquired under the Land Acquisition Act by the Collectors of South and North 24-Parganas. In addition 214.2 acres of land were voluntarily sold by the land owners to the project authorities. Unlike many similar projects in the country, a remarkable feature of this one has been the prompt payment of

compensation money by the Collectors and sale price for the direct purchase by the project authorities. Political commitment at the highest level was behind this singular achievement. So far, a sum of Rs.71.92 crores has been made over to the Collector for the payment of compensation. Another sum of Rs.12 crores was paid out to the land owners who voluntarily sold their land. A unique feature of this project has been almost a continuous dialogue between the Project Affected Persons (PAP) and the project authorities, including some times the Minister. Consent of the PAP was obtained through discussions and meetings. As a result the project has not so far been plagued with court cases and litigation from the PAPs which often impede the progress in such cases. The pro-people attitude taken by the project authorities and the Govt. should be emulated in other projects requiring large-scale acquisition of land and involuntary displacement of people.

- 3.1 Taking a very narrow legalistic view, one could argue that once the compensation amount as determined by the Collector was paid and accepted that should end the matter with regard to the PAP. This is called the property compensation approach. In India so far we have been following this approach. World over there has been a gradual change of this focus. "Collateral damages" as the military say when they hit civilians or "acceptable cost" are no longer tolerated in respect of "victims" of development. Involuntarily displaced persons are exposed to some severe impoverishment risks. These risks are : landlessness, joblessness, homelessness, marginalisation, increased morbidity and mortality, food insecurity, loss of access to Common Property Resources and social disarticulation, [Michael Cernea-1994.] It is not that all oustees of all projects face these risks with similar intensity. There would be wide variations depending upon the nature of the project, inherent staying power of the affected households and the like. By and large it is now accepted almost universally that the life and living conditions of the PAPs should not be any worse than what they were in pre-project era. Attempts should be made to prevent state induced impoverishment of people on account compulsory acquisition of land by the State.
- 3.2 It is also affirmed that their resettlement must be treated as a part of the project itself. No development project can be justified if a segment of the society is pauperised while another section-the winners gain all the benefits. Loss of a group cannot be

compensated by the gain of another. It has to be a win-win situation for all.

- 4.1 In the New Township case there are three broad categories of PAPs. In the first category would fall these who voluntarily sold their land directly to the project authorities at a mutually negotiated price. So far 214.2 acres of land have been purchased from landowners. It could be reasonably presumed that almost all of them have some land elsewhere and they have not voluntarily rendered themselves as landless through their own choice.
- 4.2 In the second category would come those whose agricultural lands were compulsorily acquired through the land acquisition process. Here we may have a mixed bag-some losing their substantial/entire holding and some, a part of their total holdings. Those who lost their lands substantially or wholly are certainly in a more difficult condition than the other group. Though they may be exposed to the risk of landlessness and consequently of joblessness (loss of avocation) they would not suffer from homelessness because their dwelling units have not been acquired. Incidentally agricultural yield of these lands was not high. Presumably landholders have other avocations also.
- 4.3 For both those groups, particularly, those who parted with or lost substantial land holdings, a programme has to be launched for imparting skills for which there would be an expanding demand for next two to three decades till the urbanisation process gets completed. There will be demands for thousands of mandays for masons, carpenters, electricians, plumbers, brick layers, welders, grillframers and the like for the 20 to 30 years, of course with seasonal amplitudes. Project authorities might consider opening a couple of skill development centres in collaboration with HUDCO, the State Department of Technical Education and similar organisations to train up displaced persons and/or their children in various such skills/trades. Lists of those who successfully complete their training in such skills may be maintained by respective Gram Panchayats and/or municipalities. Contractors and other implementing agencies may be advised to recruit their labour from such lists provided they are fully satisfied about the level of skill absorbed by these persons. There should be no compulsion of any kind on the contracting firms or any implementing agencies. Any such compulsion will be counter productive. Such coercion would scare away investment and would retard the progress of

urbanisation. In fact a degree of competition between the freshly trained local people with the skilled labour from outside would help the locals to upgrade their skills. The urbanisation process itself will now open various other opportunities of wage and self employment, particularly, in the service sector where such initial skill training would help the local oustees to be absorbed faster.

