

**LAND ACQUISITION
AND
RESETTLEMENT AND REHABILITATION
IN HIMACHAL PRADESH**

POWER SECTOR & KOL DAM CASE

**CASE STUDY FOCUS: INSTITUTIONAL ARRANGEMENTS, TRANSPARENCY AND
ACCOUNTABILITY AND GRIEVANCE REDRESSAL IN RESETTLEMENT &
REHABILITATION PROCESSES**

Prepared for

**FOR THE GOVERNMENT OF HIMACHAL PRADESH
NON-LENDING TECHNICAL ASSISTANCE PROGRAMME**

Prepared by



ENVIRONICS TRUST

www.environicsindia.in

TABLE OF CONTENTS

| | | |
|-----|---|----|
| 1.0 | BACKGROUND | 1 |
| 2.0 | HYDROPOWER OVERVIEW | 1 |
| 3.0 | THE KOL DAM | 3 |
| 4.0 | INSTITUTIONAL STRUCTURES FOR RESETTLEMENT AND REHABILITATION | 4 |
| 5.0 | ACCOUNTABILITY AND TRANSPARENCY IN RESETTLEMENT AND REHABILITATION | 6 |
| 6.0 | GRIEVANCE REDRESSAL MECHANISM | 8 |
| 7.0 | RESETTLEMENT AND REHABILITATION: FIELD EXAMPLES AND CONCERNS | 10 |
| 8.0 | EFFORTS TO SECURE ALTERNATE LIVELIHOODS | 16 |
| 9.0 | INFERENCES AND SUGGESTIONS | 17 |

ACRONYMS

| | |
|--------|---|
| CEA | CENTRAL ELECTRICITY AUTHORITY |
| CRORE | EQUIVALENT TO 10 MILLION |
| DC | DEPUTY COMMISSIONER |
| DPR | DETAIL PROJECT REPORT |
| FRL | FULL RESERVOIR LEVEL |
| GWh | GIGA WATT HOUR |
| HaM | HECTARE METER |
| HIMCON | HIMACHAL CONSULTANCY ORGANISATION LIMITED |
| HPSEB | HIMACHAL PRADESH STATE ELECTRICITY BOARD |
| HSO | HOMESTEAD OUSTEES |
| LA | LAND ACQUISITION |
| LAKH | EQUIVALENT TO 1/10TH OF MILLION |
| LAO | LAND ACQUISITION OFFICER |
| MW | MEGA WATT |
| NLTA | NON LENDING TECHNICAL ASSISTANCE |
| NTPC | NATIONAL THERMAL POWER CORPORATION |
| PAPs | PROJECT AFFECTED PERSONS |
| PIC | PUBLIC INFORMATION CENTRE |
| R&R | RESETTLEMENT AND REHABILITATION |
| RAP | REHABILITATION ACTION PLAN |
| RC | RESETTLEMENT COLONY |
| SDM | SUB DIVISIONAL MAGISTRATE |
| VDAC | VILLAGE DEVELOPMENT ADVISORY COMMITTEE |

1.0 BACKGROUND

Environics Trust has been assigned the task of providing inputs on Social and Institutional Aspects of Land Acquisition, Resettlement and Rehabilitation (LA and R&R) as a part of the World Bank's Non Lending Technical Assistance (NLTA) to the Government of Himachal Pradesh.

A series of case studies have been conducted as a part of this process-oriented exercise to identify and highlight specific aspects. These case studies have been so designed that they could provide insights into some of the good practices and have larger applicability.

This provides an overview of the Hydropower sector; the situation in Himachal Pradesh and the case study provides a description of the existing institutional arrangements for resettlement and rehabilitation and underlines the transparency and accountability mechanisms in the process. It also examines the grievance redressal systems and finally provides recommendations for improvement in the current processes and suggestions for wider applicability.

2.0 HYDROPOWER OVERVIEW

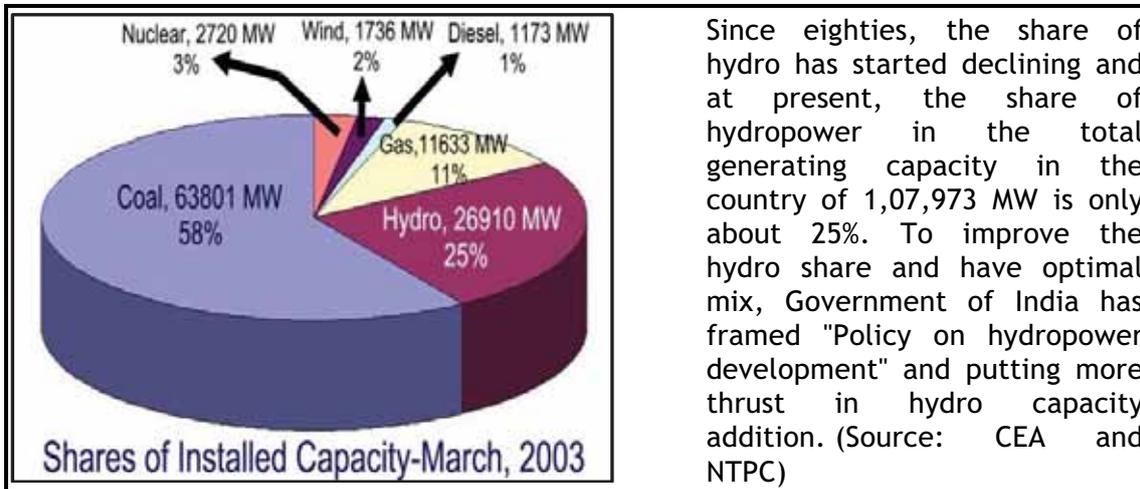
'Energy Security' is seen as critical to the maintenance of the high growth trajectory established in the country over the last few years. The existing power situation in the context of these demands is considered as one input that could seriously impede this economic growth. The power shortage and peak deficit have increased since 2001 and the targeted addition to the capacity has fallen short by almost 50 percent (Table 1).

| Power Deficits (2007) | | | |
|---------------------------------------|-------------------|-------------------|---------|
| | Nov | Oct | Apr-Nov |
| Peak deficit (%) | 12.9 | 15.6 | 12.9 |
| Average energy shortage (%) | 10.4 | 10.1 | 7.9 |
| Power Capacity Addition | | | |
| | 2007 (Apr-Nov) | 2006 (Apr-Nov) | |
| Capacity addition target (Mw) | 12,381 | 7,129 | |
| Achievement (Mw) | 5,115 | 3,415 | |
| Achievement (%) | 41 | 48 | |
| Source: Central Electricity Authority | | | |

