

NEWSLETTER 7

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Written in the earlier issue “Compromising Rights and Costing Communities” about the East Godavari district, tribal population, illegal mining and unsettled issues; the journey through this connected region is shared below from the field.

Through the Lateritic Soils in The Nagulakonda hills

How do I encapsulate a year’s experience that lies scattered between GPS waypoints, across hill streams and seasons, in some of the most vivid terrain of memory? This story is one not just of illegal laterite mining, but of a journey of discovery across three mandals and two districts, and as the lines blur between borders, between Scheduled and non-Scheduled areas, between proponents, it is not just the scale of illegality, but my own understanding of it that has grown as I’ve tried to connect the dots.

To briefly outline the situation, there are 4 chief areas of concern, which can be split into pre-mining (Avelthi, East Godavari; Sarugudu, Vizag Agency) and mining (Vanthada and Chintaluru, East Godavari) areas. Sarugudu is a Scheduled Area, Avelthi and Vanthada are Tribal Sub-Plan areas and Chintaluru has a large population of SC’s and OBC’s whose land has been illegally acquired. In the latter two areas, illegal mining continues despite FIR’s filed, complaints registered, two government committees recommending illegal mining be stopped, a dozen officials across Forest, Mines and Geology and Revenue departments suspended for massive corruption charges, all of this over the last 9 years. The same proponents have applied for leases in Avelthi, Anumathy and Sarugudu, besides others, with no reference to the presence of vulnerable communities, Reserve Forest and water resources that abound in the region.

As MIClans, Avelthi was our first field trip, and like neophytes, we thought it was a picnic treat after a week of intensive introductions. And so, when we reached Peddamallapuram, with very little background information collected, we were more relieved to drink in the shade of a storm brewing over the densely forested hilltops, instead of keeping our eyes open for warning signs. The five of us rattled up the rocky laterite road in our separate rickshaw, thick blurred green hurtling past our field of vision. We got there, did our hasty interviews and came back with hazy memories. We thought we’d done a decent job, talking to the women and children, but upon presenting what we’d collected to the mm&P EC members, it was clear that we’d missed almost everything that might help build a case- with neither EIA reports in hand, and forest boundaries and illegal dumpsites unmapped. I remember being furious with myself, for not preparing, for not delegating or fully absorbing what we’d learned in the last week, hoping I would catch up once we had gone our separate ways. I promised myself I would return to fill in the gaps in my information.

Opportunity presented itself in the form of an orientation that I had to conduct in Sarugudu one day before a public hearing for, with over 100 women listening with fierce attention. While we couldn’t go along, at the risk of drawing attention away from local stake-holders, the same women stopped the Collector’s car, lay down on the road, and made their opposition to mining clearly known in the eyes of the media, even if they weren’t given an opportunity to speak at the public hearing. Despite the resounding success there, I was uncomfortable with the fact that we hadn’t reached out to the hill-top

villages that were directly affected, because of an assumption that they were hostile, and pro-project, as evinced from their support for the proponent at the public hearing.

In March, 2012, Ravi told me to undertake a mapping exercise on a route that he had once frequented- from Sarugudu, in Visakhapatnam District, over the hills to Avelthi. Eight of us set off on the gruelling trek from Ramanapalem, through dense forest, when close to evening, I decided that we had to survey the hilltop villages of Sunderkota, Torada and Asanagiri, and so, as the sun set, three of us veered 5 hours off the path to Asanagiri, eventually trekking in pitch dark, with only one torch between us that soon died out and only my guides' internal GPS to rely on. When we reached Asanagiri, we were given a warm, but wary welcome. Gradually, the entire village gathered around us, and it was explained that while they were not entirely pro-company, no one had bothered to convince them otherwise, undertake the basic development work that was desperately needed or even attempt to listen to their problems. We joined more people at Siripuram, down the hill to Dabbadi, finally descending into East Godavari. In each village, the story was the same. Pending Forest Rights claims, no benefits accrued from being part of a Scheduled Area or a Tribal Sub-Plan area, no Gram Sabhas to discuss permissions, non-functional schools, no road access, high maternal mortality, no agricultural or marketing assistance, and company henchmen roaming the villages, trying to buy consent with liquor and promises.

