

India: Revoke the Auction of 41 Coal Blocks for Commercial Mining

Monday 15 February 2021, by [National Alliance of People's Movements](#) (Date first published: 24 June 2020).

24th June, 2020: National Alliance of People's Movements (NAPM) condemns the diabolical design of the current regime, led by the Prime Minister to 'virtually auction' 41 coal blocks for commercial mining in the bio-diverse rich, adivasi heartlands of Central and Eastern India. Opening up of these areas to profit-making domestic and foreign corporate mining entities will irreversibly jeopardize the pristine forest lands, increase environmental pollution and public health risk in Covid times and destroy the habitats of a major chunk of the adivasi population and wild-life.

This move is yet another hoax by the Prime Minister on the people of this nation couched in the deceitful jargon of "Atma Nirbhar Bharat" and in fact takes away the constitutional rights of self-governance. Using Covid as a pretext for 'economic revival', the Govt is resorting to a severe transgression of the rights of the communities dependent on land and forests in these areas. After 47 years of public sector ownership by Coal India Limited, the sector is now being handed over to private players to exploit the fragile 'nogo' regions and rich resources.

It may be noted that the auctioning announcement was made pursuant to the recent Mineral Laws (Amendment) Act, 2020, passed in March, 2020 [promulgated as an ordinance in January], to amend the Coal Mines (Special Provisions) Act, 2015 and the Mines and Minerals (Development and Regulation) Act, 1957, in order to 'ease restrictions' on end use and relax the eligibility criteria for participating in coal auctions, especially enabling FDI by global bidders. In fact, in Aug 2019, the Modi government approved 100% FDI via the 'automatic route' for coal mining, processing and sale.

The blatant manner in which this decision has been taken by the Govt exposes, once again, its scant regard for the law of the land, interests of marginalized communities and the ecology. In addition to violating the constitutional safeguards of adivasis in the V Schedule regions, this move is a blow to various protective and enabling laws including:

- The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of *Forest Rights*) Act, 2006 (in short, **FRA**).
- The Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 (**PESA**)
- The Environment Protection Act, 1986 and *EIA* Notification, 2006.
- Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (*LARR* Act)

The unilateral decision to auction is also violative of multiple judgements of the Supreme Court including:

- Judgement dt. 11th July, 1997 in *Samata vs State of Andhra Pradesh and Ors* which held that all entities including the State are 'non-adivasis' and adivasi co-operatives alone have the right to undertake mining in their land, if they so wish.

- Judgement dt. 18th April, 2013 in *Orissa Mining Corporation Ltd vs Ministry of Environment & Forest* (Niyamgiri Judgement) wherein a three-judge Bench upheld the constitutional right of the Gram Sabhas to consider and decide as to whether mining in their areas can be undertaken or not.
- Judgement dt. 8 July, 2013 in *Thressiamma Jacob & Ors vs Geologist, Dept. of Mining*, wherein a three-judge Bench headed by Jst R.M. Lodha held that ownership of minerals should be vested with the land owners.
- Judgement dt. 25th August, 2014 in *Manohar Lal Sharma vs The Principle Secretary & Others* (Coalgate Case), wherein a three-judge Bench headed by the Chief Justice clearly held that coal is “national wealth” which should only be used for ‘common good’ and ‘public interest’.

Commercial Mining in the absence of the prior consent of and consultation with the Gram Sabhas, the primary decision-making body of a village in Scheduled Areas, is a clear constitutional and statutory violation. Further, the Forest Rights Act clearly defines forest as a community resource of the Gram Sabha. It is, therefore, no surprise that the declaration of 41 coal blocks being opened up for commercial mining, with **9 coal blocks each in Jharkhand, Chhattisgarh and Odisha, 11 in Madhya Pradesh and 3 in Maharashtra**, as part of the 11th tranche of coal block auctions has evoked **sharp reactions from many Gram Sabhas, people’s organizations and trade unions in the five states, along with three state governments.**