Hydroelectricity is considered clean energy and its generation is not linked to issues concerning fuel supply, especially the price volatility of imported fuels. It is perceived to enhance the energy security of the country. Hydropower is ideal for meeting peak demand. Less than one fourth of the vast hydel potential of 1,50,000 MW has been tapped so far. Consequently, thermal generation, which should generally be used for base load operation, is also being used to meet peaking requirements. As against the desirable hydro share of 40 per cent, the current share is only about 25 per cent in India. The re-assessment studies of hydro-

electric potential of the country, completed by Central Electricity Authority in 1987, have placed the hydro power potential at 84044 MW at 60% load factor. A total of 845 hydroelectric schemes have been identified in the various basins, which will yield 442 billion units of electricity. With seasonal energy, the total energy potential is assessed to be 600 billion units per year. Under the '50,000 MW Hydroelectric Initiative',

launched by the Prime Minister in 2003, 162 sites have been chosen for rapid development, with the Central Electricity Authority (CEA), the Nodal Agency. The CEA and the Ministry of Power have been instrumental in speeding up the process by preparing of Pre Feasibility Reports so that further developments could take place.



Since eighties, the share of hydro has started declining and at present, the share of hydropower in the total generating capacity in the country of 1,07,973 MW is only about 25%. To improve the hydro share and have optimal mix, Government of India has framed "Policy on hydropower development" and putting more thrust in hydro capacity addition. (Source: CEA and NTPC)

The region-wise potential and development indicates that the Northern and Northeastern regions have the largest balance potential. Hence bulk of the new development is concentrated in Himalayan river systems and in the States of Himachal Pradesh, Uttarakhand and Arunachal Pradesh.

| Region | Potential Assessed | Potential Developed | Potential Under Development | Balance Potential | Balance Potential (%) |
|---------------|--------------------|---------------------|-----------------------------|-------------------|-----------------------|
| Northern | 30,155 | 5,150 | 2,905 | 22,100 | 73.28 |
| Western | 5,679 | 2,270 | 1,164 | 2,245 | 39.53 |
| Southern | 10,763 | 5,924 | 153 | 4,686 | 43.54 |
| Eastern | 5,590 | 1,364 | 201 | 4,025 | 72.00 |
| North-Eastern | 31,857 | 517 | 914 | 30,424 | 95.50 |
| Total | 84,044 | 15,225 | 5,339 | 69,480 | 75.53 |

Source: Indian Hydropower Association, 2005

Hydropower is amongst the largest sectors in terms of investments needed and attaining potentials to generate hydropower. The central government has also announced incentives for the states to harness hydropower potential by the end of the 11th five-year plan period.

Himachal Pradesh contributes 7% to this initiative from 15 projects with an installed capacity of 3328 MW. This initiative is planned to finish by the 12th five-year plan i.e. by 2017. The assessed basin wise potential in Himachal Pradesh is estimated at 20,386 MW. The Satluj basin contributes 52.11 per cent of the installed potential.

Table 3: BASIN-WISE POTENTIAL - ASSESSED AND INSTALLED

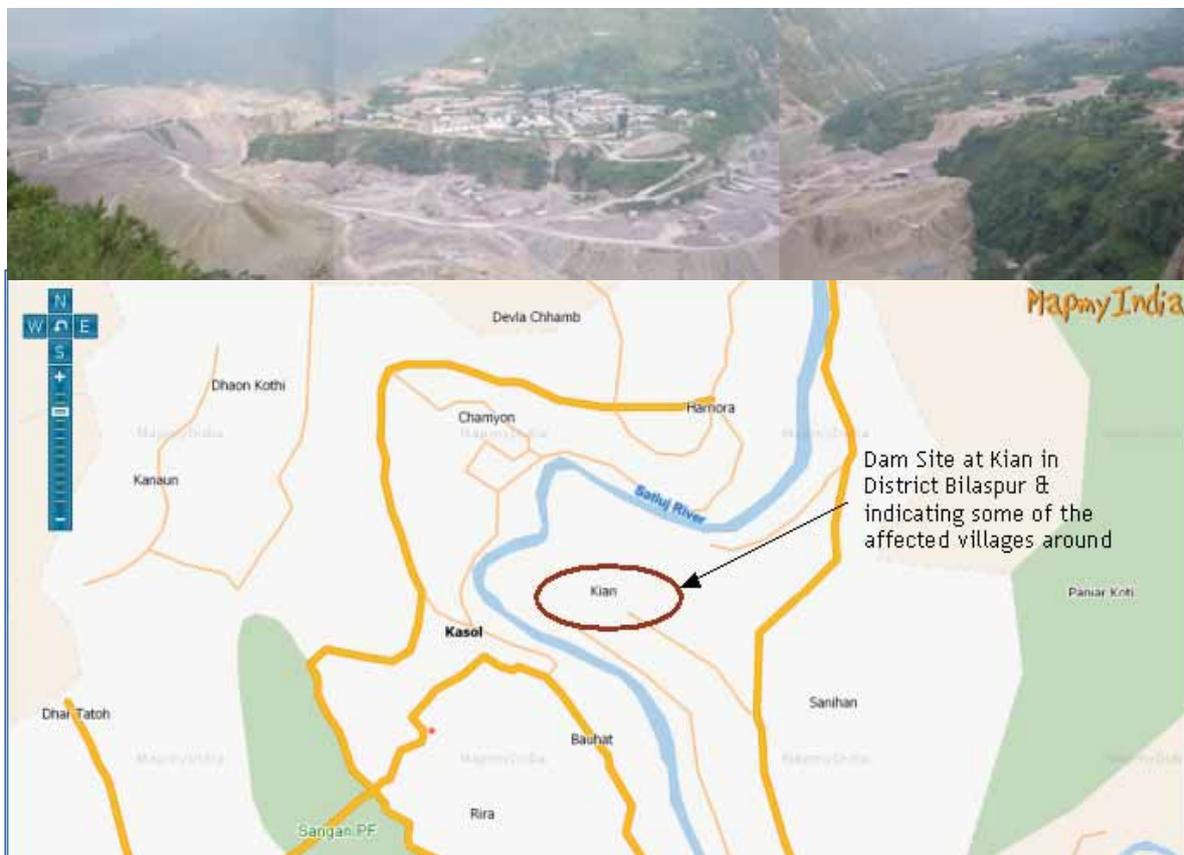
| Basin | Total Assessed Potential (MW) | Potential Installed (MW) | | | Total |
|--------------|----------------------------------|--------------------------|----------------|----------------------|----------------|
| | | State Sector | Private Sector | Central/Joint Sector | |
| Satluj | 9420.25 | 150.25 | 300 | 2700 | 3150.25 |
| Beas | 4582 | 88.5 | 86 | 1460 | 1634.5 |
| Ravi | 2294 | 5.5 | | 1038 | 1043.5 |
| Chenab | 2748.3 | 5.3 | | | 5.3 |
| Yamuna | 591.52 | 79.95 | | 131.57 | 211.52 |
| TOTAL | 19636.07 | 329.5 | 386 | 5329.57 | 6045.07 |
| Himurja | 750 | | | 21 | 21 |
| Total | 20386.07 | 329.5 | 386 | 5350.57 | 6066.07 |

