CHAPTER – 3

NTPC AND THE PROJECT-AFFECTED AREAS

For rapid economic development, the importance of power as a core infrastructure input is highly emphasised. Hence the power sector has been identified as a critical area for growth and development. Till the early 1970s the State Electricity Boards were responsible for the generation, transmission and distribution of power in the country. In the mid 1970s, the government of India decided to establish large regional thermal power stations in the central sector in various power regions of the country. Its main objectives were to meet the ever-growing demand for power, to promote power development on a regional basis and to enable optimum utilisation of energy resources etc. These needed massive capital outlays, sophisticated technology and a high degree of technical and managerial expertise in the construction, operation and maintenance of large capacity plants. Therefore, the government decided on a corporate form of organisation. Accordingly, the National Thermal Power Corporation (NTPC) was set up in November 1975.

3.1 NTPC in Kerala

The mission of NTPC is to make available reliable and quality power to the nation in increasingly large quantities. With power projects located in various parts of the country today and operating 13 coal-based, seven gases based and three joint venture stations, NTPC plays a major role in the Indian Power Sector.
During the eighties Kerala faced critical shortage of power. The State, which was considered as a power surplus one with its many rivers providing hydro-electric power, even supplied power to neighbouring states. But in the late 1980s, it faced power shortage resulting from the vagaries of monsoon coupled with increased internal demand. This resulted in constant power cuts, mainly affecting the industrial sector. For its power needs the state had to depend heavily on the central power grids and also on neighboring states. Industrially also, the state is backward. Power is an essential factor for industrialisation. It was in this background that the government of Kerala requested the center to set up some alternate sources of power for the state. This plea was finally granted when the first thermal project in the state was built by the National Thermal Power Corporation Ltd.

NTPC in Kerala is commissioned partially with aid from the World Bank. It is one of the major power projects in India. It is a landmark in the power development of Kerala. The project in Kayamkulam of Alappuzha district was commissioned on January 17, 1999.

### 3.1.1 NTPC, Kayamkulam

The setting up of an NTPC project gave Kerala a respectable place in the power map of India. NTPC requires large stretches of land for its projects. NTPC set up a Combined Cycle Thermal Power Project with a capacity of 400 MW at Kayamkulam in Karthikappally Taluk of Alappuzha district. The setting up of the Kayamkulam project changed the area from a typical Kerala village to a recognised spot on the country’s
power map. Once a village, Choolatheruvu is now the centre of a gigantic power station. The fuel used here is naphtha, which is supplied by M/s. BPCL. The requirement of fuel is 1750 MT per day and 0.45 Million MT per annum for full load operation. The station works on a combined cycle principle with gas turbines and waste heat recovery boilers. The station, which was approved by the Cabinet Committee on Economic Affairs (CCEA) on 18.09.19996 at a capital cost of Rs.1310.58 crores, was completed at less than Rs.1200 crores. The capital investment is financed through World Bank loan under the time slice concept (debt equity ratio of 70:30).

The main plant covers an area of approximately 110 acres of land, reclaimed from the erstwhile Kayamkulam Kayal Farm. The entire quantity of earth required to raise the land was dredged from the adjoining backwaters.

Alappuzha is a coastal district with a flat unbroken sea coast, 82 Km long, which is 13.9 per cent of the total coastal line of the state. Among the 14 districts in the state, Alappuzha, which has an area of 1,414 sq. km, is the most thickly populated. The density of population is 1492, which is the highest for the state. Hence land is one of the scarcest resources in the state.

From time immemorial, Alappuzha has been known as an important trading and commercial centre. Coir is the most important commodity manufactured in Alappuzha. The Ernakulam-Alappuzha railway line (51km) was commissioned on 16th October, 1989. It is a landmark in the development of the district. An interconnecting rail link, with a length of 43 km, from Alappuzha to Kayamkulam was opened in 1992
and with this; the district came into the mainstream of industrial development and transport like the rest of the State. The development projects initiated in the district has adversely affected the livelihoods of many people through displacement and related issues because Alappuzha is the most thickly populated district in the state. Table 3.1 shows the area of land acquired for different projects in Alappuzha district.

