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**STANDING COMMITTEE
ON ENERGY
(1996-97)**

ELEVENTH LOK SABHA

**REHABILITATION POLICY OF TEHRI HYDRO
ELECTRIC PROJECT—A CASE STUDY**

MINISTRY OF POWER

*[Action Taken by the Government on the Recommendations
contained in the 35th Report of the
Standing Committee on Energy (Tenth Lok Sabha)]*

FIFTH REPORT



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**LOK SABHA SECRETARIAT
NEW DELHI**

February, 1997/Magha, 1918 (Saka)

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Presented to Lok Sabha on... 4 MAR 1997
Laid in Rajya Sabha on.....



LOK SABHA SECRETARIAT
NEW DELHI

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COMPOSITION OF THE STANDING COMMITTEE ON ENERGY
(1996-97)

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COMMITTEE ON ENERGY (1996-97)

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9. Shri Ved Prakash Goyal
10. Shri Gaya Singh
11. Shri Vizol
12. Shri Rajendra Prasad Mody
13. Shri Manoj Kumar Sinha
14. Shri Sriballav Panigrahi

INTRODUCTION

I, the Chairman, Standing Committee on Energy having been authorised by the Committee to present the Report on their behalf, present this Fifth Report (Eleventh Lok Sabha) on the Action Taken by the Government on the recommendations contained in the 35th Report of the Standing Committee on Energy (Tenth Lok Sabha) on "Rehabilitation Policy of Tehri Hydro Electric Project—A case study".

2. The Thirty-fifth Report (Tenth Lok Sabha) of Standing Committee on Energy was presented to Lok Sabha on 22nd December, 1995. Replies of the Government to the recommendations contained in the Report were received on 27th March, 1996.

3. The Sub-Committee on Power of the Standing Committee on Energy (1996-97) considered the replies of the Government to the recommendations and considered and approved the Report at their sitting held on 5th December, 1996.

4. The Report was considered and adopted by the Standing Committee on Energy at their sitting held on 18th December, 1996.

5. An analysis of the action taken by the Government on the recommendations contained in the 35th Report of the Committee is given in Appendix III.

NEW DELHI;
6 February, 1997
17 Magha, 1918 (Saka)

JAGMOHAN,
Chairman,
Standing Committee on Energy.

CHAPTER I

REPORT

The Report of the Committee deals with the Action taken by the Government on the recommendations contained in the Thirty-fifth Report (Tenth Lok Sabha) of the Standing Committee on Energy which was presented to Lok Sabha on 22nd December, 1995.

2. Action Taken notes have been received from the Government in respect of the 7 recommendations contained in the Report. These have been categorised as follows:

- (i) Recommendations/Observations that have been accepted by the Government:

Sl. Nos. 1, 4 and 6.

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies:

Sl. Nos. 2, 5 and 7.

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:

—NIL—

- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:—

Sl. No. 3.

3. The Committee desire that final replies in respect of recommendations for which only interim replies have been given by the Government ought to be furnished to the Committee within one month.

4. The Committee now deal with the action taken by the Government on some of their recommendations:

(A) Need for Comprehensive National Rehabilitation Policy

(Recommendation Sl. No. 1)

5. The Committee had noted that there is no national policy regarding rehabilitation of project displaced persons. Individual project authorities evolved their own rehabilitation packages, in consultation with State Governments concerned. In consequence, there exists wide disparity between rehabilitation packages offered by one project and another, also in the same project at different times, resulting inevitably in local resistance and social tension. The Committee had stressed for uniform approach to the entire rehabilitation problem. The World Bank had also in its report on "Resettlement and Development" highlighted the absence of a country-wide policy or a legal framework for resettlement with income restoration. The Committee were dismayed to note that though the Eighth Plan speaks about evolution of a comprehensive policy for rehabilitation of families displaced by power projects, no policy has so far been formulated. The Committee had urged that a "National Policy for Rehabilitation" of persons displaced by various projects must be formulated at the earliest and guidelines issued to States for implementation.

6. In their reply, the Government have stated that Ministry of Rural Development have been made the nodal Ministry for preparation of draft National Policy on Rehabilitation and Resettlement of persons on account of acquisition of land for developmental projects and other public purpose. This policy is under preparation in consultation with the State Governments.