Source: Government of Himachal Pradesh

Nearly 6100 MW of hydropower potential has been tapped so far and another 7600 MW is under execution or allotted under different entities, the major share going to the central sector (60 %). With the ambitious plan for harnessing hydropower by 2017, the states are geared up in bringing in investments routed through central sector and private sector. Most of the schemes are designed as run-of-river schemes to as the Himalayan terrain offers high head and it also avoids large-scale submergence.

3.0 THE KOL DAM

Kol dam was initially conceived during mid sixties as a major hydroelectric power development scheme on river Sutlej upstream of the Bhakra reservoir. Several



investigations were undertaken to assess the suitability of the site on geo-technical grounds. One site examined was 15 km upstream of Dehar powerhouse near Aina village, which was turned down due to unsuitable geo-technical considerations. Two alternative sites, one at Nehar, a 260 m high rock fill dam with full reservoir level at 762 m and the second at Kian, a 230 m high rock fill dam with FRL at 702m were examined later. These alternatives would have enabled installed capacities of 1500 MW and 1200 MW respectively and the average annual generation would have been around 6530 GWh and 5250 GWh. The large storage capacities of 3.98 Lakh ha.m and 1.78 lakh ha.m respectively would have allowed generation on a firm basis during the lean winter period. Purely on social and environmental considerations, the State government did not adopt these options as this would have submerged a huge tract of forests and several settlements including the Suni town with a population of over 10,000 people and the Chaba mini hydroelectric power station (1.75 MW) located at about 7 km upstream of Suni township. This led to further investigations by HPSEB and modified Detailed Project Report (DPR) with an installed capacity of 800 MW capacity was submitted CEA in May 1987. Techno-Economic approval was accorded by CEA to the modified proposal in August 1988 for constructing a 163 m high Rock Fill Dam with surface Power house located at the toe with an installed capacity of 800 MW (4 units of 200 MW each). The project was transferred to NTPC in May 2000.

The full reservoir level of Kol Dam project is 642m (6 kms upstream of Dehar power house) and area of submergence corresponding to this level is 1302 ha. And considering land required for all project activities total land required will be 1510ha out of which 1068 ha is government/forest land and 442 ha is private land. Gross capacity of the reservoir at FRL is 57,600 HaM. The submerged area at full reservoir level will extend upto 40 kms upstream of dam axis.

The cost of the project considering price levels of December 2001 excluding the IDC (interest during construction) is Rs. 3766.28 Crores comprising of Rs 3127 crores on civil works and Rs. 639.28 Crores on generation plant works. The cost of the project including IDC is Rs 4941.88 Crores.

The Kol dam is NTPC's largest hydropower project so far. Kol dam displaces large number of families in the districts of Bilaspur and Mandi, with most of the settlements in Shimla and Solan coming under the submergence zone of the project. Even after redesigning the dam to avoid large-scale displacement, the project envisages displacement of 5315 persons.

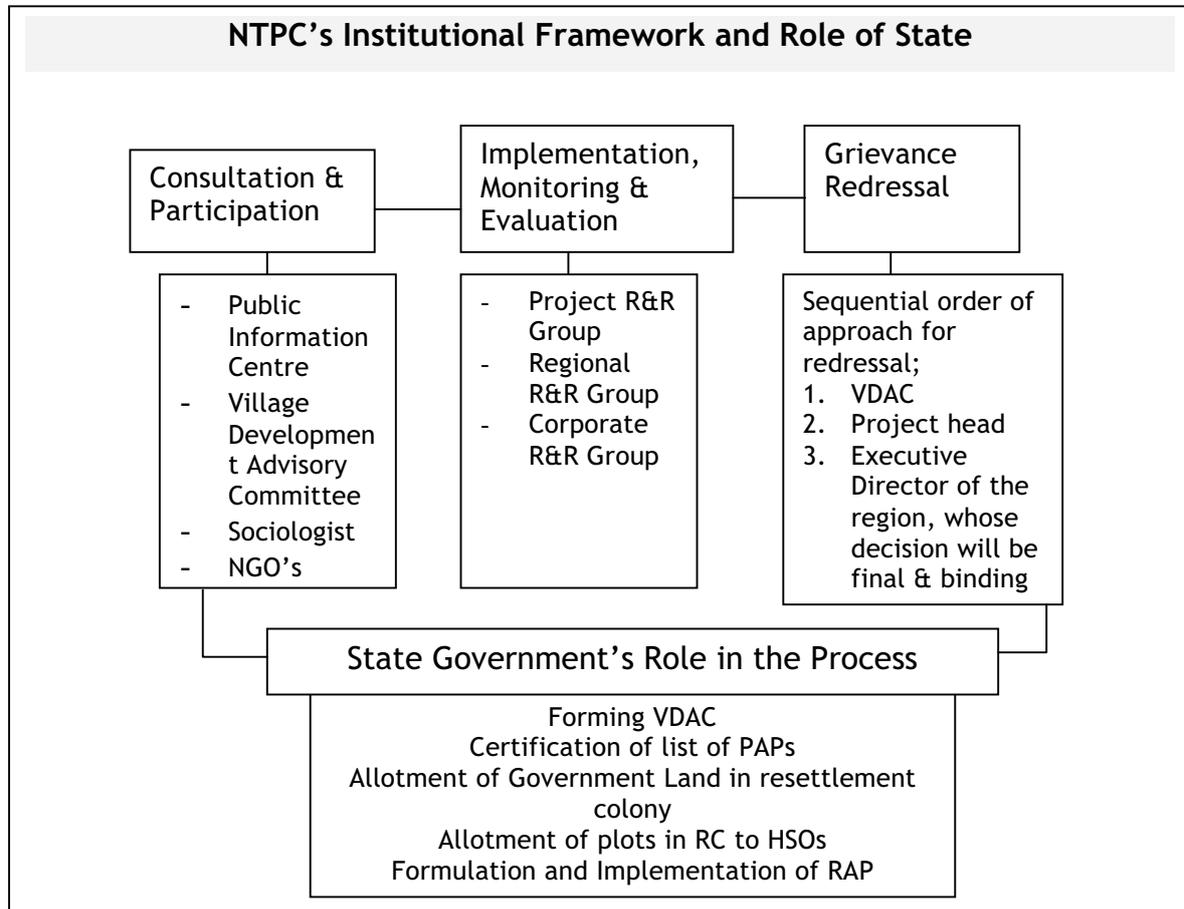
| Table 4: NUMBER OF PERSONS DISPLACED | | |
|---|-------------|-----------------------------|
| District | Tehsil | Number of Persons Displaced |
| Bilaspur | Sadar | 2497 |
| Solan | Arki | 281 |
| Shimla | Sunni | 821 |
| Mandi | Sundarnagar | 1051 |
| | Karsog | 665 |
| Total | | 5315 |
| Source: Government of Himachal Pradesh | | |

