

Editorial

About Mining Information Clearinghouse of India (MICI)

Mining of minerals is often termed as exploitation of minerals, which speaks, in itself, of the cumulative impacts it has on the landscape and people. Mining is directly proportional to the presence of exploitable or economically viable mineral across the country. This has led to widespread physical interventions to win over minerals, while failing to win social approvals of the communities affected, as is evident from the high number violations cite and justice demanded by communities from different mineral rich states.

There are constitutional, legislative and regulatory safeguards provided for the people, distributed among the Union and the State. The division of duties at these two levels also demands robust information in the public domain, if decision-making to mine a particular mineral site has to comply with allied legislation and respect the rights of those coming into influence of these mines.

Mining is a large, land-based activity. With over 10,000 mining leases spread over 5000 km² and given the life horizon of a mineral and of a particular lease, it is therefore required to have an information stock to ensure compliance, regulation and control of accepted plans and illegal mines. The complexity becomes even more when illegal mining acts as a multiplier to the existing approved mining. For example, there are only around 2854 (2007-08, IBM) reporting mines in India. Why aren't all mines reporting and how many leases does each reporting mine have?

Blind spots like these will not only make the future scenario worse, but widen the gulf between community information needs and decision-making. It is with



this background in mind that Mining information Clearinghouse of India (MICI) intends to act as an information repository outside the government domain, while it tries to utilize the data in an integrated form to present a factual situation. The vast community base that mines, minerals & People (a national alliance of affected people, communities & organisations, visit www.mmpindia.org) already has, offers a starting base for MICI. The experience of the alliance over a decade or so will enable a greater interface. The purpose of a clearinghouse is also to make people aware of the nature and processes of mining, their customary rights and grievance redressal mechanisms available to them, through trainings and dialogue. MICI will thus be an enabler to understand the context of mining better, and, in time, reduce the huge task of extracting information that plagues the system and its people alike.

Related Activities

Public Hearing: Children & Mining

11.02.2011 20.04.2011

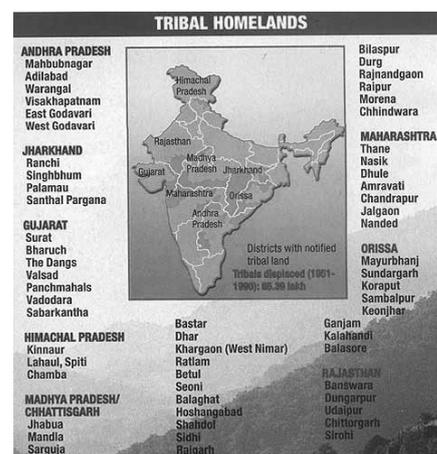
Karnataka Maharashtra

These public hearings were conducted as an outcome of a joint study done in 2010. The relevance is to bring to the notice of authorities about the plight of children in mining regions and take action to address the anomalies.

(Photo: India's Childhood in the Pits)

Heading the News

The idea is to present a quarterly news



analysis which will reflect upon the media coverage as well as seeing an issue in retrospect – be it economics, regulation, socio-cultural and human rights. Below are the few news headlines followed by *MICI news dimension on the following page)*

- Social Licensing the Mines – mm&P Alliance General Assembly
- Condemning the Police firing in Srikakulam District of Andhra Pradesh
- PMO favours joint mining by NTPC, RPower in Jharkhand
- Mines Min for empowering NMRA to review profit sharing mechanism
- Ban lifted on sand mining in non-CRZ areas
- Lavasa may be fined for illegal mining
- Bill to raise penalty against violation of mining laws tabled
- Panel slams Karnataka over illegal mining
- HC asks ministry to end Bhatti mines deadlock
- Illegal mining: Action against 11 officials
- Illegal mining: State officials appear before CEC
- Don't block new mines, focus on 'mitigation measures': Plan panel to MoEF

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ABOUT MICI
QUARTERLY NEWS ANALYSIS
OVERVIEW THROUGH STATISTICS
Highlights: CAG Report
EVENTS OF THE QUARTER