### Table: 3.1

**Land Acquisition for Different Projects in Alappuzha District**

<table>
<thead>
<tr>
<th>Sl no</th>
<th>District</th>
<th>Year</th>
<th>Taluk</th>
<th>Village</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Alappuzha</td>
<td>1957</td>
<td>Mavelikara</td>
<td>Thekkekkara</td>
<td>13.22</td>
</tr>
<tr>
<td>2</td>
<td>Alappuzha</td>
<td>1966</td>
<td>Cherthala</td>
<td>Aroor</td>
<td>6.39</td>
</tr>
<tr>
<td>3</td>
<td>Alappuzha</td>
<td>1966</td>
<td>Cherthala</td>
<td>Aroor</td>
<td>24.8</td>
</tr>
<tr>
<td>4</td>
<td>Alappuzha</td>
<td>1983</td>
<td>Mavelikara, Cherthala</td>
<td>Chengannur</td>
<td>6.28</td>
</tr>
<tr>
<td>5</td>
<td>Alappuzha</td>
<td>1972</td>
<td>Ambalappuzha</td>
<td>Punnapra</td>
<td>23.19</td>
</tr>
<tr>
<td>6</td>
<td>Alappuzha</td>
<td>1976</td>
<td>Ambalappuzha</td>
<td>Kottakadavu</td>
<td>19.09</td>
</tr>
<tr>
<td>7</td>
<td>Alappuzha</td>
<td>NA</td>
<td>Cherthala</td>
<td>Cherthala</td>
<td>16.78</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>109.75</td>
</tr>
</tbody>
</table>

*Source: Muriken et al, 2003, adapted*
Table 3.1 shows that out of the total land area of 1414 sq.km, an area of 109.75ha (274.4 acres) was acquired for seven projects. In this context, it can be seen that the displacement impact of the NTPC project that acquired 1169.61 acres of land is very serious; of this, 267.6 acres are private land. Table 3.1 also shows that, before the setting up of the NTPC, the people of Karthikappally Taluk had not come across a situation of large scale involuntary displacement.

3.2 THE PROJECT-AFFECTED AREAS

For the setting up of the project, NTPC acquired a total of 1169.61 acres of land from five villages viz, Arattupuzha, Muthukulam, Cheppad, Chingoli and Pallipad. They are the Project Affected Areas (PAAs). All the project affected areas are contiguous villages in Karthikappally Taluk. Cheppad village is almost in the central position of the affected villages, with Pallippad in the north, Muthukulam in the south, Chingoli in the west and Chettikulangara in the east. Arattupuzha lies to the west of Chingoli. The western boundary of Arattupuzha is the Arabian Sea. For a proper understanding of the project-induced displacement, an overview of the PAAs is essential. The ensuing sections deal with the same.

3.2.1 Karthikappally Taluk

Alappuzha district comprises of six taluks namely, Cherthala, Ambalapuzha, Kuttanad, Chengannur, Karthikappally and Mavelikkara. The NTPC project is in Karthikappally Taluk and Kayamkulam is the nearest town. This taluk has 17 villages. The history of Karthikappally in the commercial map of India is dates back to AD 1581, when the
Portuguese had trade relations with this place. This alone is the best proof for the agricultural prosperity of this land. The power station is located at Choolatheruvu in Arattupuzha village, which is 12 kms away from the Kayamkulam Railway station and 5 kms west of Cheppad, which is on the NH-47 connecting Kochi and Kollam. The township is at Cheppad and Chingoli villages on the western side of NH-47. All the five project-affected villages are in Karthikappally Taluk, which comprises the Lower Kuttanad area, which is also known as ‘Onattukara’, briefed from ‘Onam nattakara’. This name marks the plenifulness and richness of the area’s agricultural production throughout the year. Kuttanad is known as the rice bowl of Kerala.