4.0 INSTITUTIONAL STRUCTURES FOR RESETTLEMENT AND REHABILITATION

The project level R&R group of NTPC is primarily responsible for the various tasks involved in Resettlement and Rehabilitation. This group is headed by a Senior Manager and reports to the Chief Manager, Human Resources. Managers who directly interact

with the displaced people assist the Senior Manager of R&R group in implementing the R&R plan.

The NTPC has a Director at the corporate level to address the issues of R&R and the



corporate R&R structure has one manager focusing attention on specific project of the Corporation and functions as the link between the Corporate and project level activities.

A tripartite agreement has been entered among the NTPC, State Government and HPSEB in the year 2000, which lays down the guidelines for R&R. The role of the R&R group envisaged is as follows:

The R&R group at site will be in close interaction with the State Authorities during the preparation and implementation of the Plan. Although NTPC will develop the plots and infrastructure facilities in the resettlement colony and actively implement the R&R Plan, assistance of the State Authority will be taken for administrative services like allotment of plots etc. Constant dialogue and regular meetings with the concerned State authorities will be maintained. Implementation will be planned, monitored and corrective measures, if required, will be incorporated in the Plan. Apart from the State Government, the PAPs, the village leader including the Pradhans will also be consulted and associated during the implementation of the plan.

Involvement of R&R group at site will continue till completion of implementation of Rehabilitation Action Plan (RAP), preparation and submission of completion report and evaluation of the completed RAP.

The guidelines also underlined the need for social inputs in the preparation and implementation of RAP and stated “R&R requires complex mix of skills to address the need of understanding social, cultural and traditional aspects of the people affected due to setting up of the project as also for better communication with PAPs and other stakeholders. To fulfil these objectives, sociologists with requisite qualification will be deployed immediately on establishment of Project R&R Group till completion and closure of RAP.”

The guidelines also highlighted the utility of NGOs in the process and stated that NGOs are identified as important stakeholders and will be involved in consultation process as well as during the implementation of various activities of RAP. This will, however, depend on specific requirements and need felt by the project.

5.0 Accountability and Transparency in Resettlement and Rehabilitation

Accountability¹ and transparency² are the key elements of governance systems at the national and local levels. They describe institutional existing qualities and strengthen the delivery mechanisms. These become essential as the objectives of an institution particularly in the public sector (like NTPC) posited with a constitutional responsibility in a wide array of development programmes.

As hydroelectric projects are widespread and influence a large spectrum of issues like social, cultural, environmental etc, a sound institutional framework to address these vital issues needs transparent, accountable and informative systems. Another challenge that hydroelectric projects bring in is the issue of resettlement and rehabilitation of affected people, which need a proactive approach in project design and delivery mechanisms to achieve timely project objectives and in the same time do justice to those impacted by the project. NTPC’s foray into hydro-power has been recent and it has a chequered history with its Environmental and R&R programme in its Mining and Thermal Sectors³.

Resettlement and rehabilitation of people is not mere a physical exercise. Successful rehabilitation needs a greater interface and options to deal with their outstanding issues and those posed by the project. The process demands an effective plan for addressing the problems and offering acceptable solutions, which are adaptable at the local level. R&R issues might expand beyond the project area or its period of completion. Hence they need a careful understanding of the crucial elements in reestablishing the affected people, socially, culturally and economically. Transparency and accountability is not only about right assurances but it also spells out limitations. Hiding limitations

¹ exercise of powers and discharge of duties with responsibility, consistent with obligations to society

² implies an open government, making available information about factors influencing decisions that have a bearing on public interest

³ In violation of contracted activities East Parej OCP and Singrauli Super Thermal Plant NTPC was brought to the Inspection Panel of the World Bank on Environmental and Human Issues

is mostly counterproductive. Whatever may be, process that enable people plan or prepare for the challenges they might face in the future, may result in greater self-reliance than by not listing them in information disclosures⁴. Channelisation of institutions and synergising their institutional strengths to handhold the process from beginning and beyond completion could be embedded into the accountability at every stage of this learning and redevelopment process. Communication is another vital component of development projects, especially when the people affected by a singular intervention are widespread in different administrative regions of a state. Communication should take a lead initiating the project and provide relevant and specific information to the people about the projects as well as advancing the benefits amelioration of the impacts and last but not the least the commitment to achieve its objectives. Effective communication can resolve several of the local issues by keeping people informed. While this may trigger certain element of dissatisfaction, especially in the land acquisition and compensation mechanisms, it is cost-effective to resolve at this stage and these processes are largely administered by the state.