THE NEWS DIMENSION

Nearing the end of March, news drifts in, proclaiming “Don’t block new mines, focus on ‘mitigation measures: Plan Panel to MoEF’”. India’s energy security will take a beating is presented as the argument. This comes in wake of 88 industrial clusters listed as critically polluted areas under the **Comprehensive Environmental Pollution Index (CEPI)**, where a moratorium was announced on new projects till October 2010. Rewind and we find there are scores of illegal mines, scams and loss to the exchequer, but the plan panel suggests not to block mines. Isn’t the industry itself blocking its way? Also, what does mine closure mean? Do these abandoned mines mean garbage dumps, as is being legally debated in the courts about Bhatti mines? 304.91 Lakh metric tonnes of iron ore worth Rs. 15,245 crore was exported without valid permits from Karnataka, a majority of it from Bellary alone. When a single district becomes unmanageable, amounting to such a large violation, where is the scope of mitigation? The entire system needs overhauling instead. Meanwhile, a swami in the holy city of Haridwar is on a fast unto death to peacefully protest illegal mining that is shredding the values attached to Maa Ganga.

*Don’t block new mines, focus on
‘mitigation measures: Plan
Panel to MoEF*

mm&P’s third General Assembly was held in New Delhi, not very far from Bhatti Mines in Chattarpur. Around 270 people - among them struggle groups, experts, organizations, lawyers – listened to experts, shared their views and suggested ways to overcome, if not eradicate, the ills of mining in tribal and economically poor regions. K.B. Saxena, retired I.A.S. officer, cited that the perspective on development has to be redefined and to be keyed in the favour of people. The proposed profit-sharing from mining with communities has led to companies like the Tata’s throwing tantrums, asking it to be incorporated into the

production cost for consumers to bear the burden. FIMI, a corporate body, obviously sided and followed suit, to protect the interests of its federation members.

Jan Sunwais (public hearings) have been renamed as *Gun Sunwai*, as the response to people’s participation has often been violent, over the last few years. 3 people have died in such a public hearing for a thermal power project in Andhra Pradesh, while the plea for environmental justice was being made in the National Environment Appellate Authority (NEAA). How do we mitigate this outcome? All the big ticket projects have put a huge question mark on governance and how to fail the state; Lavasa, Vedanta, POSCO remained the highlights for all the wrong reasons. These have regional implications, from drawing water from rivers to spew dust and pollution all across.

The Mahanadi Banchao Andolan, a movement against diversion of water from the Mahanadi River to industries, reacted strongly to the proposals for drawing water from the Jobra barrage for the POSCO project. “Not a single drop will be allowed to be diverted from Jobra barrage,” spokesperson Dillip Mallick said. Each one of such projects without FPIC is giving rise to yet another protest movement, as the state is busy in disbursing the goods and services without giving much significance to the people. The much talked about social license by industry is thus a non-starter. If these are the contours of development, how MMDR’s provisions will unfold on ground is still a maze. In the meanwhile, the PMO recommended that NTPC & Reliance Power should jointly mine adjacent blocks in Jharkhand to make up on the losses that might occur if they mine separately! It only goes to show that our focus is more on production than suggesting ecological restoration.

