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The missing ethics of mining: The case study of Odisha, India

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Occupying an important position on the country's map, Orissa's rich mineral reserves constitute 28% Iron ore, 24% coal, 59% Bauxite and 98% Chromite of India's total deposits. As countries like China rapidly added infrastructure, ore prices were surging across the world. The price of powdered iron ore rose in Odisha from around \$18/tonne in 2004 to \$86/tonne by 2009. With the market giving such explicit signals, ore extraction went through the roof in Odisha. From 8.1 million tons of ore in 1994-1995, before the boom started, the production reached 70 million tons in 2008-2009. That year, exports stood at 16.3 million tons – twice the state's total production just 15 years ago. But this also resulted in uncontrolled illegal mining.

In 2011, a series of widespread scams in the mineral rich state, Odisha created controversy, which includes encroachment of forest areas, underpayment of government royalties, and conflict with tribals regarding land-rights. The latest scam that has come out is the Coal Mining Scam in which Government has had a presumable conservative loss Rs1.86 trillion, due to the delayed implementation of competitive bidding process for allotment of coal blocks, says the CAG.

2011 witnessed first set of PIL (Public Interest Litigation) filed in Orissa High Court seeking explanation on why royalty had not been revised since 1948. During process of inquiry, by September 2011, Orissa High Court had come across multiple other breaches. Forest and environment laws have been violated installing screening plants without statutory clearance. No action was taken by any of Department state and center excess mining of the specified limit violating operating conditions, assessing impact on the local environment, grabbing unauthorised forest land. There have been four PILs in the Orissa HC demanding a CBI probe into the scam. 56 mining leases operated close to identified wildlife areas without adequate protection to the animals.

The state government has suspended 128 mining leases for various minerals, including iron ore, manganese, chromites, limestone, while 482 licenses granted for trading and storage of minerals have been cancelled to stop illegal mining. During investigation on the contrary the miners alleged that steel and mines department officials had superimposed Google maps on the revenue map to determine lease area encroachment. Also, they had a complain regarding differential global positioning system (DGPS) maps given by the Orissa Space Application Centre were erroneous. The commission has directed the state to form a committee for physical survey and lease area demarcation of mines. Ninety-four of the 192 iron ore mining leases in Odisha do not have the mandatory environmental clearances. And of the 96 that have them, 75 have mined far beyond their permitted levels over the past several years.

For the wide-ranging illegal mining that has continued unchecked for years, both the Central government authorities and the Odisha government are responsible. To reinforce mechanism to control

illegal mining, the State Governments should adopt standardization of maps for the purpose of grant of mineral concessions, use of GPS based technologies and speeding up digitization of cadastral maps.