INSTITUTIONAL ANALYSIS

| S.No. | Entity | Function and Responsibility | Remarks |
|---------------------------------------|---|---|--|
| CONSULTATION AND PARTICIPATION | | | |
| 1 | Public Information Centre - To maintain transparency and keep PAPs informed | <ul style="list-style-type: none"> Keeping relevant documents for reference for the period of formulation and implementation of RAP. PAPs will also be encouraged to register their queries/grievances at PIC. R&R staff will be available at PICs for interacting with PAPs. The PIC shall function till completion and closure of RAP | |
| 2 | Village Development Advisory Committee - For institutionalizing the public consultation for preparation and implementation of rehabilitation schemes/RAPs | <ul style="list-style-type: none"> The members of VDAC may include representatives of PAPs, Gram Panchayats, Block Development Officer, other representatives of State Government and NGOs etc. Shall be formed after issuance of section 4 notification Regular meetings shall be held, the records maintained and shared. Shall work till completion & closure of RAP | D.C. is the Chairman of the committee. |
| 3 | Sociologist | <ul style="list-style-type: none"> To better communicate with PAPs and stakeholders and understand social, cultural and traditional practices | |
| 4 | NGOs | <ul style="list-style-type: none"> NGOs are identified as important stakeholders and will be involved in consultation process as well as during the implementation of various activities of RAP. This will, however, depend on specific requirements and need felt by the project. | The team did not come across any NGO, which is termed here as a stakeholder. |

⁴ Corporates have been blamed for the classic definition of a lie *suppressio veri suggestio falsi*

| IMPLEMENTATION, MONITORING AND EVALUATION | | | |
|---|---------------------|---|--|
| 5 | Project R&R group | <ul style="list-style-type: none"> Works under the Project HR division Constant dialogues and regular meetings with the concerned state authorities, PAPs, village headman | |
| 6 | Regional R&R group | <ul style="list-style-type: none"> Monitoring and evaluation of the implementation of RAP with respect to the time and cost frame | |
| 7 | Corporate R&R group | <ul style="list-style-type: none"> Policy matters, providing guidance to Regional Headquarter and projects on R&R matters, assist in approval of Rehabilitation Action Plan (RAP) of the project and coordination with external agencies | |

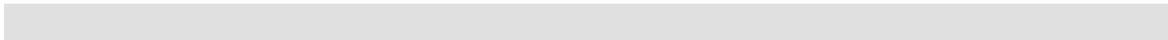
6.0 Grievance Redressal Mechanism

The institutional frameworks thus must also incorporate mechanisms for grievance redressal to effectively address the grievances of the people. The process may layout the strategy to reach out to the widely spread villages and communities. This would also require communication skills as well as innovative information sharing mechanisms in place.

| GRIEVANCE REDRESSAL MECHANISM | | | |
|-------------------------------|-------------------------|---|---|
| 1 | Step 1 | <ul style="list-style-type: none"> Any PAP, if aggrieved for not being offered the admissible benefit as provided for under this Policy, may first move, by petition for redressal of its grievance to the VDAC. | VDAC to be approached first |
| 2 | Step 2 | <ul style="list-style-type: none"> In case the aggrieved PAP is not satisfied by the action taken by the VDAC he may prefer an appeal to the Head of the Project. | Project head to be approached, if not satisfied by step 1 |
| 3 | Step 3 | <ul style="list-style-type: none"> In case the aggrieved PAP is still not satisfied by the action taken by the Head of the Project, he /she may appeal to the Executive Director of the region, whose decision, however, will be final and binding | Ex. Director to be approached if not satisfied by Step 2 |
| STATE GOVERNMENT'S ROLE | | | |
| 4 | District Administration | <ul style="list-style-type: none"> Formation of VDAC Certifying the list of PAPs Allotment of government land for resettlement colony/colonies Maintenance of Resettlement colony | For training, employment etc the list to be approved by the D.C. Though there is a LA group which works at the project level and under HR department of NTPC, it coordinates with |

ENVIRONICS TRUST/NLTA/CASE STUDY/HYDRO SECTOR

| | | | |
|---|----------------------------------|---|--|
| | | | the LAO (SDM in this case) deputed by the state government. |
| 5 | Kol Dam Oustees Cell (DC office) | <ul style="list-style-type: none"> Allotment of plots in R.C. to HSOs based on the list sent by NTPC | The role of the cell is largely in allotting the plots, whereas the site compliance is not embedded in 'The Rules for Allotment of Plots at Resettlement Colonies of Kol Dam 2003' |



7.0 Resettlement and Rehabilitation: Field Examples and Concerns

7.1 Sunni Resettlement Colony - District Shimla

Sunni resettlement site is located close to Shimla-Mandi highway. This was earlier a State agricultural farm which failed to flourish. The entitlement per family was 2000 sq ft of developed plot with streetlights, water supply line, public toilet and approach road. Forty-two plots were allotted but only three houses are completed and another 6-8 are left unfinished or under construction. The plots are on a sloping land and resettlers complain that this cannot be termed as 'developed plots' and have to invest a lot in preparing the site for house construction. In most of the cases, around 6-7 feet filling and strengthening of foundation is needed which is an additional burden. The construction costs are quite high with steel costing Rs 3300/quintal and cement Rs 220 per bag. Labour costs are also high at Rs 150-200 per day. Many resettlers say that a large part of the housing grant in developing the plot they are unable to complete construction.

Electricity lines in the colony are not erected properly as these are very close to the houses and are unsafe for the residents. When people requested to the SDM for rectification of the electric line they were told that under certain rules nothing could be done.

Kol Dam Sanyukt Kalyan Samiti (KDSKS), a registered society, has forty members with a 14 member working committee. KDSKS has raised several questions regarding land compensation and resettlement & rehabilitation of the oustees. A member of the Samiti laments that when section 4 notification was issued, none of the people knew what it was and when the section 9 notification was issued, he says that the LAO did not convince them on the claims. People requested the authorities for information on the compensation for different types of land but nothing was told to them. Randol area has flat lands in which tractors are useable and land is of abbal (superior) category but the settlement documents held them as soyam and doyam (3rd and 2nd category), which drastically reduced the compensation amounts. Another aspect has been that when the last settlement operations took place in 1992 people under-rated the quality of land to avoid taxes.

