

## **PRESS RELEASE**

### **Land Acquisition Hurdles Make Cheyyur UMPP Riskier**

Villagers warned investors considering the Cheyyur 4000 MW UMPP that the project's lead agency, Power Finance Corporation, was underplaying significant risks by not disclosing legal and land acquisition challenges it faces. Even as land acquisition proceedings for the port and power plant for the 4000 MW Cheyyur UMPP are facing allegations of fraud, farmers owning land for the coal conveyor corridor from port to plant have said they will not part with their lands. They were joined by farmers and others that make their living by farming and fishing on the poromboke lands and backwaters occupied by the project area in sending a letter to the Tamil Nadu Chief Minister underscoring their refusal to part with their lands for the project. Land-owners and users have said this project will hurt their livelihoods and harm the rich water resources of the entire area. Water is more precious than electricity, and there are no alternatives to water, the villagers said. The project site includes 100 acres of waterbodies and backwaters, and is coming up in a taluk that has more than 80 irrigation tanks and rich groundwater.

Speaking at a press conference in Chennai a day before a briefing by Power Finance Corporation for potential investors in the city, farmers warned investors that this project will not take off. Besides the power plant, port site and ash pond, the project requires at least 200 acres of land for which no acquisition proceedings have begun. This includes crucial components such as railway siding, road access from NH45 and the 6.5 km corridor for constructing coal conveyor belt, and for bringing process water from the sea and returning effluents to the sea. This corridor is to pass through dense agricultural and horticultural lands in Vilambur and Gangadevankuppam villages covering a total of 50 acres.

The land acquisition for the port is fraudulent because the land being acquired was expressly rejected as unsuitable by several Governmental teams, activists say. Meanwhile, with owners of the land for the coal conveyor corridor refusing to part with their land, the project is likely to be a still-born as it will have no way of transporting the coal from the port to the plant.

Cheyyur residents told investors to verify allegations and review the risks before sinking their money in the project.

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