- 4.4 It is understood that project authorities have kept a quota of land to be sold in Phase-I for PAPs. This is good.
- 4.5 In the third group would come those who lost their dwelling units. Loss of a residential unit causes trauma in any circumstance. It is more so when the unit is compulsorily acquired. This committee has been directed to look into the R&R issues particularly for the "persons who have lost their dwelling houses".
- 4.6 All those who lost their dwelling units have been paid compensation both for the structure and for the land. With the money that they got and with the soaring real estate price, partly because of the New Town Project they would have to move 20-25 km. away from their present place of residence. It is presumed that most of them had their avocation near about their places of residence or at least their work sites were more easily accessible from where they stayed. Private relocation would put them in greater jeopardy than other oustees. Hence their cases have to be examined with greater empathy.
- 5.0 A rough scheme of direct R&R benefits to this group could be as follows :-
  - 5.1 In the first place the number of these beneficiaries should be frozen with effect from the date of notification U/s.4 of the LA Act. Any subsequent settler should not be accepted. Only additionality to be entertained would relate to the partition of a joint family on the death of the head of family subsequent to the date of notification U/s.4 of the LA Act. Collector's list of compensation payees for dwelling units would be the basic document which may be tallied with panchayat assessment roll, electoral roll and local enquiry. Representatives of PRIs have to be associated with any local inquiry in this regard.
  - 5.2 The direct benefit scheme will be entirely voluntary. The choice will be with the beneficiaries to accept or not to accept the scheme. Those who opt for the scheme will have to refund the compensation amount relating to both the structure and the land appertaining to it to HIDCO to be eligible to participate in it.

- 5.3 Direct benefit would include allotment of 1 katha (70sq.m. approx.) of developed land with necessary infrastructure as would be available in the new township. In addition through the mediation of HIDCO each family will be given house building loan from any housing finance institution to enable them to construct a 30-35 sq.m. dwelling unit.
- 5.4 HIDCO would provide basic layout plans with two-storey foundation.
- 5.5 The refunded compensation money should be kept in some separate account from which start up expenditure would be met to attract institutional fund.
- 5.6 HIDCO would contribute 50% of the land cost of Rs.80,000/- (per katha) on a flat rate to all beneficiaries with the right to give further concession if necessary to more indigent families.
- 5.7 Till the house building loan is fully repaid with interest by the beneficiary families, land would remain mortgaged to HIDCO. The mortgage might be transferred to the financing institution on mutual agreement among the beneficiary, HIDCO and the financing institution.
- 5.8 HIDCO can realise this additional cost by adding an incremental amount to the price of land to be sold to new settlers in the township. The scheme would be self financing in nature. The principle behind this arrangement is that the winners should pay for the losers.
- 6.1 The Committee met four times. In the third meeting held at the New Township office at Salt Lake. The Committee met with the representatives of the concerned local self government institutions (names are in Annexure-III). The tentative scheme mentioned earlier was explained to them which was followed by a lively and informed discussion.
- 6.2 While generally welcoming the initiative participants expressed varying views. One suggestion was that the beneficiaries should not be forced to accept any ready made-model/plan for the construction, though HIDCO should supply them with plans for construction of low cost dwelling units. Another member however preferred a standard-model to be selected by the beneficiary from amongst a few to be given by the HIDCO so that the colony might have some architectural and aesthetic symmetry. The point regarding immediate relocation came up. While the colony would take 6 months to a year to be ready for occupation, what would happen to families ? All expressed the view that the colony should have within or in the vicinity by all



the facilities of a township like parks, open spaces road sewerage, electricity and other necessary public infrastructure. Members were informed that total cost of a dwelling unit would be Rs.200,000 as below.

Cost of 1 katha have @ Rs.80,000 per. Katha = Rs.	
80,000/-	
Construction cost of LIG Housing	=
Rs.1,20,000/-	
	Total
Rs.2,00,000/-	=

- 6.3 At the end of the meeting it was decided that HIDCO would send an authenticated list of beneficiaries to the representatives of self governing institution for further security and that HIDCO would prepare several building plans which would be sent to Gram Panchayats to elicit the views of beneficiaries. The representatives of people agreed to elicit opinions of the beneficiaries and report back by the middle of February.
- 6.4 It is recognised that any R&R scheme to be successful should have the willing consent of the beneficiaries. They should also have some say regarding the layout plans and other facilities that they consider essential for good community life. Hence time was allowed to elected functionaries of self governing institutions of the area to have dialogue with beneficiaries and convey their final views on the R&R matter.
- 6.5 By the end of the third week of February 2000, elected representatives of of self governing units met the M.D. of, HIDCO and conveyed their views after consulting the beneficiaries, generally accepting the scheme. They chose the 4 - unit layout plan which minimises construction cost and provides more open space per family.
- 7.0 Having completed required consultations with the major stake holders the committee makes the following recommendations regarding resettlement and rehabilitation of project affected persons, particularly those who have lost their dwelling units.
- 7.1.1 In respect of PAPs (mentioned in para 4.1 and 4.2) who sold or lost substantial or some portion of their land holding, apart from price or compensation money already paid. HIDCO should provide facilities for imparting of useful skills which would have expanding demand in the next two or three decades till the urbanisation process is completed.