The burden of higher service costs while moving to a higher hierarchy settlement is also one of the concerns of the oustees. Sunni is a Notified Area Committee and the people see higher rates as an additional burden. People are feeling devoid of privileges that they used to enjoy in the rural set up.

| S.No. | Service | Rates in village | Resettlement Site |
|-------|--------------|------------------|-------------------|
| 1 | Water Supply | Rs 10/month | Rs. 80/month |
| 2 | Electricity | Rs 2/unit | Rs 4/unit |
| 3 | Telephone | 50/month | 185/month |

While giving the plots to the oustees, it was agreed that freehold plots registered in the name of the owner will be given but now people are apprehensive as the plots are not registered in their names and it may happen that these are given on a 99 years lease which is not acceptable to the people.



Few Takers - High development costs has left people thinking whether to invest their compensation amounts to just erect a house at this site.

A lot of leveling efforts consumed financial resources to develop the plots and start construction work.



There are other issues that were raised by the people such as:

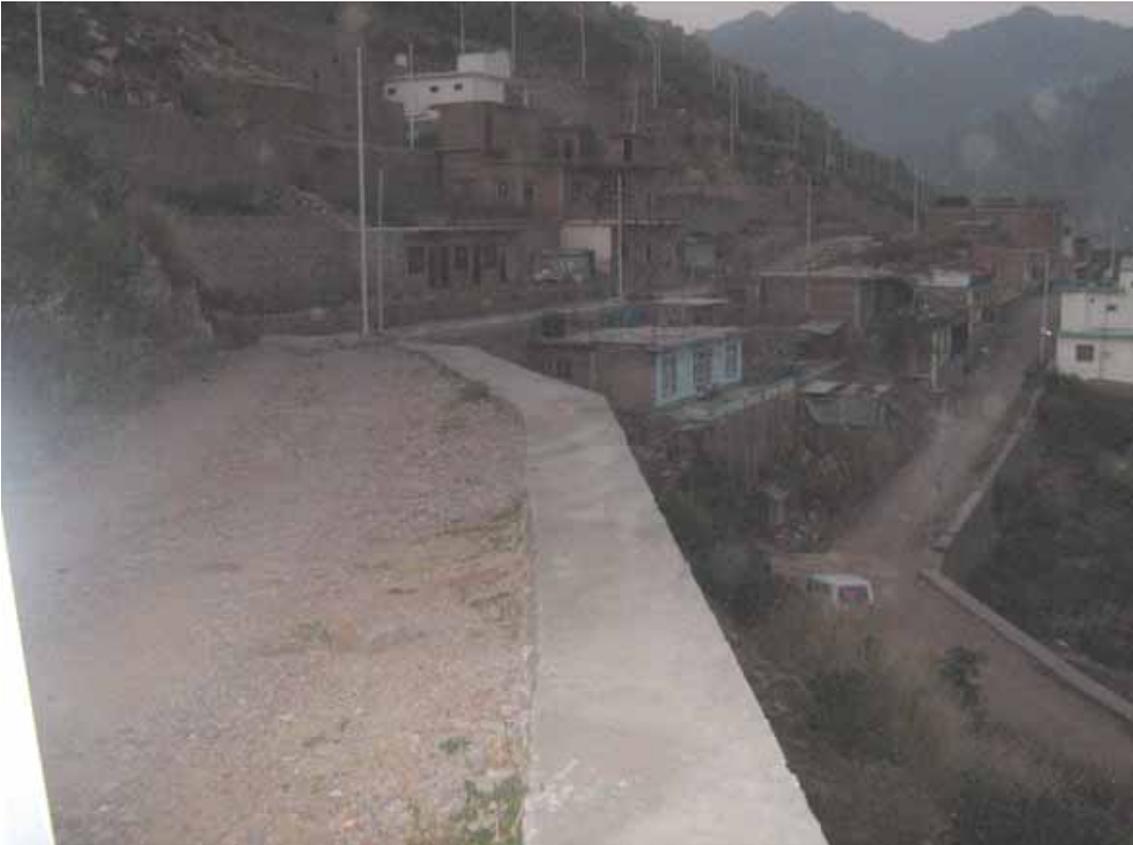
- The Panchayat Parivar Register (PPR) was the basis to define a separate family but PPR itself is not updated and they claim that atleast twenty more separate families deserved to be treated as separate family units.
- People are dissatisfied with the method of estimating the loss of trees.
- The project authorities rejected the valuation of houses by the Housing Board (Shimla) and asked Housing Board (Mandi) to reassess them as the authorities held that Housing Board (Shimla) overvalued them. People hold that private valuers had actually valued the housing property even higher than the Housing Board (Shimla).
- There are also grievances on how the housing property depreciation was calculated.

7.2 Shirpa Resettlement Colony - District Bilaspur

Shirpa resettlement site is located near the dam site. A higher secondary school has been constructed by NTPC here.

Some of the concerns expressed by the resettlers are:

1. Plot sizes are varied and distribution has been uneven, several plots when measured by the people were of irregular size, measuring 47'X38' for which people had raised objections to the authority.
2. Some of the residents of Bohat did not accept NTPC's insistence of vacating the house before their new house is constructed.
3. The road to the last villages of bohat-kasol has not been restored after it subsided due to dam construction activity six months ago.
4. The cartage costs for shifting the materials has been deducted from the grant and people complain that this was not disclosed earlier.
5. Water supply in the new settlement is irregular.
6. The transition from village to resettlement site is difficult. They claim that, as all the aspects of a rural house have not been taken into account while deciding on the size of plots. In the village their homes were spread out and had had larger area. The sudden compactness in the colony makes people uncomfortable.