OVERVIEW THROUGH STATISTICS

PUTTING IN PERSPECTIVE THE NATURAL & HUMAN RESOURCE IN MINING SECTOR OF INDIA

| S.No. | States | Forest Diversion | | Royalty* | Avg. Daily Emp.* | Leases | Lease area |
|-------|----------------|------------------|------------------|-------------------------|-------------------|--------|-------------|
| | | No. of cases | Area in hectares | Rs. Crore (3 yrs. Avg.) | Nos. (4 yrs avg.) | Nos. | in hectares |
| | | 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | Rajasthan | 232 | 6880.39 | 800.29 | 13200 | 2587 | 106479.18 |
| 2 | Orissa | 172 | 18385.57 | 474.01 | 28652 | 528 | 76356.67 |
| 3 | Andhra Pradesh | 205 | 19838.54 | 281.86 | 7551 | 1948 | 71072.74 |
| 4 | Karnataka | 169 | 12075.45 | 250.92 | 13821 | 615 | 46784.85 |
| 5 | Jharkhand | 126 | 13804.58 | 156.38 | 11720 | 330 | 37059.58 |
| 6 | Gujarat | 55 | 9927.11 | 192.1 | 8555 | 1125 | 30817.62 |
| 7 | Madhya Pradesh | 174 | 15094.7 | 250.59 | 9855 | 963 | 28524.2 |
| 8 | Goa | 52 | 1863.25 | 113.28 | 6052 | 337 | 24445.88 |
| 9 | Chhattisgarh | 126 | 27220.44 | 259.02 | 11377 | 314 | 20143.54 |
| 10 | Maharashtra | 119 | 3730.66 | 90.49 | 5698 | 254 | 16312.35 |
| 11 | Haryana | 0 | 0 | 0.06 | - | 110 | 11638.53 |
| 12 | Tamil Nadu | 31 | 380.34 | 107.2 | 5498 | 925 | 11180.67 |

| S.No. | States | Forest Diversion | | Royalty* | Avg. Daily Emp.* | Leases | Lease area |
|----------------------|--------------------------|------------------|------------------|----------------|------------------|--------------|------------------|
| 13 | Uttar Pradesh | 5 | 2006.44 | - | 1265 | 88 | 9290.11 |
| 14 | Uttarakhand | 23 | 272.66 | - | 1271 | 69 | 3077.78 |
| 15 | Kerala | 1 | 29.2 | 7.7 | 1716 | 85 | 2943.33 |
| 16 | Jammu & Kashmir | 0 | 0 | 2.93 | 51 | 57 | 2671.84 |
| 17 | Himachal Pradesh | 60 | 1664.07 | 40.16 | 663 | 54 | 2665.09 |
| 18 | Bihar | 10 | 418.17 | 2.69 | 296 | 11 | 2074.72 |
| 19 | Meghalaya | 1 | 116.589 | 7.26 | 391 | 22 | 1448.53 |
| 20 | Assam | 82 | 166.88 | 0.77 | 415 | 8 | 929.5 |
| 21 | West Bengal | 6 | 281.8 | - | 605 | 53 | 780.64 |
| 22 | Sikkim | 1 | 0.05 | - | - | 3 | 96.32 |
| 23 | Andaman & Nicobar Island | 8 | 19.59 | - | - | - | - |
| 24 | Arunachal Pradesh | 16 | 103.47 | - | - | - | - |
| 25 | Punjab | 1 | 0.002 | - | - | - | - |
| 26 | Tripura | 17 | 27.31 | - | - | - | - |
| Total Summary | | 1692 | 134307.23 | 3037.71 | 128652 | 10486 | 506793.67 |

Notes: The figures pertain to non-fuel but major minerals (both metallic and non-metallic), also excluding atomic and minor minerals.

Forest Diversion Status as on 01.03.2011

Leases and lease area pertain to 65 minerals (excluding fuel, atomic and minor minerals)