- The decision has been vociferously opposed by the Chhattisgarh Bachao Andolan. About 20 Gram Sabhas from *Hasdeo Arand* region in **Chhattisgarh** who have been resisting the coal mining since 2015 have written to the Prime Minister to stop the auctioning. Hasdeo Arand, is the longest forest stretch in Central India spread over 1,70,000 hectares, a valuable elephant corridor and home to the Gond adivasis. The State Forest Minister has written to the Union Environment Minister to exclude Hasdeo Arand, Mand river coal blocks and Lemru Elephant Reserve (1,995 sq km of forest area) located in the catchment area from the auction, in order to prevent loss of human lives and human-elephant conflict. The area already has four operational mines, five allotted mines and 12 coal reserves.
- Organizations in **Jharkhand** including coalitions like Jharkhand Janadhikar Mahasabha have given mass protest calls against the decision of Centre. The Jharkhand Govt, after ‘conditionally welcoming’ the commercial mining and seeking a moratorium period of 6-9 months on the auction process to ensure ‘an equitable sustainable mineral-based development, has now approached the Supreme Court citing ‘*need for fair assessment of social and environmental impact on the huge tribal population and vast tracts of forest lands which are likely to be adversely affected*’. The petition in SC also states that the Mineral Laws Amendment Act, 2020 passed on 13th March 2020, with a 60 days applicability period lapsed on 14th May and thus the auction cannot take place amidst ‘legal vacuum’. The Chief Minister has also termed the auctioning a violation of the spirit of ‘co-operative federalism’.
- Of the 9 auctioned coal blocks in **Odisha**, 8 are in Angul District, spread over 30,000 hectares, where people’s resistance against destructive mining has been ongoing for years. Talcher-Angul and Ib Valley were declared as ‘Critically Polluted Areas’ by the Central Pollution Control Board (CPCB), for 3 decades now with little ‘improvement’, rather deterioration in the environment, people’s health and more displacement. These coal blocks are located in densely populated areas, with thousands of families and in the proximity of important rivers like Brahmani. Commercial coal mining would lead to further ecological degradation, displacement and a complete decimation of the water streams and canals in the area.
- Despite opposition from conservationists and objections from the State Forest Dept in **Maharashtra**, Bander which is an 80 % forest zone and an eco-sensitive tiger corridor, even as per studies by agencies of Coal India Limited, has been auctioned for the coal block! Calling the move, ‘unprecedented’, the Environment Minister of Maharashtra has also written a

strong-worded letter to the Union Environment Minister opposing auction of coal blocks in Bander and pointing out that the same, if permitted, would increase human-animal conflict in the bio-diverse rich region of Chandrapur.

- The Gotitoria East coal block in Narsinghpur, **Madhya Pradesh** is 80% forest and acts as drainage for Sitarewa river. Singrauli region, the notorious 'energy capital of India' is already heavily exploited to the hilt and the adivasis and other villagers over here have been struggling against reckless mining by companies, failed rehabilitation and severe pollution. There is already ongoing resistance to the WCL mining in Chhindwara as well. Many Gram Sabhas resolutions against coal mining and allocations of coal blocks have been passed in all these areas as well.

Impacts on Livelihoods, Displacement & Environment: In deciding to open up these areas for commercial mining, the Centre has clearly overlooked the staggering impact on the environment and on lives of the people in the region - land owners and agriculturalists, mostly adivasis, dalits and forest-dwellers. Mining, transportation and improper closure of coal mines has significant environmental and human costs. The fears expressed by communities are not at all unfounded, given the history of violations by corporates and private companies including non-compliance of clearance conditions, painful land alienation & displacement and poor rehabilitation, unabated pollution, aggressive human rights violations and unkept CSR promises. Further, in addition to the local people, thousands of coal workers have also been resisting the decision to commercialize coal mines and are many of them are facing repression and arbitrary charges for the same.