- 7.1.2 For this purpose HIDCO may seek assistance of HUDCO, the State Directorate of Technical Education and similar other organisations to set up a couple of trade/skill training institutions.
- 7.1.3 Lists of successfully trained persons may be kept with the concerned Gram Panchayat and municipal offices. Contractors, builders and other implementing agencies may be requested to recruit, to the extent possible, these semi-skilled workers from the lists maintained by these public offices.
- 7.1.4 There should be no compulsion and/or coercion of any kind on the prospective employers otherwise investment will shy away retarding the process of implementation.
- 7.2 HIDCO may consider to mediate with the Banking Institutions for giving business loans to PAP as the growing town would require various services which may take long time to be developed in ordinary course. Intervention by HIDCO on this issue would help the new settlers to get various service facilities fast and offer other huge self employment opportunities to PAPs.
- 7.3 The above mentioned recommendations apply to all PAPs, of the New Township Project. For the PAPs who lost their dwelling houses some additional measures are enumerated below.
- 7.4.1 The list of those PAPs who have also lost their dwelling units should be finalised and frozen primarily on the basis of collectors' compensation roll. To prevent any undesirable intrusion and unintended exclusion these lists have to be verified jointly by the Gram Panchayat and HIDCO. In case of any dispute, Collector's decision would be final.
- 7.4.2 The direct benefit scheme will be entirely voluntary. PAPs who have lost dwelling units are free either to participate or not. Those who choose to participate should surrender the compensation amount relating to both the structure and the land appertaining to it to HIDCO to be eligible for the scheme.
- 7.4.3 One (1) katha of developed land with necessary infrastructure should be allotted to each PA family which lost its dwelling unit. HIDCO had calculated the price of land @Rs.80,000/- per katha. It is recommended that HIDCO should pay 50% subsidy i.e. Rs.40,000/- per katha at a flat rate to all such project affect families.
- 7.4.4 HIDCO is selling developed land @Rs.55,000 per katha to LIG Cooperative Group Housing Scheme. Since these beneficiaries have also accepted HIDCO's four (4) unit layout plan on a 4 katha plot it will also be an informal group housing, the main walls both along the X-axis and Y-axis being common.

Individually, each beneficiary family belong to low income group. So when they are getting into an informal group under the aegis of HIDCO, the same pricing policy @ Rs.55,000/- per katha applicable to LIG Coop. Group Housing can be extended to these groups.

- 7.4.5 The total cost per unit will come down to Rs.75,000/- (land Rs.55,000/- + construction Rs.1,20,000/-). HIDCO will give subsidy @ Rs.40,000/- per katha. Thus the payable land price per beneficiary family would come down to Rs.15,000/- an incredibly small sum for developed land in any planned township. This privilege will be applicable only to those families who accept joint 4 unit housing plan of HIDCO.
- 7.4.6 HIDCO would have the discretion to waive this amount of Rs.15,000/- also in respect of a few acutely ingradient families who had received total compensation for structure and land appertaining to it of less than Rs.50,000/- or any other deserving case on case to case basis.
- 7.4.7 HIDCO would arrange to get house building loan upto Rs.1,20,000/- per building for any housing finance institution. HIDCO may obtain bulk credit itself for relending or offer mediation service on behalf of the beneficiary families. HIDCO should decide what would be in the best interest of the beneficiary families and itself.
- 7.4.8 Till the house building loan in fully repaid with interest by the beneficiary family the land will remain mortgaged either to HIDCO or to the financial institution, as the case may be. During this period any conveyance to alienate the land overtly or covertly would be treated as invalid.
- 7.4.9 HIDCO should make the R & R package self financing by an incremental enhancement of the price of land to be sold to new settlers in this township on the basis of the principle that winners pay for the losers.
- 7.4.10 As soon as the beneficiaries are asked to vacate their dwelling places, they should be paid a relocation allowance per month as rental for the premises they would have for their temporary stay till they are given occupation in the new dwelling units in R&R colony being developed by HIDCO. The rates per month would be as follows.

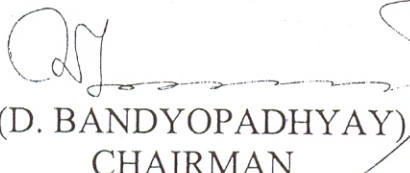
For those who received Rs. less than Rs.50,000/- as compensation

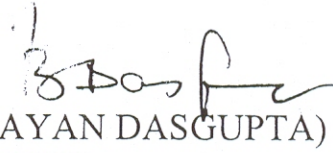
for land structure Rs.500/- per month

those also got between Rs.50,000/- and Rs.1,00,000/-,Rs. 750 p.m. and

Those who received above Rs.1,00,000/-, Rs.1000/- per month.

8. The Committee places on record its appreciation for the help and cooperation received from the Managing Director and other officers and staff of HIDCO and members of the local self governing institutions and other leaders and beneficiary families to enable it to complete its task within the stipulated time.

  
(D. BANDYOPADHYAY)  
CHAIRMAN

  
(BIR NARAYAN DASGUPTA)  
MEMBER

23/02/00

Dated Calcutta, the 23<sup>rd</sup> February, 2000.