7. The Committee stress that the Government should address itself to the urgency of a comprehensive "National Policy for Rehabilitation". The Committee expect the Ministry of Power to coordinate with the Ministry of Rural Development to speedily formulate the comprehensive policy on Rehabilitation of persons displaced by various projects and intimate the latest position regarding policy preparation and the time by which it is likely to be formulated to the Committee within one month.

(B) Participation of displaced persons in rehabilitation packages

(Recommendation Sl. No. 3)

8. Taking note of the fact that inadequate resettlement induces local resistance, entails extensive project delays and postpones project benefits for all concerned and benefits lost because of such avoidable project delays at times far exceed the marginal cost of a sound and adequate resettlement package, the Committee had observed that this being altogether a different philosophical approach to rehabilitation, it must be examined. The Committee emphasised that displaced persons must be given opportunities to share in project benefits and should also be involved in the execution and monitoring of their own rehabilitation.

9. In their reply, the Government have *inter-alia* stated that the Committee's concerns are being considered in the draft National Policy for Rehabilitation and Resettlement. So far as the Tehri Project is concerned, it has been stated that the Rehabilitation Policy had been evolved and developed initially by the State Government of Uttar Pradesh and while doing so, the local affected population had been consulted by them from time to time. After the Project was transferred to the Tehri Hydro Development Corporation (THDC) in 1989-90, the Corporation has been in continuous dialogue with the population, through their representatives, in the matter of their rehabilitation. Efforts had been made to introduce improvements in the Rehabilitation Policy, wherever and whenever possible, with a view to mitigating the hardships coming in the way of rehabilitation of the population. In matters of allotment of plots, ready-built houses, and shops etc., representatives of the local population, as well as the District Administration are invariably associated. The THDC has also, after interaction with the representatives of the local population, introduced package of fresh measures, effective from 01.09.1995, which cover the various problem-areas identified after discussions.

10. The Committee are not satisfied with the reply of the Government. The Committee desire that the displaced persons should not only be involved in the formulation of plans to rehabilitate them but they should also be given opportunities to share in project benefits and should be involved in the execution and monitoring of their own rehabilitation as recommended by the Committee. The Committee would like to know whether the Committee's views have been incorporated in the National Policy for Rehabilitation and Resettlement.

(c) *Development of Catchment areas as part of rehabilitation process*

(Recommendation Sl. No. 4)

11. The Committee had suggested that regarding Tehri and other hydro-electric and irrigation projects, development of catchment areas of the dam need to be taken up as a part of rehabilitation process by constituting separate authorities for which funds could be generated by 'betterment levy' from the beneficiaries of the project. Apart from equalising the distribution of costs and benefits, this could induce people who had migrated to plains to return to hills.

12. In their reply, the Government have *inter-alia* stated that the National Policy for Rehabilitation and Guidelines for resettlement of persons/families adversely affected/displaced as a consequence of acquisition of land for developmental projects and other public purposes does not propose to include the people living in the catchment areas as part of the rehabilitation policy. However, the Tehri Project authorities are already implementing the Scheme of catchment area treatment as a part of conditions of environmental clearance, at an estimated cost of Rs. 40.50 crores, and is complying with the recommendation of the Committee.

13. The Committee regret to note that although the individual Corporations like Tehri Hydro Development Corporation etc. are implementing schemes for development of catchment areas as a part of rehabilitation process yet the same is not proposed to be included in the draft National Policy for Rehabilitation. The Committee reiterate its earlier recommendation and desire to know about the action taken to include it in the draft National Policy for Rehabilitation.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation No. 1

The Committee's examination of Tehri's Rehabilitation Policy establishes that there is no national policy regarding rehabilitation of project displaced persons. Individual project authorities evolved their own rehabilitation packages, in consultation with State Governments concerned. In consequence, there exists wide disparity between rehabilitation packages offered by one project and another, also in the same project at different times, resulting inevitably in local resistance and social tension. This was aptly pointed out by Shri N.D. Jayal, Director-General of Indian National Trust for Art and Cultural Heritage and also brought out by the study conducted by the Multiple Action Research Group (MARG). This clearly underlines the need for a uniform approach to the entire rehabilitation problem. The World Bank in its report on "Resettlement and Development" has also highlighted the absence of a country-wide policy or a legal framework for resettlement with income restoration. The Committee regret to note that though the Eighth Plan speaks about evolution of a comprehensive policy for rehabilitation of families displaced by power projects, no policy has so far been formulated. The Committee urge that a National Policy for Rehabilitation of persons displaced by various projects must be formulated at the earliest and guidelines issued to States for implementation.