Our path eventually led us to Vanthada and Chintaluru, where mining by the same proponents was going on. It was the first time I'd seen an actual functioning mine and it was completely illegal. The sight of fields caked with red dust, the stories of oppression and scarcity told to me by the women living in Vanthada, the intimidation we faced when our rickshaw was stopped by company drivers are still vivid, and it was hard to stomach that this could be future of Avelthi or Sarugudu.

My next trip was in June 2012, to reach out to, document and map the villages abutting Avelthi- Anumarthy, Pedduru, Jaldam and Ondregula- and inform people that their lands would also be affected by mining there. Information, at the village level, was that basic- no one in Anumarthy, for example, had even told them that their lands were going to be acquired; neither the company, CBOs nor the government. The population in Avelthi itself had been split into two camps- the majority and the youth for the company, with a minority of resistance, that pointed out the flags that had been put up on their land at the edge of the forest, where the company planned to build a road which would eventually connect all the hilltops and mine sites from Avelthi, Sarugudu, Chintaluru and Vanthada to the main highway.

The final wake-up call was on the 20th of August, when a notification was issued for a Public Hearing in Avelthi. We had a month to make an impact. Srinu drafted out a campaign of action, including rallies in the foothills, with the downstream affected communities, public meetings, petitions and press meets. From my side, it meant consolidating 9 years of documentation and legal evidence, preparing press notes, surmising the grounds on which the project was illegal and the schedule of events. To support field activities, we had made several visits - one to Avelthi, to screen films on mining and boost the morale of the resisting villagers, and then conducted CRGs in Peddamallapuram and Kakinada to boost

public awareness. This was supported by sustained lobbying with the Collector, MoEF, APPCB members of the Central and State administration and ground-level advocacy. At the press meet in Kakinada, it was also made public that the mineral being mined was not merely laterite, but low-grade bauxite, and the proponents were trying to evade central scrutiny and significantly dearer royalty.

Thanks to collective effort- from the community, CBO partners, Samata, MICI and mm&P- from grassroots resistance to media and legal advocacy and a strong case put forward to the authorities- the public hearing for laterite mining in Avelthi was deferred.

As I write this, mining in Vanthada and Chintaluru continues, while the fate of large tracts of Nathavaram's forests hang in the balance. What have I learned, besides looking at an EIA, filing an RTI with confidence, determining legal grounds and so on? Well, the importance of thoroughness, collecting as much information as possible because you never know when your next visit might be, the willingness to listen, to record, to pursue all leads, to anticipate a problem before it arises, to document painstakingly, to ask for help when it is needed, to share information as easily as you take it, to follow up rigorously, to understand larger strategy, and to never give up, because the fate of a community rests more on what you do with your information than how much you collect.

The Scapegoat

Natural resources managed by people in the past are now increasingly becoming state managed through acquisition and diversion of these resources – Land & other resources through Land Acquisition Act, Forest diversion and Environment clearance through various clearance processes at the state and central level. Hoping that there is still some chance to make these processes fair, it still remains a challenge when these processes meant to be a part of due diligence become scapegoat on account of hindering the economic development and the pathway taken to acquire and divert these natural resources and on the other hand there is a whole debate on how such processes are non-participatory and have a imposed character. These processes set up by the government are now seen by the government as well as by corporations as hindrance and there is no devolving of power and finance thus looping these hindrances for (treating them as part of eminent domain) or against (bottlenecks for economic development) as per situation at hand makes no good case for governance!

The coal scam is a very recent example where processes were taken for a swing and even unexplored blocks were also given, many coal blocks not even developed in the agreed time frame – so is the disjointed approach and fast forwarding of allocation of natural resources and allowing investors to squat over this non-renewable mineral and leveraging on it. Imagining if the scam was not unearthed, the opportunity gained due to these anomalies would not have come to the fore. There is a clear relation between opportunist-profiteer combine. This has given rise to different equations; for the government to rethink as to how to deal with such a nexus when there is all round involvement from political parties to industrialists resultantly weak mechanisms taken as an advantage; confrontations and allegations on extortion and corruption (a recent case of JSPL and Zee News); what approach and

how will it work – allocation or auction which has got mixed reactions from interested parties; questioning the assessment and analysis of coal scam by CAG and advising it not to interfere in policy matters.