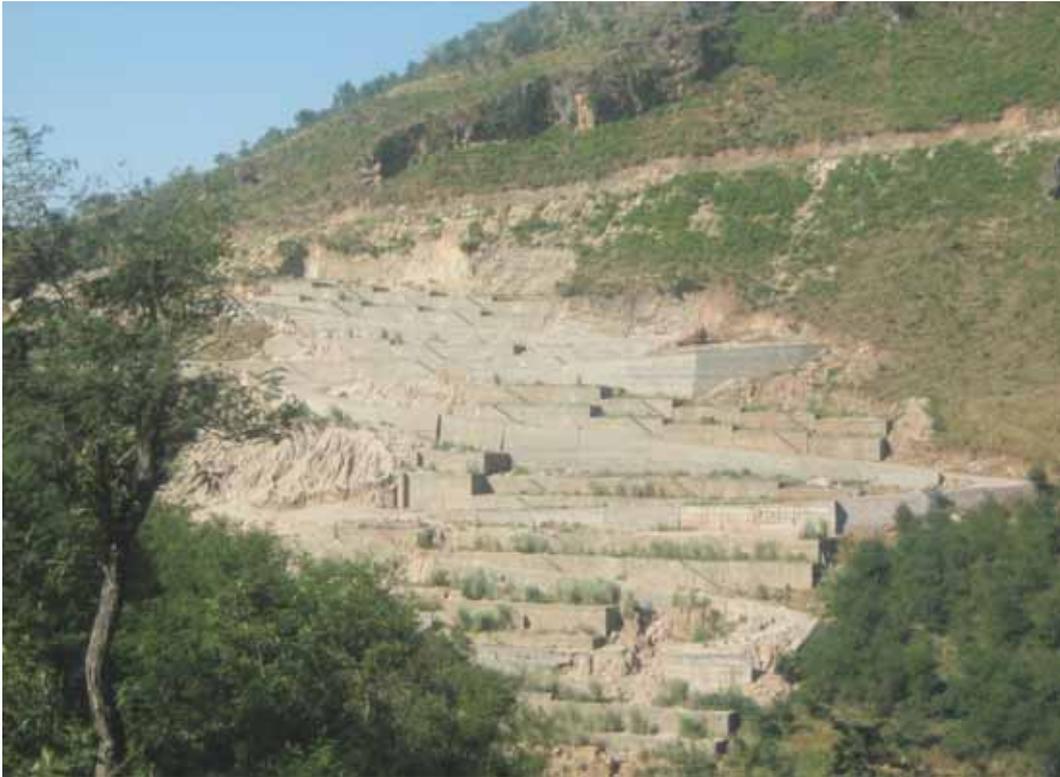


A VIEW OF THE SHIRPA COLONY NEAR OVERLOOKING KOL DAM SITE

7.3 Kangoo Resettlement Colony - District Mandi

Kangoo resettlement site has been allotted to the people of Kyan village from District Mandi. The concerns expressed by the resettlers are:

1. The land identified for resettlement is technically forest land which has now been converted with due clearance. The people of original Kangoo panchayat have their rights over the *dehati charand* i.e. grazing lands, which are also now taken over for resettlement. People apprehend that this would lead to conflicts with local communities as consultation took place with the host community on the common property usage.
2. The site for the reconstruction is vulnerable, as it has been developed by cutting and filling the adjoining hills. People also complain that the loose materials have been used which could lead to subsidence.
3. The other factor is the likelihood of water seepage in the absence of cross drainage and intrusion of water in the houses.
4. Initially, a company called 'Sai Engineering' was contracted to develop the site and people complain that but subsequently the company sub-contracted the task to another contractor. Some of the plots are left unfinished and retaining walls fell off during the rains strengthening their concerns about the vulnerability of the site.



Kangoo resettlement site developed haphazardly over a high sloping hill and is already collapsing.



Closer view of plots in the Kangoo resettlement site, Mandi



A single house, which has come up in Kangoo.

There are other generic complaints

- Some of the names were also deleted out of the list of allottees.
- NTPC agreed that there will be 3 m gap between two plots for passage and facilitating movement but this has been violated and plots are not detached.
- There are no common spaces, which is essential in their social context as people need space to conduct their functions etc.
- People had requested NTPC to allot plots on the basis of their local caste system so that the social structure is maintained as in the village to which NTPC agreed. But plots were not allotted in the manner requested.
- People also feel that there is lack of understanding among the officials and staff of the corporation on social life and their issues. They want to move on fast track but in this several of the issues are ignored and this results in resentment of people.
- In response to people's grievances regarding allotment of plots in the resettlement site, the project authority and the district authorities inspected the site in the absence of the allottees.
- The people have appealed that they should be given atleast 6 months to vacate the house but there has been a constant pressure on people to vacate the house.
- People have been facing difficulty in purchasing land in the new regions as the speculative costs make it too difficult for the people to cope with as once the seller knows that people have got compensation they quote higher costs.

- There is a growing sense of insecurity among the people as their compensation amount is vanishing.
- No legitimate guidance for the people was available on savings and investments.

7.4 Litigations

1. NTPC has filed 24 cases against the local people on account of using the acquired land for their agricultural activities. People want to use the land till the plots are developed to their satisfaction and house is constructed.
2. The Samiti has also gone to the court as the plots given to them were not developed and people had to spend lakhs of rupees to develop it first, before starting any construction. The samiti demands Rs. 4.5 lakhs per plot to be considered looking at the low capacity and allotment of underdeveloped plots.
3. 1015 court references have been filed for enhancement of compensation.

8.0 EFFORTS TO SECURE ALTERNATE LIVELIHOODS

NTPC appointed Himachal Consultancy Organisation Limited (HIMCON) as a consultancy firm for undertaking the Socio-Economic Survey of Koldam Project Affected Population and Techno Economic Viability of Income Generating Schemes". The HIMCON indicates the following interests among the oustees;

| | BILASPUR | MANDI | SOLAN | SHIMLA | % Distribution Scheme/Training Wise |
|---|--|------------|-----------|------------|-------------------------------------|
| Particulars | No of Persons Interested in Implementation of IGS/Training | | | | |
| Income Generating Schemes (IGS) | | | | | |
| Mushroom cultivation | 36 | 10 | 3 | 3 | 19.55 |
| Sericulture | - | 8 | - | - | 3.01 |
| Dairy Farming | 19 | 37 | 4 | 27 | 32.71 |
| Aromatic Plants / Herbs | 39 | 16 | - | 11 | 24.81 |
| Floriculture | 33 | - | - | - | 12.41 |
| Others | - | 17 | 3 | - | 7.52 |
| TOTAL | 127 | 88 | 10 | 41 | 266 |
| Trainings | | | | | |
| Mechanic Motor Vehicle | 53 | 39 | 10 | 16 | 20.77 |
| Bleaching Dyeing & Printing | - | - | - | - | 0.00 |
| Computer | 171 | 84 | 27 | 36 | 55.99 |
| Fruit Preservation | 5 | - | - | - | 0.88 |
| Electrician | 64 | 17 | 8 | 9 | 17.25 |
| Plumber | 18 | 7 | 1 | 3 | 5.11 |
| TOTAL | 311 | 147 | 46 | 64 | 568 |
| NIL (people who do not want IGS/Training) | 112 | 43 | 12 | 17 | 184 |
| GRAND TOTAL | 550 | 278 | 68 | 122 | 1018 |