Reply of the Government

Ministry of Rural Development has been made the nodal Ministry for preparation of draft National Policy on Rehabilitation and Resettlement of persons on account of acquisition of land for developmental projects and other public purpose. This policy is under preparation in consultation with the State Governments.

[Ministry of Power: O.M. No. 8/31/94-D (T & N)/Hydel. II dated 26th March, 1996]

Comments of the Committee

(Please see para 7 of Chapter I of the Report.)

Recommendation No. 4

Regarding Tehri and other hydro-electric and irrigation projects, an expert (Shri B.G. Verghese) has suggested that development of catchment areas of the dam need to be taken up as a part of rehabilitation process by constituting separate authorities for which funds could be generated by 'betterment levy' from the beneficiaries of the project. Apart from equalising the distribution of costs and benefits, this could induce people who had migrated to plains to return to hills. The Committee agree with the suggestion and recommend that development of catchment areas be made as a part of rehabilitation process.

Reply of the Government

Tehri project authorities have been assiduously promoting the treatment of the highly degraded catchment areas in that region, as per the conditions laid down by the Ministry of Environment and Forests in the project clearance. As required by the Ministry of Environment & Forests, the critically degraded areas requiring treatment have been identified, based on satellite imagery, through the Remote Sensing Applications Centre (RSAC) UP and an action programme drawn up for treatment of 13500 ha. in the direct draining catchment in addition to 22,746 ha. already treated by Project funds based on an earlier Treatment plan prepared by GOUP. Till now, more than 27,000 hac. of highly degraded catchment area has been treated with the funds provided by the Tehri Project authorities; an amount of Rs. 24.50 crore has already been spent. Additional area to the extent of about 9,200 hac. of catchment is planned to be treated upto March, 2000 at an additional cost of about Rs. 16 crores. Thus the Corporation is already implementing the Scheme of catchment area treatment as a part of conditions of environmental clearance, at an estimated cost of Rs. 40.50 crores, and is complying with the recommendation of the Committee.

The National Policy for Rehabilitation and Guidelines for resettlement of persons/families adversely affected/displaced as a consequence of acquisition of land for developmental projects and other public purposes does not propose to include the people living in the catchment areas as part of the rehabilitation policy. However, as mentioned above the Tehri Project authorities are already implementing a scheme for catchment area programme as part of the conditions of the environment clearance for the project.

[Ministry of Power: O.M. No. 8/31/94-D (T&N)/
Hydel. II dated 26th March, 1996]

Comments of the Committee

(Please see para 13 of Chapter I of the Report.)

Recommendation No. 6

The Committee's attention has been drawn to the sad plight of the Tehri displaced people who have been rehabilitated in Dehradun and Haridwar Districts and the villages of Bhaniwala and Raiwala. According to Power Ministry, action has been initiated by the State Government to complete land settlement formalities for giving titles of land to the resettled population in Dehradun and Haridwar Districts. In respect of Bhaniwala and Raiwala villages the Ministry have stated that the land documents will be handed over to the oustees by the district authorities as per the policy and directions of the Government of Uttar Pradesh. The Committee urge that there should be no administrative delay in transfer of title deeds of land as well as other documents to the oustees and it should be ensured that such beneficiaries are not put to any inconvenience or suffering on this score. The Committee would again stress that there should be no displacement before the rehabilitation arrangements are complete.