Central and Eastern India is rife with people's struggles against such forceful land acquisition, illegal extension of mining leases, pollution and pathetic rehabilitation. It is no wonder that the three states with significant tribal population have raised objections to the coal auction because, adivasis have been the worst victims of coal mining and industrial development since independence. In the 1960s, on an average, the size of the coal mine was 150 acres which increased in 1980s to 800 acres and now even upto 3,500 acres with most of the mines being developed as open cast, requiring more land. Open cast mines not only cause more pollution but also destroy large chunks of forest, land, water bodies and biodiversity and cause immense social, environmental and health impacts in the areas nearby.

Since, independence an estimated 100 million people have been displaced due to development induced displacement, of which approximately 12%, 12 million have been affected by the coal mining alone, of which 70% is adivasi population. The record of 'resettlement and rehabilitation' has been a mere 25% of those affected who have either got compensation or some form of job with the mining companies. With the private companies bagging all the contracts, the only compensation which project-affected people can expect is 'cash'. We have numerous examples of how meagre 'cash-based R&R' has destroyed lives of entire communities.

Assault on the Federal Spirit: The manner of auctioning of coal mines is a clear assault on the federal structure of the Constitution and powers of States to decide the course of development of their people and natural resources. This move further cements the project of the current regime to 'centralize' the power of decision-making to pursue its crony interests. The Chief Minister of Jharkhand has infact stated that the decision of the Union Coal Ministry and PM to go ahead with commercial mining & coal block auctions without acknowledging concerns of the state around the potential socio-economic and environmental costs & the impact on forests & tribal population is blatant disregard of co-operative federalism. The fact that 3 out of 5 states have raised objections within a week of the PM's announcement clearly points to the fact that states have not been taken into confidence in this process.

Claims & Costs: Although the PM has claimed that the commercial mining would mean more

revenue for states, create more than 2.8 lakh jobs, attract capital investment worth 33,000 crore over the next 7 years and Rs. 50,000 crores investment in creating infrastructure for coal extraction and transportation, the huge socio-environmental costs clearly offset these claims. Amongst other things, the Govt plans to 'gassify' 100 million tonnes of coal by 2030 for which an investment of ₹20,000 crore has been earmarked for 4 projects. The detrimental impact of the decision to allow commercial coal mining on the domestic coal industry and market is well-known. With no end use and pricing restrictions, the Govt. is literally giving up its crucial role of safeguarding public interest, environment and constitutional rights of people in the forested regions.

Coal Exports vis-à-vis End of Coal Era: Notwithstanding all rhetoric by the Prime Minister and Environment Minister on global fora, the numerous decisions including fast-paced clearances to many destructive projects, amendments to EIA and now commercial coal mining in dense forests, reflects poorly on the lack of commitment towards our national obligations under the Paris Agreement to reduce climate impact. India, as a signatory to the Paris Agreement at the International Convention on Climate Change in 2015 pledged a 33-35 % reduction in emissions intensity by 2030, compared to 2005 levels and agreed to a policy shift away from conventional energy to renewable energy forms.

Ironically, a day after the PM's announcement on commercial coal auctions, the First Report on the 'Assessment of Climate Change over the Indian Region' was formally released by the Union Ministry of Earth Sciences. The Report notes that due to greenhouse gas emissions, the average temperature in the country has risen by around 0.7°C during 1901-2018 and is projected to rise by approximately 4.4°C by the end of the century. This implies an increase in the intensity and frequency of extreme weather events. Combustion of coal is a major contributor to greenhouse emissions. Coal, throughout its life-cycle of mining to transportation to fueling thermal power plants and disposal as fly-ash, is linked with ecological degradation, carbon emissions and climate change.