The project area is in a coastal district. The Arabian Sea lies on the western side. The soil of Karthikappally taluk is sandy. The main occupation of the place is agriculture. The land of this area can be classified mainly into dry land and wet land. The major crops cultivated in dry land are coconut, arecanut, plantain, pulses, ginger, turmeric, vegetables, tapioca and other tube roots. In the wet land, paddy is cultivated two times and sesamum once during the summer. Thus there is intensive cultivation in the wet land. The Arabian Sea on the western side of the PAAs makes inroads into the district with its backwaters. This has created interconnected ponds, rivulets and streams. These naturally interconnected large and small waterways, which were highly rich in marine life, opened up opportunities for many to take up fishing as a main source of livelihood. This interconnectivity also provided for cheap water transport, which promoted internal trading in locally produced agricultural commodities.
3.2.2 Soil and cropping pattern

The project-affected areas are adjacent villages of ‘Onattukara’ and are similar in many topographical features, with minor variations. Almost 90 per cent of the area has sandy soil and the rest is alluvial soil. All the villages have both wet and dry land and interconnected large and small water bodies rich in marine life. This geography of the villages has led to the taking up of agriculture as the main occupation by most of the villagers. The landscape also opened up opportunities for many to take up fishing as a main source of livelihood. In all the villages, the main crops of the wet land are paddy and sesamum and those of the dry land are coconut and arecanut with a large variety of intercrops like plantain, pepper, vegetables, ginger, turmeric, tapioca and many other tube roots.

3.2.3 Demographic Features

The demographic features of the project villages are given in table 3.2.
<table>
<thead>
<tr>
<th>Name of Taluk/Village</th>
<th>Area (Sq.km)</th>
<th>Person</th>
<th>Male</th>
<th>Female</th>
<th>Sex Ratio</th>
<th>Density of Population</th>
<th>SC Population</th>
<th>ST Population</th>
<th>Literacy Rate</th>
<th>Male Literacy Rate</th>
<th>Female Literacy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karthikappally Taluk</td>
<td>202.87</td>
<td>338696</td>
<td>160214</td>
<td>178482</td>
<td>1114</td>
<td>1670</td>
<td>31280</td>
<td>462</td>
<td>92.63</td>
<td>95.78</td>
<td>89.85</td>
</tr>
<tr>
<td>Arattupuzha</td>
<td>22.7</td>
<td>29876</td>
<td>14574</td>
<td>15302</td>
<td>1050</td>
<td>1316</td>
<td>1234</td>
<td>6</td>
<td>89.52</td>
<td>93.22</td>
<td>86.02</td>
</tr>
<tr>
<td>Muthukulam</td>
<td>11.58</td>
<td>21181</td>
<td>9762</td>
<td>11419</td>
<td>1170</td>
<td>1829</td>
<td>2106</td>
<td>22</td>
<td>93.31</td>
<td>96.68</td>
<td>90.49</td>
</tr>
<tr>
<td>Cheppad</td>
<td>12.68</td>
<td>19936</td>
<td>9236</td>
<td>10700</td>
<td>1159</td>
<td>1572</td>
<td>2818</td>
<td>9</td>
<td>95.01</td>
<td>97.31</td>
<td>93.08</td>
</tr>
<tr>
<td>Chingoli</td>
<td>7.24</td>
<td>14831</td>
<td>6961</td>
<td>7870</td>
<td>1131</td>
<td>2048</td>
<td>1405</td>
<td>14</td>
<td>91.31</td>
<td>94.69</td>
<td>88.37</td>
</tr>
<tr>
<td>Pallippad</td>
<td>16.98</td>
<td>24902</td>
<td>11733</td>
<td>13169</td>
<td>1122</td>
<td>1467</td>
<td>3908</td>
<td>16</td>
<td>94.30</td>
<td>96.52</td>
<td>92.37</td>
</tr>
</tbody>
</table>

From table 3.2, it is derived that out of the total population of Karthikapally Taluk, (3,38,696) the distribution of population in the study area is as follows: that of Arattupuzha is 8.82 per cent, Muthukulam 6.25 per cent, Cheppad 5.89 per cent, Chingoli 4.38 per cent and Pallippad 7.35 per cent. It is found out that the highest percentage of population is registered in Arattupuzha village (8.82%) and the lowest in Chingoli (4.38%).