Reply of the Government

The UP State Government has already decided to transfer titles of land in favour of the resettled rural population in Dehradun and Haridwar Districts. Already, for Bhaniwala/Jolly Grant and Raiwala resettlement colonies in Dehradun District, notification for declaring these as revenue villages has been issued by the State Government and record operations for entering the names of land owners in Khata-Khatoui is at an advanced stage of completion. With the completion of the record operations, the ownership rights would vest in the name of the individuals. The other rural rehabilitation colonies in Dehradun District are proposed to be incorporated in the existing villages and their record operations are also proposed to be taken up by the State authorities shortly. In case of Haridwar District, proposals by District authorities for issuing notification declaring Pathri Block and Pathri Roh resettlement colonies as revenue villages has also been sent to the State Government for processing; in case of Pathri Block, forest clearance has also yet to be issued by the State authorities and the Ministry of Environment and Forests. The record operation in case of Pathri Block and Pathri Roh would be taken up by State Revenue authorities after the notifications are issued. All possible steps are being taken by THDC to ensure that no undue inconvenience is caused to the oustees on account of delay in transfer of titles in their favour. The State Government is also being urged to complete action without any further delay. In order not to cause any undue hardship to the

affected population, their rehabilitation is being undertaken in phases, pari-passu with the construction of the Project, and it is being ensured that the affected population of each phase gets rehabilitated in time.

The draft recommendation of the Honourable Committee has already been included in the draft National Policy wherein it has been stressed that there should be no displacements before the rehabilitation arrangements have been completed. However, there have to be exceptions in this regard especially for big dam projects wherein construction activities are long drawn out and it would be necessary to complete the construction pari-passu with the rehabilitation of the project affected persons. It may be difficult to implement any big dam project to complete rehabilitation has to be ensured before the project is started. Infact the draft National Policy has suggested exceptions for suitable cases by the appropriate authorities designated in the draft National Policy for coal projects, big dam, etc.

[Ministry of Power: O.M. No. 8/31/94-D (T&N)/
Hydel. II dated 26th March, 1996.]

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

Recommendation No. 2

The Committee are also distressed to note the finding of the World Bank Review that most people affected by projects in India have not been able to regain their earlier standards of living after resettlement. The Committee hold that rehabilitation should not only simply extend to financial compensation or providing means of livelihood, it must be multi dimensional. It should, amongst others, include social, economical, educational, environmental, occupational and cultural aspects. The Committee, therefore, desire that the national rehabilitation policy should aim at improving the living standards and earning capacities of displaced persons and should be governed by the Principle of "total rehabilitation".

Reply of the Government

The draft policy under consideration includes the aspects of improving the living standards and earning capacities of displaced persons. However, the policy attempts to provide a comprehensive rehabilitation and resettlement rather than "total rehabilitation". The rehabilitation policy followed by the Tehri Hydro Development Corporation aims at an overall effective rehabilitation of the project affected population to improve their standard of living, compared to that which was prevailing before rehabilitation. The intention has also been to ensure that the social fabric of the displaced population is not unduly affected by fact of their shifting to the new resettlement colonies. With this in view, it is being ensured that, as far as possible, the population of a village is located at one place on resettlement so that the community relationship remains intact. All the rural rehabilitation colonies are provided with essential infrastructural and educational facilities at the cost of the project, even if these did not exist at their earlier settlements. All the sites are provided with amenities like electricity, irrigation, piped drinking water, roads, schools, dispensary, community centre/panchayat ghar etc., including common

land for afforestation/grazing of cattle etc. The New Tehri Town, under urban rehabilitation, has also been provided with all modern civic amenities, and it is hoped that the new town would be the centre of the developmental, educational, and healthcare activities with hospital, schools and colleges, a town centre, shopping centres, bus stand, and places of worship for practically all religions. Provision has also been made in the new township for development of hotels, and in course of time to develop tourist facilities along the reservoir. The THDC is also planning to develop horticulture, pisciculture and other developmental activities for the benefit of the population around Tehri reservoir. It would thus be seen that the Rehabilitation Policy of Tehri Project is quite broad based and covers various aspects desired by the Committee.