Average employment means number of mandays worked by the number of working days

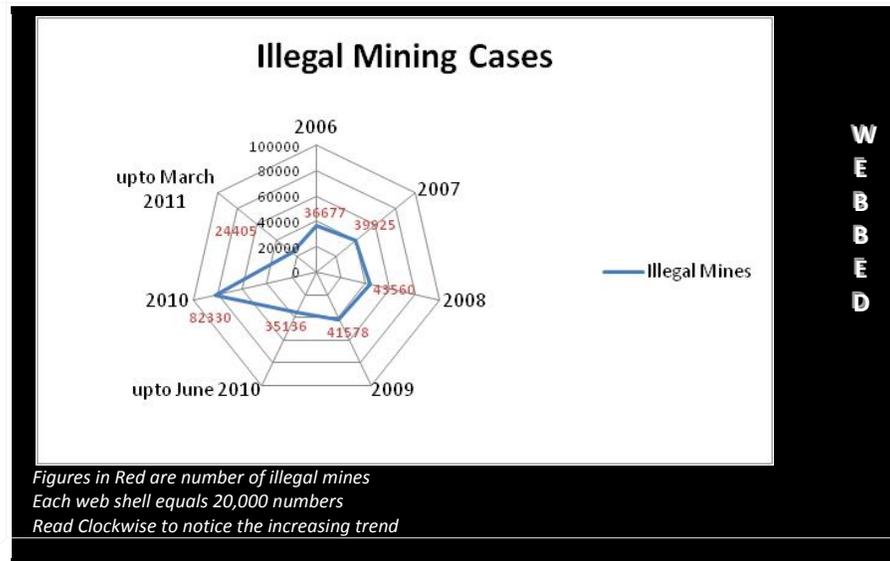
* for non-fuel, non-atomic minerals

- indicates information not available / not reported

① 1343 km² of forest diverted for mining activities coupled with lease area for major minerals makes an enormous 6411 km² out of bounds for people. The state of compensatory afforestation is not transparent but to say, thousands of crores have been accumulated in the CAMPA fund!

① Comparing the average daily employment and number of leases, only 12 persons are employed per lease?

① Average Royalty earned by states is Rs. 3038 crores, whereas the fine realized is Rs. 606 Crore from illegal



mining over a period of 5 yrs. With average cases of illegal mining floating at 43,000 (over 5 yrs.) itself indicate the fiscal loss that must be in multiples to the fine realized! (see figure above “Webbed”)

① Goa is one state which has the largest proportion of lease area over its total area. The total area is little less than 1800 km²!

Highlights: CAG Report on Illegal Mining

What is CAG?

Comptroller and Auditor General of India is a constitutional body with a mandate to audit all receipts and expenditure of Government of India and state governments including authorities substantially financed by the government, public sector undertakings. The special committee of Parliament i.e. Public Accounts Committee takes into consideration these audit reports.

A brief summary to reflect upon illegalities is summarized below:

CAG observed that Rajasthan's 'mining sector' contribution to the state economy stood at 6.8% [2008-09], a 2% fall since 2006-07 due to the change in zinc prices in the London Metal Exchange. This economy largely indicates exploitation of mineral resources, where permissions have been taken to do so, but the CAG noticed that illegal mining is not only a revenue loss but that there are no provisions for recovery of damages caused to environment and reclamation of areas.

Nature of Illegalities

1. Evading Government orders – To make royalty assessments at par with consumptive norm of limestone for cement clinker, the Department of Mines and Geology issued an order that at least 1.52 MT limestone was taken as used in production of one ton clinker of cement to avoid any loss of revenue to the State Government. But this ratio was not being observed by cement factories.

2. Check Failure: At the first instance, overproduction of limestone was observed in Nagaur, despite allowable quantities fixed by the Pollution Control Board. Secondly, the department issued rawannas (*delivery challan for removal or dispatch of mineral from mines*) without considering this over-production. There has also been excavation of mineral unauthorisedly from pit outside the sanctioned lease area.

3. Unlawful Lease Transfer: A contract to mine sand stone and masonry stone for 2 years (total 15 leases) was awarded at an annual contract amount of Rs. 117.68 lakh. The contractor paid the full amount, but for the year 2008-09, it was observed that the actual royalty worked out to only Rs. 4.94 Lakhs, on the basis of mineral quantity dispatched. The CAG noted that the possibility of illegal mining in this case cannot be ruled out, since no prudent businessman would make a loss on the entire royalty paid by him to the Government in advance!

4. No Consent: When there is subletting of leases without the consent of the Mines Department, the material so excavated amounts to illegal extraction. The Government stated that power of attorney was given by the lessee for mining in the lease area but not subletted. The CAG didn't accept this argument, as power of attorney was given with full rights, which is tantamount to assignment of rights under the rules.