Table 3.2 also shows that Karthikapally Taluk has a density of 1670 persons per square kilometre, which is higher than the district average of 1492, which itself is more than the State density of 819. In the village-wise distribution the highest density is registered in Chingoli with 2048 persons per sq. km, followed by Muthukulam (1829), and the lowest is in Arattupuzha (1316). It is revealed that only in two villages (Muthukulam and Chingoli) is the density of population higher than the Taluk average. It is inferred that the PAAs are densely populated. Any displacement is painful. Land is the most critical and costly input for the setting up of the project as it is not manmade.

The Taluk under study has a sex ratio of 1114, which is higher than the sex ratio of the district (1079), which again is higher than the State average of 1058. Except for Arattupuzha with a sex ratio of 1050, the sex ratio is higher than the Taluk average in all the other four villages. Sex ratio in all the villages shows that the females outnumber males.
With regard to the SC population, the highest percentage is in Pallippad (15.69%), followed by Cheppad with 14.14 per cent. The lowest percentage is registered in Arattupuzha with 4.13 per cent. With regard to the ST population, the highest percentage share is registered in Muthukulam with 0.10 per cent, followed by Chingoli (0.09 %), and the lowest is in Arattupuzha (0.02%). In Kerala the percentage of SC population is only 10 percentages and in Allappuzha district it is only 6.59 per cent. The very small per cent of tribal population in the PAAs is in line with the district population of ST registered as only 0.87 per cent of the total ST population of the State (1991 Census).

The literacy rate of all the displaced villages shows the high educational attainment of the people. Except for Arattupuzha, all the other villages have a literacy rate above 90 per cent, and the highest percentage is registered in Cheppad with 93.31. The three villages other than Chingoli and Arattupuzha, have a literacy rate above the Taluk average (92.63%). The literacy rate for the district as a whole is 93.43 per cent, with a split up of 96.27 per cent for males and 90.82 per cent for females. It is to be noted that Pallipad (94.30%) and Cheppad (93.31%) villages have female literacy rate above the State average (90.80%, 2001Census). In all the villages male literates outnumber females.

After viewing the demographic details, it is appropriate to have a glimpse of the economic status of the PAAs by looking into the number of families Below Poverty Line (BPL). The details of the same are given in table 3.3.
Table: 3.3  
PAAs by Certain Features (2001 Census)

<table>
<thead>
<tr>
<th>Name of the Panchayat</th>
<th>Area in Sq. Km</th>
<th>No. of Households</th>
<th>SC</th>
<th>ST</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arattupuzha</td>
<td>22.7</td>
<td>6755</td>
<td>133 (3.98)</td>
<td>0 (0)</td>
<td>3210 (96)</td>
<td>3343 (100)</td>
</tr>
<tr>
<td>Muthukulam</td>
<td>11.58</td>
<td>5211</td>
<td>208 (8.49)</td>
<td>2 (0.08)</td>
<td>2240 (91.4)</td>
<td>2450 (100)</td>
</tr>
<tr>
<td>Cheppad</td>
<td>12.67</td>
<td>4841</td>
<td>298 (11.43)</td>
<td>15 (0.58)</td>
<td>2294 (88)</td>
<td>2607 (100)</td>
</tr>
<tr>
<td>Chingoli</td>
<td>7.24</td>
<td>3651</td>
<td>211 (11.68)</td>
<td>2 (0.11)</td>
<td>1593 (88.2)</td>
<td>1806 (100)</td>
</tr>
<tr>
<td>Pallippad</td>
<td>16.93</td>
<td>5923</td>
<td>386 (23.58)</td>
<td>2 (0.12)</td>
<td>1249 (76.3)</td>
<td>1637 (100)</td>
</tr>
</tbody>
</table>

Source: Panchayat Level Statistics, 2006, Figures in the bracket represent percentage to the total

Among the five villages under study, Arattupuzha registered the largest number of families in the BPL category and the next is in Pallippad, with 76.3 per cent from the general category. It is very interesting to note that in Arattupuzha the percentage of the BPL category in the SC community is the lowest (3.98%). At the same time Pallippad has the largest percentage of SC families in the BPL category. Demographic study gave the data that this village has the largest concentration of SC families in the PAAs. An analysis of table 3.3 reveals that Cheppad has 0.58 per cent of BPL families in the ST category, which is the highest for the study areas.