In this connection, it would be relevant to reproduce below the conclusions from the Second Report of the Estimates Committee of the 9th UP Legislative Assembly, after the Committee had inspected the colonies in Bhaniawala and other settlements (Dehradun Districts and Haridwar):—

समिति ने अपने भ्रमण में भानियावाला, रायवाला तथा पथरी ब्लाकों में बनी विस्थापितों की बस्तियों का निरीक्षण किया था। समिति ने पाया कि उक्त बस्तियां देश के किसी भी क्षेत्र के गांवों की अपेक्षा अधिक सुविधा संपन्न हैं। यहां पर पक्की सड़क है, मार्ग प्रकाश की व्यवस्था है, सिंचाई और पेयजल की भी व्यवस्था है तथा अस्पतालों और विद्यालयों की सुविधा भी प्रदान करने का प्रयास किया गया है।

It would also be relevant to submit that, as per the requirements laid down by the Ministry of Environment and Forests while according environmental clearance for Tehri Project, a socio-economic study of the families was entrusted by THDC to the Administrative Staff College of India, Hyderabad, who had broadly concluded in their Report as under:—

- The value of assets of the oustees have increased after they got rehabilitated.
- Income from agriculture has increased after rehabilitation. No one is engaged as agricultural labourer after rehabilitation.
- The annual income of the household after rehabilitation has risen by 34.67%.
- The new settlements created by THDC are provided with pucca buildings with furnishing and electricity in Schools as against inadequate educational facilities provided earlier.

- The new settlements are provided very good medical facilities which were not available to the rural households in the hilly area.
- Drinking water facilities have been provided in the new resettlements and LPG connections have been made available as against the traditional collection of water from springs and wood from the forest in the hills.
- The new houses are modern and bigger than what were used by the oustees in the hills.
- Agricultural land allotted to the oustees is in consolidated holdings as against fragmented holdings earlier.

The Administrative Staff College of India have stated in their report that "these are some of the facts and realities which show that the quality of life of the rehabilitated families is far above and better than what was the situation before rehabilitation."

[Ministry of Power: O.M. No. 8/31/94-D (T&N)
Hydel. II dated 26th March, 1996.]

Recommendation No. 5

The Tehri Project was originally accorded investment approval by the Planning Commission in 1972, for implementation in the State Sector by the Government of Uttar Pradesh. Subsequently, the scope of the project was revised more than once and the project converted into a joint venture of the State and Union Governments in November, 1986 and the Tehri Hydro Development Corporation (THDC) set up in July, 1988 for executing the project. The rehabilitation work, which had been commenced by the Irrigation Department of Government of Uttar Pradesh from the year 1976 was transferred to THDC in February, 1990. Consequently, rehabilitation packages have been given at different points of time by different agencies. This has led to disparities in various packages and misgivings on the rates of compensation given to the affected persons, as is evident from the representations received by the Committee. The Ministry of Power have explained that the disparity in the compensation rates is owing to acquisition of land at different stages and due to appreciation of the value of land in certain areas. It has been stated that the rates of compensation to be paid to affected families is decided by the State Land Acquisition Offices (SLAO) of the local administration under the provisions of the Land Acquisition Act. The Committee urge that the lacunae, if any, in

determining the compensation rates payable to the affected families as also administrative problems in determining the compensation rates must be overcome and justice ensured speedily to all the affected people.

Reply of the Government

Rehabilitation of the affected population is being carried out *pari-passu* with the construction of the Project. Broadly, rehabilitation is being undertaken in two phases—Phase-I covers population which would be affected by the construction of the Coffor Dam, while the remaining rural population which would be affected by submergence caused after completion of the Main Dam would be covered in Phase-II of the Rehabilitation process.

Since rehabilitation process is being undertaken in phases, and keeping in view the extent of population and villages involved for rehabilitation, the acquisition of land and property of the affected population, as also the procurement and development of land for resettlement colonies (which are comparatively large), have had to be staggered over a period.

Compensation for the land and property acquired from oustees is calculated by the State revenue authorities on the basis of applicable rates in the area at the time of acquisition/announcement of award. Oustee families also insist that the compensation must be paid to them based on the applicable rates when the land is acquired, and not below that. The recommendation of the Committee would mean formulation of standard fixed rates for the lands to be acquired, from the affected families in various villages. This could, however, be feasible and an average standard rate could be announced by the State authorities where the land to be acquired falls in a compact area and is comparatively small and also the acquisition takes place at one time. In cases like Tehri Project, where the villages and towns are spread over a large area along the dam/reservoir and the extent of land and population involved is quite substantial, and also where the acquisition process has to be spread over a number of years, it may be impracticable to pay compensation at standardised fixed rates which may not be acceptable to the population whose land is to be acquired in future after a year or so. This aspect of fixing a standard rate is, however, being referred to the UP State Revenue Department for consideration.