Source: Audit Report Mining Receipts (Revenue Receipts) , Rajasthan for the Year 2009-2010

IMPORTANT EVENTS OF QUARTER

Parliament Sessions Concluded

Session VI (09.11.2010 – 13.12.2010)

Number of Questions on Mining: 32

Session VII (21.02.2011 – 25.03.2011)

Number of Questions on Mining: 17

Majority of questions pertaining to Ministry of Mines on policy, illegal mining, forests, regulation

Draft Mines & Minerals (Development & Regulation) Bill prepared by Ministry of Mines, see at

www.mines.nic.in

The bill uploaded in June 2010 proposed to provide 26% equity to the affected population affected by mining activities alongwith a host of other provisions like Sustainable Development Framework. It also proposed to increase the mineral concession sizes by astounding 10 folds.

Photo Feature: Motherhood in the Pits

A series of photographs showing women workers in mining regions.

<http://www.mmpindia.org/madhavan/pages/14.htm>

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This programme is implemented by Samata. The views expressed in this publication do not necessarily reflect the views of the European Commission

“The European Union is made up of 27 Member States who have decided to gradually link together their know-how, resources and destinies. Together, during a period of enlargement of 50 years, they have built a zone of stability, democracy and sustainable development whilst maintaining cultural diversity, tolerance and individual freedoms.

The European Union is committed to sharing its achievements and its values with countries and peoples beyond its borders”.

The European Commission is the EU’s executive body.



This project is funded by
The European Union



The European Union’s EIDHR programme for “INDIA”

Samata is a social justice organization working for the rights of the tribal “Adivasi” people of Andhra Pradesh, India and for the protection of the natural resources and ecology of the Eastern Ghats (hills).

Our mission is to advocate for the voiceless, to hold government accountable to its promises, to enable minorities to fully achieve and exert their rights, to promote sustainable development while defending against environmental abuses and to aid the human development of the disadvantaged. We believe the best way to achieve our mission is through adherence to nonviolence, community empowerment and adherence to the democratic process

Mining Information Clearinghouse of India (MICI) is an effort to streamline information and to build capacities of communities, organizations in mining areas where the rights cut across a score of natural resources. MICI is headquartered in Delhi.



The project is implemented by
Samata, India

European Instrument for Democracy and Human Rights for “INDIA”

The concept

The Constitution of India (Article 39) directs the state to protect the freedoms of its citizens and their right to control community resources as best to serve the interest of the common good. Environmentally unsustainable mining in particular poses serious challenges for the human and democratic rights of mining affected communities. Resource extraction without community consent has occurred on a wide scale and with little or no concern for environmental sustainability.

The information clearing house will focus on building synergies between communities, state governments and the central government on mining issues. We aim to enable communities to take a stronger role in participatory democracy, access justice, protect human rights and reintroduce environmental sustainability to public discussion.

Our goal is to build the capacity of Civil Society Organisations (CSOs) already working on these issues, particularly by expanding their capabilities related to media and legal advocacy.

The objectives

To ensure democratic participation in, access to and continuous monitoring of regulatory mechanisms and government agencies for mining in India; to make certain that mining takes place within a framework of sustainable development and resource management that benefits local communities while protecting their human and democratic rights.

Target groups

- Population in the Scheduled Areas of India where minerals exist in abundance
- Population affected by mining activities or vulnerable to activities proposed in mining regions
- CSOs working on protecting human rights
- Other population and Citizens at large who depend on natural resources
- Those groups, citizens, communities who are not directly impacted but intend to make governments accountable to the actions taken.

Programme Components

- Regional and Community Level Media and Advocacy Trainings
- Bringing out a Community Resource Guide (a toolkit on understanding mining)
- Dialogue with Parliamentarians
- Bringing issues of mining to the media through workshops, press meets
- Developing a mining information repository of various information relevant to the target groups
- Developing a website for wider outreach
- Facilitating communities to seek access to justice through appropriate forums