3.2.2.1 Cropping Pattern/Land use pattern

In Arattupuzha village, out of the total 2130 hectares of land area, dry land is 1847 hectares and wet land is only 47 hectares. Here the main crop is coconut and the main occupations are coir processing and fishing. There are about 8000 coir labourers and 5000 fishing-related workers. But the decline in the traditional sectors and non-
availability of local raw materials are reducing employment opportunities in this village. Above all, the serious problem of water-logging, especially in the western part of the village, is putting an end to dry land crops. All this together aggravates the problem of unemployment, which is already serious in the village. These problems explain the large number coming under the BPL category.

Muthukulam has a total land area of 1158 Ha of land. The main crops are paddy, coconut and other intercrops. Out of the total 1267 Ha of land area, cultivation is possible only in 955 hectares. The main problem of the village is declining agricultural activities. An important reason is that the majority own less than 50 cents per head after acquisition. Another is water-logging. The flow of water from this village to the Kayamkulam Kayal is interrupted mainly due to the unscientific filling of land by NTPC for township, roads etc. Cultivation is now impossible in the dry land also.

The village has a total area of 724 Ha. Though wet land area is 425 Ha, Paddy is cultivated in 141 hectares only. The dry land is very fertile and can be used for producing all the crops grown in Onattukara. Though the majority of the people depend on agriculture for their subsistence, cultivation is not commercialised. The village also faces the grave problem of water-logging. As NTPC has acquired a large area of land from this village, traditional job opportunities in agriculture, coir and fishing declined, affecting the productivity. As per the Development Report of the village, out of a population of 14831 only 2.12 per cent have land more than one acre, while 5200
(35.06%) persons have only 10 cents of land per head. This has seriously affected the livelihood of a majority who depended on land for their income.

The breeding of fishes is also affected as the NTPC is letting out hot water to the Kayal. The village has a very high literacy rate of 94.7 per cent, which, however, could not be utilized for the development of the village, as educated unemployment is very serious in this village, at present. This has resulted in large-scale internal and external migration. Employment statistics show that there are about 400 overseas employees in this village. Though a large area of land (195 acres) had been acquired by NTPC from this village, not even a single ward is completely electrified. In per capita income terms, the village shows a backward character, as the income per head is less by Rs.780 of the national average as on 2007 (Development Report, 2007).

This village has a total land area of 1693 Ha, of which dry land is only 459 hectares. There is 804 Ha of wet land of different types. The main crops are paddy and sesamum in wet land and coconut and other inter-crops in dry land. The special feature of this village is that Pallippad village has the largest area of paddy field among the five project-affected areas. Agriculture is the main occupation along with dairy and poultry farming. Fishing is also taken as subsidiary, as large water inlets are available in this village. Paddy cultivation is also successfully carried out.

The impact of a development-induced displacement should be evaluated in terms of its socio economic impact on a community. For this, a look into the issues of
compulsory displacement caused by the project is necessary. Land acquisition, compensation, rehabilitation etc are the major concerns taken up in this context.

3.3 Evolution of a National Policy on R&R

A major reason for the dismal situation of the displaced has been the absence of a National Rehabilitation Policy. Without a national policy, R&R has been based on ad-hoc plans, resolutions and orders passed for particular states or even projects. The only All India Law is the Land Acquisition Act, 1894. This is an act enabling land acquisition, not rehabilitation. In the LAA 1894, compensation is based on patta land and market value. Usually ‘golden value’ is given as compensation, which is much below the market value, and therefore comparable land cannot be bought. In the absence of a supporting livelihood, the cash compensation is just a source of subsistence and consumption for a while. In 1967 the T.N. Singh Formula suggested one job for each family displaced by public sector industries and mines. In spite of many shortcomings, it was a step in the right direction (Fernandes and G. Thukral, 1985). But it was abandoned by the Bureau of Public Enterprises in 1986. In 1985, the Ministry of Welfare appointed a committee under the chairmanship of the SC & ST Commissioner, Dr. B.D. Sharma. The committee was asked to formulate a rehabilitation policy for the tribal DPs. The committee suggested a national policy covering all the DPs, not only tribals, and made many recommendations for improving rehabilitation.