While it may be difficult to overcome problems connected with the staggered acquisition of land and payment of compensation

amounts, it needs to be pointed out that the oustee families of Tehri Project whose land was acquired in the past have, in no way, been put to disadvantage, since most of them have continued to enjoy fruits of both the lands allotted to them in resettlement colonies and the old lands which was in their possession in their villages before acquisition; they have continued to live and cultivate land in the areas of submergence and the actual possession of land even after acquisition has continued with them since submergence due to the dam has yet to take place. Thus, they have been deriving much better advantage even though the rates of compensation paid to them were less than those which are presently being given. Therefore, the disadvantage of early acquisition has been more than made up by continued presence of most of them at both sites.

The land Acquisition Act provides absolute statutory powers to the District Magistrate in this regard and therefore, this subject has not been included in the proposed national policy as well as the guidelines being formulated.

[Ministry of Power: O.M. No. 8/31/94-D (T&N)/
Hydel. II dated 26th March, 1996.]

Recommendation No. 7

The Committee observe that compensation procedures appear to exclude a number of affected people. The rehabilitation policy adopted by Tehri Project is based on the 'family' as the unit for rehabilitation and not the 'individual'. According to the Comparative Study conducted by Multiple Action Research Group (MARG), in regard to Sardar Sarovar Project the Gujarat and Maharashtra Governments have reportedly recognised joint holders of land as separate units and each unit would be eligible for rehabilitation package. Another shortcoming of the rehabilitation policy is that women are not recognised as a separate unit. A widow, unmarried adult daughter and a deserted woman are considered as dependents. The Committee desire that all these shortcomings be looked into urgently and appropriate corrective steps taken to provide rehabilitation to all the affected people without any discrimination or disparities.

Reply of the Government

The Rehabilitation Policy evolved for Tehri Project by the State Government is based on family as one unit and entitlement for

rehabilitation benefits is related to ownership rights as entered in revenue record on the cut-off-date. Agricultural landless labourers in rural areas and economically backward sections in urban areas are also given rehabilitation benefits.

The concept of every adult member being treated as a separate family unit for rehabilitation benefits has not been adopted for Tehri Project. It is now not feasible to accept this concept now because of very serious implications, both financial and in relation to project implementation schedule, as indicated below:

- (i) This change in basic norms of Policy would upset the settled positions and would mean opening of the entire rehabilitation process going on since 1976.
- (ii) Adequate land will not be available in and around Tehri Garhwal, Dehradun and Haridwar districts for meeting additional requirements.
- (iii) Process of acquisition of new land even if available and its development and constructions thereon would be long drawn. Acquisition proceedings would throw up more families for rehabilitation.
- (iv) Likely additional financial implication would be around Rs. 800 Crores (Rs. 250 Crores for urban families and Rs. 550 Crores for rural families) thus causing very heavy burden on the project.
- (v) Project implementation would get delayed by 2-3 years, meaning heavy escalations in costs.

As against the conditions prevailing in and around Tehri Project, the conditions existing in the Sardar Sarovar Project areas in Gujarat and Maharashtra are widely different as there are no constraints of land availability; the quality of land in that area also has no comparison with the fertile irrigated land in Dehradun and Hardwar Districts. Acceptance of each individual joint holder of land as a separate unit for rehabilitation would thus have very serious implications.

Regarding rights of women and children, the position needs to be elucidated as under:—

Under the policy, persons who hold ownership right to the property on the date of issue of notification under Section-4 of the Land Acquisition Act are given the benefits of rehabilitation as separate

units; it is not material whether the person in whose name property rests is a man or a woman—for this purpose, however, husband and wife are taken as one unit. In case the title holder dies before issue of notification for acquisition of his property, all legal owners of the property on the date of Section-4 notification are taken as separate units for rehabilitation; they could even be the widow or the daughter of the deceased so long as the ownership rights vests in her. However, in case of death after issue of acquisition notification, all legal heirs are not treated as separate family units, but the rehabilitation benefits as were entitled to the deceased are proportionally/jointly distributed to the legal heirs as per their shares; legal heirs for this purpose could be widow, sons and daughters as declared/decided by the competent authorities.