In all 1018 people were surveyed for their interest on income generating schemes and training activities in the four affected districts. During the survey it was found that 15 people had expired and 75 people are not traceable. About 18% of the people are not interested in any type of income generating schemes and training activities. The analysis of HIMCON indicates that most of the people have expressed interest in undergoing training (56% of the total). The issue is of providing opportunities for the them on completion of their training since there is no commitment from the project authorities or any mechanism has been indicated in the study. The financial viability of the identified income generating schemes should be carefully considered since project authorities commit to a financial grant for Rs. 15000 only, which may be significantly low.

| Components | Analysis of HIMCON | Concerns |
|----------------------|---|--|
| Strength | Average age of the affected family members is between 20-50 years | Linking with job opportunities has not been defined in the policy, so even getting a training in this age may not lead to gainful employment |
| | Willingness to learn and absorb new technologies and new business ventures | It will depend on the financial viability of the proposed income generating scheme and its sustenance.. |
| Weakness | Low educational level | It has to be understood with respect to age |
| | Low skill level | Their skill was in agriculture which is being wasted due to land loss |
| Opportunities | New emerging trades & business opportunities | Risks involved must be understood. |
| | Compensation amount to invest in business and other useful activities leading to self employment | May suit those who have such acumen, but it may not applicable to all oustees. |
| | Government has announced liberal industrial policy with incentives, it is an opportunity to set up own industrial units | This needs to be explored further as a viable industrial unit needs investments and market opportunities. |
| Threats | Low education level | May lead to wastage of compensation |
| | Lack of knowledge of investment opportunities | May lead to improper investments |

9.0 INFERENCES AND SUGGESTIONS

Situations

| S.No. | Aspect | Sub Aspect | Remarks |
|-------|---------------------------|--|--|
| 1 | Rights/ Accountability | Shifting of Materials The project level committee and district level | A clearly spelt out policy would have taken off much of the problem. Shifting of materials is allotted to the contractors who are hired by the authority and no direct responsibility on safely moving the materials. Many people complained that cartage charges have been deducted from their compensation amounts which was revealed by the bankers. It was not clearly told to the people. |

ENVIRONICS TRUST/NLTA/CASE STUDY/HYDRO SECTOR

| | | | |
|---|------------------------------------|---|--|
| | | committees have been suggested in the rehabilitation policy 2007. The state shall look for developing these institutional structures. | Some people had the double burden of paying the transportation charges by shifting themselves and already deducted amounts unknown to them initially. |
| 2 | Communication | Misconceptions | Unclear communication has left people into a multiplicity of confusions. Some think that the amount deducted from house grant is because of the TDS as told to them by the authorities. |
| 3 | Participation | Plot allotment | In order to fasten the process of resettlement, the authorities have directly approached the district authorities to resolve the issues related to housing colonies without involving the stakeholders. This has left the people in anger. |
| 4 | RAP | Social clustering | Request to form a similar commune in the resettlement colony was requested which could have been addressed in the RAP. Needs more thorough understanding of the resettlement planning while dealing with diverse rural communities |
| 5 | Accountability | Site planning | Irregular plot sizes, despite the fact that a certain norm to be followed. It may have been avoided, had it been communicated well that what are the genuine problems and to what extent the requests by the people could be addressed. |
| 6 | Transparency & Information Sharing | Strengthening Information sharing | As a center in the affected region, the authority took no specific steps for information dissemination like pamphlets on progress, issues etc. As visiting a PIC (by people) is practically not feasible all the times, the utilization of PIC remains bleak. These centres were not operational during field visits. PICs should have been the nodal centres for raising awareness among the affected communities and coming up with strategies to overcome problems faced by the people in coordination with local panchayats and district administration. |
| 7 | Institutional | Need for a larger Institutional interface | There are no clear cut roles and responsibilities for the members of the VDAC as the members are representatives of affected people. It thus depends on an active member to take a lead. The overall structure of the VDAC is ad-hoc with fixed members. Even the selection process of the committee members shall be known to the people. |
| 8 | Redressal Body | Legal Support | It has an advisory role, as these kind of development works involve legal aid, there has been no legal aid through the PIC/VDAC |

1. Resettlement and rehabilitation is a process driven task for which normally the project proponent is not adequately equipped. This is evident in the context of Kol Dam.
2. The disbursement of compensation amounts and physical progress is seen as indicators of success but resettling families is not mere a component of the project, it is the question of life of every single family where ignorance should not have any space but in the absence of sound delivery mechanisms and enabling organizations, faulty process has taken its toll on the people.
3. Even if 36 families received compensations of over Rs 10 million and this has had a deleterious effect on the process as officials and project authorities hold that the oustees have become very rich, we agree with the critique of Cernea on the compensation principle, 'that compensation is structurally unable to resolve the task of restoring incomes and livelihoods to where they would be in the absence of forced displacement. Because of the very nature of compensation, it is doubtful that even with additional safety net measures, however useful these may be, compensation means could fulfill the functions and burden that economic policy and theory assign to it in restoring and improving pre-project livelihoods' (Michael M. Cernea: For a New Economics of Resettlement: A Sociological Critique of the Compensation Principle (Published in: International Social Science Journal, 2003, nr 175 UNESCO, Paris: Blackwell)

In this context we suggest that:

1. It is therefore imperative that sound institutional basis is fundamental to the process of Resettlement and Rehabilitation. The task requires different skills, empathy and concern, as the families need to totally reestablish themselves.
2. Clarity of information and widespread availability is important both to avoid future costs as well as enable communities to plan their future. PICs have to be operational.
3. Activities that are performed for Resettlement and Rehabilitation and infrastructure building should be undertaken by the communities themselves and should not be contracted out to others or the departmental agencies.
4. The total allocation is also to be considered in relation to the overall project magnitude and discussion about this must involve the communities.
5. To begin with it is important to initiate a drive to identify and build institutions, which can responsibly undertake the task.

6. As immediate measure information on the status of rehabilitation and future should be widely disseminated.

In the context of the new National Resettlement and Rehabilitation Policy (2007) these tasks to evolve new frameworks become State function with the Commissioner (R&R) and the Administrator (Rehabilitation) as the agency advocated by the policy.