The Ministry of Rural Development (MRD, 1993) has drafted a National Rehabilitation Policy. This draft was revised in 1994 (MRD, 1994). What is needed is
‘total rehabilitation’ which should include not only physical resettlement, but also replacement of CPRs and socio-cultural systems, psychological preparation and technical training to deal with the new society and economy (Nayak, 1996).


3.3.1 Land Acquisition

In a very densely populated state like Kerala, where per head land availability is very low, acquisition of even a small area of land is severely objected to by the people. Hence land acquisition has to be a compulsory process in line with the LAA of 1894 and its subsequent amendments. In the case of NTPC project also, as displacement was involuntary, acquisition was based on the LAA, 1894. The procedure for land acquisition was as follows.

In accordance with the land acquisition notification Number 11966/ B1/ 189/ PD td 4/1989, which was published in Malayalam dailies, the land was open for acquisition for a ‘public purpose’. Announcement of land acquisition usually comes unexpectedly. This happened in the case of land acquisition by a reputable agency like NTPC also. From the very beginning of 1987 there were widespread rumours of a land takeover.
The farmers started retreating from farming activities due to a fear of losing land and homestead. Actual pre-survey was done in 1988, thereby freezing the land. “Lack of the information at the right time and the communication gap creates a sense of insecurity and pessimistic hope for future” (Fernandes, 1996).

NTPC acquired a total of 1169.61 acres of land from five villages. Out of these, an area of 902 acres for the main plant is located in a single block. This was the state-owned Kayamkulam Kayal farm, which was handed over to NTPC in 1989 after retrenching 827 Kayal farm labourers. They were paid all retrenchment benefits by the State Government.

Apart from the Kayal farm labourers, a large number of traditional fishermen were also affected by the dredging of the Kayal for filling of the land acquired for the main plant. About 267.6 acres of private land, mainly wet land, was acquired under the Land Acquisition Act, 1894 and its subsequent amendments. They were paid monetary compensation as fixed by the State. Among the land oustees 63 lost their homestead also. The number of land oustees is 1116. NTPC calculated the total number of the PAPs to be 2244, for whom only Rehabilitation Action Plan was implemented, including cash compensation and Self Employment Scheme. The PAPs include the land and homestead oustees, the fisherman community and the kayal farm labourers.

There are many individuals who are indirectly affected by land acquisition. They are mainly different kinds of traders. They belong to both the average income group and
affluent sections of the society. The latter, though they did not expect R&R assistance from NTPC, had a firm belief that their business would flourish once the project was implemented. When assessing the PAPs a grave mistake was committed by the NTPC as is observed from the studies. A large number of the people, mainly from OBC and SC groups, who depended from generation to generation on agriculture as farm labourers and on allied economic activities, were completely neglected.

NTPC boasts that there was no displacement of population or homestead oustees in the 902 acres of kayal farm land. But, when the previous economic prosperity of the locality is compared to the present dismal condition, one can assess what a cost the locals paid for national development. Though land acquisition was notified in 1989, the compensation was given only in 1994 – a lag of 5 years without income from land or eligible compensation. The amount has not been completely distributed till date as many cases are pending in the court. Thus the land owners and farm labourers feel helpless and insecure due to lack of appropriate source of livelihood. Apart from the loss of land asset the economic impact of this delay is unpardonable. A development project that benefits others spells doom for the displaced people right from the time of land acquisition.

3.3.2 Compensation

Compensation for land acquisition was based on the price at which the land sale deed was made. It is a general trend that, in order to reduce the stamp duty, the original price is never shown in the official registration document. This happened in the case of
this project area also. So the price fixed was based on ‘golden value’ which is always less than the replacement value.