It would thus be seen that there is no discrimination in the Rehabilitation Policy adopted by the Tehri Hydro Development Corporation.

The draft National Policy for Rehabilitation and Guidelines lays more emphasis to provide appropriate compensation, etc. to the displaced tribals and also rehabilitation/resettlement near to their natural habitate and primarily in agricultural activities.

In this regard it is submitted that socio economic conditions vary from place to place and even a common National Policy may not be sufficient to meet individual aspirations of project affected persons in different projects. The Government's endeavour is to fine tune the rehabilitation policy in a manner which meets these aspirations and if necessary, expand the scope of the Rehabilitation Policy so that the affected people are able to live a better life in their new environment. Shortcomings if any are addressed and appropriate corrective actions taken. However, it is important that the social fabric of the project affected persons is not affected as a result of any rehabilitation policy and the best rehabilitation is always the one which satisfies the individual concern of project affected persons. The Rehabilitation Policy adopted by Tehri Project is in tune with the socio economic conditions prevailing in the Tehri Garhwal area and to that extent, the Rehabilitation Policy adopted by Tehri Hydro Development Corporation meets the needs of the affected persons. The Tehri Hydro Development Corporation has also been meeting the new demands being raised by the project affected persons and infact in November 1995 it has announced additional incentives to the project affected persons.

[Ministry of Power: O.M. No. 8/31/94-D (T&N)/
Hydel. II dated 26th March, 1996.]

CHAPTER IV
RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF
WHICH REPLIES OF THE GOVERNMENT HAVE
NOT BEEN ACCEPTED BY THE COMMITTEE

—NIL—

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation No. 3

Inadequate resettlement induces local resistance, entails extensive project delays and postpones project benefits for all concerned. Benefits lost because of such avoidable project delays at times for exceed the marginal cost of a sound and adequate resettlement package. The Committee agree with Prof. Y.K. Alagh's comment about Sardar Sarovar project that "since the rate of return is very high, let the project authorities negotiate the alienation of land from the oustees". The Committee observe that this being altogether a different philosophical approach to rehabilitation must be examined. The Committee hold that recognition of the rights of the citizens who are being displaced must be central to our concerns. The Committee emphasise that displaced persons must be given opportunities to share in project benefits and should be involved in the execution and monitoring of their own rehabilitation.

Reply of the Government

The Committee's concerns are being considered in the draft National Policy for Rehabilitation and Resettlement.

So far as the Tehri Project is concerned, it may be observed that the Rehabilitation Policy had been evolved and developed initially by the State Government of Uttar Pradesh and while doing so, the local affected population had been consulted by them from time to time. Wishes of the local population were taken into account by the State Government even for selection of a site for the New Tehri Town. After the Project was transferred to the THDC in 1989-90, the Corporation has been in continuous dialogue with the population, through their representatives, in the matter of their rehabilitation. Effort has been made to introduce improvements in the Rehabilitation Policy, wherever and whenever possible, with a view to mitigating the hardships coming in the way of rehabilitation of the population. In matters of allotment of plots, ready-built houses and shops etc., representatives of the local

population, as well as the District Administration are invariably associated. The THDC has also, after interaction with the representatives of the local population, introduced a package of fresh measures, effective from 01.09.1995, which cover the various problem-areas identified after discussions. These, *inter-alia*, include waiver of site development cost and stamp duty charges, providing loan facilities to the oustees at highly subsidised interest rates, provision of a hire-purchase scheme for ready built houses on highly favourable terms, enhancement of cash grant for shifting and transportation of goods, introduction of scheme for payment of cash in lieu of land/residential plots/shops, and providing construction materials to the oustees at actual cost (without charging sales tax) for construction of houses, and construction and allotment, free of cost, of one room houses for the economically weaker sections of the population of Tehri Town. The rural population has also been provided enhanced cash grant for seeds/fertilisers.