At a time when many countries are phasing out coal, dismantling and decommissioning thermal power plants, moving towards more renewable options and even banks are not in favour of financing coal and thermal projects, India's focus on coal exports would only mean more environmental impacts and displacement back home, without much demand on the international front. Government's own documents including Coal India Limited Vision - 2030, Central Electricity Authority (CEA) Plans etc. project that there is no need to allocate additional mines for the coal needs of the country, at least for the next decade. Existing statistics in the public domain also reveal that India has enough coal deposits outside the 'no-go areas' and there is no reason or justification to mine dense forests and adivasi homelands, that too by way of commercial auctions!

What Real 'Atma Nirbharta' must mean: Extraction of natural resources like coal must be strictly for public interest, with due regard to the law of the land and judicial pronouncements pertaining to the rights of the land-owners and adivasis, the V Schedule protected areas as well as environmental regulations, with first rights of decision-making and consent to the adivasis and Gram Sabhas, fair share to their cooperatives and not to profiteering corporates. The decision and discretion of whether or not to 'mine' should strictly be with the local people and not corporates or politicians.

Wherever necessary and inevitable, the Government must obtain the free, prior and informed consent of the Gram Sabhas and support the formation and registration of cooperatives of land owners and villagers and extend adequate capital, technological assistance, managerial skills and marketing avenues to undertake mining and allied activities on their own. This would be in the true spirit of 'Atma-Nirbharta' and community ownership of natural resources.

While we resist this pro-corporate, anti-national commercial coal mining, what should also not be

missed is that at the behest of powerful business lobbies and in the name of 'reforms' in multiple sectors including agriculture, MSME, coal, education, health etc, the Govt is moving towards complete privatization, giving up even the last vestiges of a 'welfare state'. Towards this end, all protective legislations on electricity, labour, environment, land, forest rights, local governance etc are either diluted or thrown to the winds!

- We call upon the Union Government to **immediately revoke the commercial auctioning of 41 Coal Blocks** in the interest of the ecology, economy, rights of the people in the five states and India's climate commitments. The Govt. must **uphold constitutional rights of Gram Sabhas**, not profiteering corporates.
- We **welcome and endorse the concerns and objections raised by the Chief Ministers / Ministers of Jharkhand, Chhattisgarh and Maharashtra and call upon them and the CMs of Madhya Pradesh and Odisha to prioritize the interests of the people of their state, over the diktats of the Centre** and fully oppose the devastation and destruction of the lives of adivasis and forest dwelling communities, implement legislations that protect people's rights to natural resources and self-govern and enable alternative non-exploitative models of development.
- We express **solidarity with the grassroots resistance** against the decision of the Govt of India. We also call upon **opposition parties, mass organizations and trade unions to stand in solidarity with the adivasis and forest dwellers** in defending their lands and resources from forceful acquisition or mining without their consent.
- We **call upon Gram Sabhas and Tribes Advisory Council in all these states to pass unanimous resolutions** against these commercial coal auctions.
- We **expect the Supreme Court will reverse the decision of commercial auction** of mines, in the light of the grave constitutional and statutory violations.
- We will continue to **amplify the struggle for implementation of** enabling legislations like the **Forest Rights Act and PESA Act** in full letter and spirit.
- We **declare our support to about 3 lakh coal workers** affiliated with All India Coal Workers Federation and other Coal Unions who have given a 3-day Call for All India Strike from 2nd July, against the proposed privatization, seeking higher wages for contract workers and jobs for family members of employees found medically unfit. We also condemn the state targeting of these protesting workers and demand that **FIRs filed against them be withdrawn**.
- We demand that the Govt come up with a comprehensive **White Paper on the status of all existing coal mines**, including details of permissions and production and need for more mines, especially in the dense forests.
- We **appeal to all concerned citizens to resist the concerned attempt of this regime to destroy our public sector** and day light loot of our natural resources by the corporate-state nexus.

National Alliance of People's Movements

[Click here](#) to subscribe to our weekly newsletters in English and or French. You will receive one email every Monday containing links to all articles published in the last 7 days.

P.S.

Counter Currents

<https://countercurrents.org/2020/06/revoke-the-auction-of-41-coal-blocks-for-commercial-mining/>