Any study on the impact of a development project involving compulsory relocation is complete only when there is a proper understanding of the R&R of the project. It is with this intention in mind that a look into the socio-economic impact of the developmental project of the NTPC at Kayamkulam of Alleppey district is attempted.

3.4 Resettlement and Rehabilitation Policy of the Project

In Kerala, the State government does not have any R&R policy. The State used to follow a specific R & R policy for each project on previous occasions. Since NTPC projects require thousands of acres of land, necessitating involuntary displacement, proper rehabilitation and resettlement assumes immense significance. Moreover, NTPC insists that people affected by the project must also benefit from it. Considering the general R&R policy of NTPC (NTPC 1993), views of the State Government and the results of the Demographic Survey done, NTPC formulated a Rapid Action Plan (RAP) for the Kayamkulam project. This was set in motion in April, 1996. The main contents of the RAP are as below.
3.5 Rehabilitation at Kayamkulam

3.5.1 Rapid Action Plan (RAP)

Involuntary displacement is unavoidable in the establishment of infrastructure projects like Thermal Power Stations. Acquisition of land generally induces change in land use pattern and can affect the economic base, leaving PAPs to face a new and often hostile social set-up. NTPC projects being capital intensive and requiring only very few highly skilled and trained personnel, employment opportunities are little or even non-existent.

RAP is formulated to fulfill the objective that after a reasonable transition period, the displaced persons improve or at least regain their standard of living. Furthermore, implementing RAP will ensure a close relationship with PAPs, eliciting their cooperation, which is preferable for the successful completion and efficient operation of the project.

The RAP for Kayamkulam is based on a comprehensive socio-economic survey and was approved by the Village Development Advisory Committee (VDAC) which acts as a nodal agency in implementing it. VDAC is chaired by the Deputy Collector, Alappuzha District. It has representatives from PAPs, State Government, NTPC and other affected groups as members.

One of the most challenging tasks faced by any successful R&R is the implementation of economically viable and sustainable IGS acceptable to the PAPs.
Various IGS have been identified in the RAP. They include coconut plantation, fish farming, coir production, shrimp feed making, dairy farming and poultry farming.

A unique insurance scheme is in operation for the Kayamkulam PAPs. Under this scheme a PAP will get life risk coverage of Rs. 30,000, medical coverage of Rs.5,000 per year, fire risk coverage of household up to Rs.2,000 and fire risk coverage of house up to Rs.10,000. The cost of this scheme is only about Rs.252 per family per year. PAP identification being an important aspect of any R&R exercise, individual identity cards for the Kayamkulam PAPs is envisaged. As part of RAP a resettlement colony is being set up near the township of the project with infrastructure such as drinking water, roads and drains, playground, electricity for street lighting etc in 20 acres of land.

3.5.2 Implementation Mechanism

The Kayamkulam R&R activities of NTPC were intended to be implemented with a firm time schedule, under strict monitoring, and with the complete involvement of all the PAPs, Government agencies and other concerned organizations. In addition, a dispute resolution mechanism has been incorporated into the RAP and has been most effective in resolving differences.

NTPC’s phenomenal R&R effort at Kayamkulam is unique in the sense that R&R activities have commenced right from the beginning of the project, thereby preempting any negative social consequences for the project after it gets under way. Social commitments include the idea that PAPs must also be project beneficiaries. The R&R
exercise at Kayamkulam is another instance where NTPC is striving towards excellence and leading by example with a magnificent display of the power to care. (NTPC brochure, The Power to Care).

Having analysed the NTPC project at Kayamkulam and the PAAs, it is understood that the project has affected the State economy both positively and negatively.

While the State as a whole has benefited from the total increase in power generation, the DPs and the people of the project areas have been affected adversely. At the same time, there may be some benefits for the PAAs. In this context, to analyse the impact of the project on the DPs and PAPs it is essential to have a socio-economic analysis of the people affected by the project. This can be done in the light of the R&R of the NTPC for the project area. The ensuing chapter deals with this responsibility.