It has also been decided by THDC that the Partially Affected Families, who are not to be relocated and would be residing in the area, would be given submerged reservoir land on temporary lease, after payment of a token lease amount, for cultivation during the low reservoir period. This would enable them to get one excellent crop on reservoir fertile land.

[Ministry of Power: O.M. No. 8/31/94-D (T&N)/
Hydel. II dated 26th march, 1996.]

Comments of the Committee

(Please *see* para 10 of Chapter I of the Report)

NEW DELHI;
6 February, 1997
17 Magha, 1918 (Saka)

JAG MOHAN,
Chairman,
Standing Committee on Energy.

APPENDIX I

EXTRACTS OF MINUTES OF THE SIXTH SITTING OF SUB-COMMITTEE ON POWER OF STANDING COMMITTEE ON ENERGY HELD ON 5TH DECEMBER, 1996

The Committee sat from 15.00 to 16.30 hours.

PRESENT

Shri Dipankar Mukherjee — *Convenor*

MEMBERS

2. Shri Ishwar Prasanna Hazarika
3. Shri Sriballav Panigrahi
4. Shri Gaya Singh
5. Shri Vizol

SECRETARIAT

1. Shri G.R. Juneja — *Deputy Secretary*
2. Shri A.S. Chera — *Under Secretary*

2. The Sub-Committee first considered and adopted the Draft Report on Action Taken by the Government on the recommendations contained in the 35th Report of the Committee (1995-96) (Tenth Lok Sabha) on "Rehabilitation Policy of Tehri Hydro Electric Project—A Case Study".

3. ** ** **
4. ** ** **
5. ** ** **

The Sub-Committee then adjourned.

** Paras 3, 4 and 5 relating to other matters and consideration of another draft Report have not been included.

APPENDIX II

EXTRACTS OF MINUTES OF THE NINTH SITTING OF STANDING COMMITTEE ON ENERGY

The Committee sat from 16.30 to 17.00 hours.

PRESENT

Shri Jagmohan — *Chairman*

MEMBERS

2. Shri Lalit Oraon
3. Prof. (Smt.) Rita Verma
4. Prof. Om Pal Singh Nidar
5. Shri Muni Lal
6. Shri Manoj Kumar Sinha
7. Shri Sriram Chauhan
8. Shri Ishwar Prasanna Hazarika
9. Shri Sandipan Thorat
10. Shri P. Kodanda Ramiah
11. Shri Haradhan Roy
12. Shri Ramendra Kumar
13. Shri Ramji Lal
14. Shri Ved Prakash Goyal
15. Shri Dipankar Mukherjee
16. Smt. Basanti Sarma

SECRETARIAT

1. Shri G. R. Juneja — *Deputy Secretary*
2. Shri A.S. Chera — *Under Secretary*

2. The Committee considered and adopted the following Draft Action Taken Reports:—

(i) Action Taken by the Government on the recommendations contained in the 35th Report of the Standing Committee on Energy (1995-96) (Tenth Lok Sabha) on "Rehabilitation Policy of Tehri Hydro Electric Project-A Case Study".

(ii) ** ** **

(iii) ** ** **

(iv) ** ** **

(v) ** ** **

3. The Committee also authorised the Chairman to finalise the above mentioned Reports and present the same to Parliament.

The Committee then adjourned.

** Paras 2(ii), (iii), (iv) and (v) relating to consideration and adoption of 4 other draft reports have not been included.

APPENDIX III

(Vide Para 5 of Introduction)

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE 35TH REPORT OF THE STANDING COMMITTEE ON ENERGY (TENTH LOK SABHA)

I. Total No. of Recommendations made	7
II. Recommendations that have been accepted by the Government (vide recommendations at Sl. Nos. 1, 4 & 6)	3
Percentage to total	42.85%
III. Recommendations which the Committee do not desire to pursue in view of the Government's replies (vide recommendations at Sl. Nos. 2, 5 & 7)	3
Percentage to total	42.85%
IV. Recommendations in respect of which replies of the Government have not been accepted by the Committee	Nil
Percentage to total	0%
V. Recommendations in respect of which final replies of the Government are still awaited (vide recommendation at Sl. No. 3)	1
Percentage to total	14.30%