Will the tantrum of Energy security in the form of coal will again crop up and make the government to do adjustments in its policy to secure more coal from certain pockets i.e. compromising with the recent happenings. In all these structural adjustments, there is a parallel ongoing issue of human rights in mining regions for which there is no economic solution but to willfully understand that unless the situation is improved, the mineral regions cannot be opened up for exploitation. Will the industry say no, or say, it's already doing it. But what is the measurable parameter to address this gap, will it form part of the coal blocks allocation policy? Similarly, such a big exposure (coal scam) and reaching out to minor details will have ramifications for the whistleblowers with the bill in the current format and form, as per legal experts this is a lip service to the whistleblowers, infact they suggest protection of witnesses as a basic start point, will the state or the government has such resources or mechanisms to support this. Government's worry has been purely economic as the discussion in the Parliament reflects thereby paving confidence for investors and keeping other necessary legislations in the waitlist.

- Following the orders of the Court which imposed a ban on shipment of iron ore, Odisha has reduced output by 4%, Goa has reduced output by 19% earlier this year. Failing to stick to the Norms, Tata Steel has been fined over \$1 billion by the Odisha Government for exceeding their annual extraction limit.
- To cope up with the current Fiscal Deficit Faced by the Economy, the government has sold off 5.6% stake from Hindustan Copper Limited to private firms Namely NMDC Ltd, expected to be 10 percent, and 5 percent in Oil India Ltd which resulting in a sum of about \$144 million.
- In addition to this, India will also be auctioning off 54 coal mines, in the light of the failure of the 2G spectrum to yield the revenue expected. The government has also declared that only those mines that have already been explored will be put up for bidding.

Business of Mining: Private & Public Sector

The national picture on mining seems to throw an interesting fact – 95.49% of the mining is carried out by the private companies which reflect the profiteering nature of this industry? While the central government is shying away from keeping up its promise of 26% equity, this may be quite evident while looking at the table below. The commercial establishments in mining are obviously thriving on profits.. As it is a hard fact that minerals, forests and communities depending on natural resources co-exist (especially tribals), it is there that a strong presence of private companies in the mining sector exists. All the Schedule V states have huge presence of private mining companies.

Number of Companies in Descending order of their presence in Mineral Bearing states

State	Private companies	Central PSUs	State PSUs	Total Statewise
Andhra Pradesh [#]	287	4	2	293
Gujarat [#]	256	-	2	258
Karnataka	162	4	3	169
Rajasthan [#]	148	3	2	153
Madhya Pradesh [#]	114	6	1	121
Orissa [#]	102	5	2	109
Jharkhand [#]	80	2	2	84
Maharashtra [#]	64	2	1	67
Tamil Nadu	56	2	4	62
Goa	52	-	-	52
Chhattisgarh [#]	48	2	1	51
Uttaranchal	27	2	-	29
Kerala	19	1	1	21
Himachal Pradesh [#]	18	2	-	20
Uttar Pradesh	10	1	1	12
West Bengal	7	1	2	10
Bihar	5	1	-	6
Meghalaya	4	-	1	5
Assam	2	1	1	4
Jammu & Kashmir	1	1	1	3
Haryana	-	1	-	1
Sikkim	-	-	1	1
Total	1462	41	28	1531
[#] Establishments in	1117 (76.40)	26 (63.41)	13 (46.43)	
Schedule V States				

The pace of [clearance](#) increased: In a period close to three years (2008 – 2011), Central government accorded prior approval under FCA, 1980 to 369 mining projects – the area for which was 33,590 hectares or 336 Sq. Kms. The total area diverted since 1980 for 1694 projects is 1,34,456 hectares.

One of the prime resources, forests diverted for the purpose in these scheduled states tops the list among all states and is only reflective of the fact that any expansion or opening up of mineral extraction coupled with industry integration will only offset these prime resources from a common ecological point of view and also the cultural and livelihood aspects in specific of the communities will be affected at a larger pace, given the huge expansion and positioning of India in the international mineral market.

Iron Ore – Ranking of States (in ascending order) as per number of Mine Leases under Captive and Non Captive Arrangements

State	Number of Mines (Provisional)				State-wise Total	% of Private Sector Non-Captive Mines to Total Mines
	Captive		Non-captive			
	Private Sector	Public Sector	Private Sector	Public Sector		
Karnataka	0	0	87	5	92	94.57
Orissa	4	4	64	11	83	77.11
Goa	0	0	72	0	72	100.00
Andhra Pradesh	0	0	23	0	23	100.00
Jharkhand	2	5	13	0	20	65.00
Maharashtra	1	0	9	1	11	81.82
Chhattisgarh	1	5	1	3	10	10.00
Madhya Pradesh	0	0	7	0	7	100.00
Rajasthan	0	0	1	0	1	100.00
Total	8	14	277	20	319	86.83

- Almost 87% of iron ore mines (majority in non-captive mines) are with the private sector.
- Four states viz. Goa, Andhra Pradesh, Madhya Pradesh and Rajasthan are those having no captive mines and all mines in private sector in non-captive category.
- Karnataka tops the list in terms of number of leases and it was in year 2008 that the illegal mining scam was unleashed by the Lokayukta.

The outlook of steel industry is to increase the production levels by 2020 to about 200 million tonnes which is currently around 70 million tonnes of crude steel. Steel Authority of India Limited is towards a

capacity expansion and has several of these captive mines which cater to its five integrated steel plants, private companies are making foray into the steel sector and the trends will change in the near future as the expansion plan of steel industry is rolled out. Iron ore grades thus become prominent factor in determining the regional expansion and the issue of iron ore fines is another factor for which the technology is being brought into the country through Foreign Direct Investment route, one such plan i.e. POSCO has been facing stiff resistance in the State of Orissa and issues revolve around large tracts of land to be acquired for the purpose and unsettled rights of people.

With the ambitious expansion outlook for steel industry, many Greenfield areas are likely to be opened up and brownfield expansion is underway, the trends of POSCO like situations are likely to repeat as the environmental footprints are spread widely as different raw materials like limestone, dolomite, coal, iron ore are to be sourced from distant and different geographies and from the hinterland of communities on which they depend. Orissa and Jharkhand are the prime producers of haematite ore whereas Karnataka has the largest reserves of magnetite ore, it is here currently the captive mines or iron ore are located.

S. No.	State/ UT	Forest Diversion Approvals Accorded for Mining Projects	
		No. of Cases	Area (ha.)
1	Chhattisgarh [#]	126	27220.44
2	Andhra Pradesh [#]	205	19838.54
3	Orissa [#]	173	18417.58
4	Madhya Pradesh [#]	174	15094.7
5	Jharkhand [#]	127	13921.59
6	Karnataka	169	12075.45
7	Gujarat [#]	55	9927.11
8	Rajasthan [#]	232	6880.39
9	Maharashtra [#]	119	3730.66
10	Uttar Pradesh	5	2006.44
11	Goa	52	1863.25
12	Himachal Pradesh [#]	60	1664.07
13	Bihar	10	418.17
14	Tamil Nadu	31	380.34
15	West Bengal	6	281.8
16	Uttarakhand	23	272.66
17	Assam	82	166.88
18	Meghalaya	1	116.589
19	Arunachal Pradesh	16	103.47
20	Kerala	1	29.2
21	Tripura	17	27.31
22	Andaman & Nicobar Island	8	19.59
23	Sikkim	1	0.05
24	Punjab	1	0.002
Total		1694	134456.25

As of 29.02.2012, the total forest land diverted for mining has reached 1,43,871 hectares. In a recent release by MoEF, 6264.29 hectare forest area was diverted for 33 mining projects over a period of one year i.e. July 2011 to July 2012. So the cumulative forest diversion till October 2012 has crossed 1.5 lakh hectares.