

La Farce?

A report on

LAFARGE's PROPOSED  
GREENFIELD PROJECT<sup>1</sup>

MANDI

HIMACHAL PRADESH

April-May 2009<sup>2</sup>

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<sup>1</sup>This report has been prepared by Nidhi Agarwal and Manshi Asher, Environment Research and Action Collective, Himachal Pradesh for the Joint Action Struggle Committee (Lafarge Cement Plant). The analysis is based on a field visit, interaction and interviews with local communities, study of the relevant project documents and other secondary information. All photographs except those with credits have been taken by Nidhi Agarwal

<sup>2</sup>Updated in August 2010

## **I. A Background of the Project**

On 25th September 2006 the Cabinet of the Himachal Pradesh Government approved a proposal from Lafarge, a French multinational and the largest producer of cement in the world, for the setting up of an Rs.900 crore Greenfield project in Karsog Tehsil of Mandi District in Himachal Pradesh<sup>3</sup>. The project to come up at Alsindi in Karsog involves construction of a 3.0 MTPA cement plant with captive limestone mines.

Because of its vast limestone deposits, the state of Himachal Pradesh has over the last 15 years attracted several private players like Jaypee, ACC, Ambuja and now Lafarge. Limestone accounts for 75% of the value of mineral production in the state. India, the second largest producer of cement, has been capitalising on the cement market after 2002. With a boom in the real estate market and infrastructure development in this period cement companies were looking at tapping the Northern region's increasing demand for cement and thus the proposals. The spread of the cement industry in the state has created a new set of issues, especially for the local populace and the ecology. Most of the limestone reserves are in or around forested areas. Since 1980 approximately 1700 hectares of forest land has been diverted towards limestone mining in Himachal<sup>4</sup>.

Open cast mining is perhaps the worst when it is carried out along steep hill slopes, flattening and maiming the landscape completely. The most crucial fall out is soil erosion and land slides. Water sources run dry or are polluted with solid waste and debris. Deforestation apart from

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<sup>3</sup> <http://www.hub-4.com/news/280/lafarge-to-build-a-new-3-million-ton-cement-plant-in-india>

<sup>4</sup> Rich Lands, Poor People - Is Sustainable Mining Possible, Centre for Science and Environment 2007

disturbing the floral and faunal habitats completely displaces livelihoods of forest based and agriculture dependent communities who are virtually left with no sources of fuel, fodder and food leading to out-migration. Those residing around the cement plant and limestone mines are hardly ever considered as 'affected communities' while it is they who suffer the day to day exposure to air, water and noise pollution from the cement plant. These impacts have been felt most strongly at mining hotspots like Sirmaur, Solan and Bilaspur, where the ACC cement plant at Barmana in Bilaspur District has been operational for almost 30 years now.

Despite this very grim scenario, the governments in Himachal Pradesh have been making announcements and getting into MoUs for more such projects. The Chief Minister of the ruling BJP last year announced 5 greenfield cement projects and 12 smaller ones denying all concerns that the cement industry will spell disaster for the state's environment. Lafarge is one of these projects that are facing stringent opposition from the communities who will be affected around the proposed plant site. This report assesses the impacts of the proposed project and documents the opposition that has emerged in the area over the last two years.

## **II. Introduction to the area**

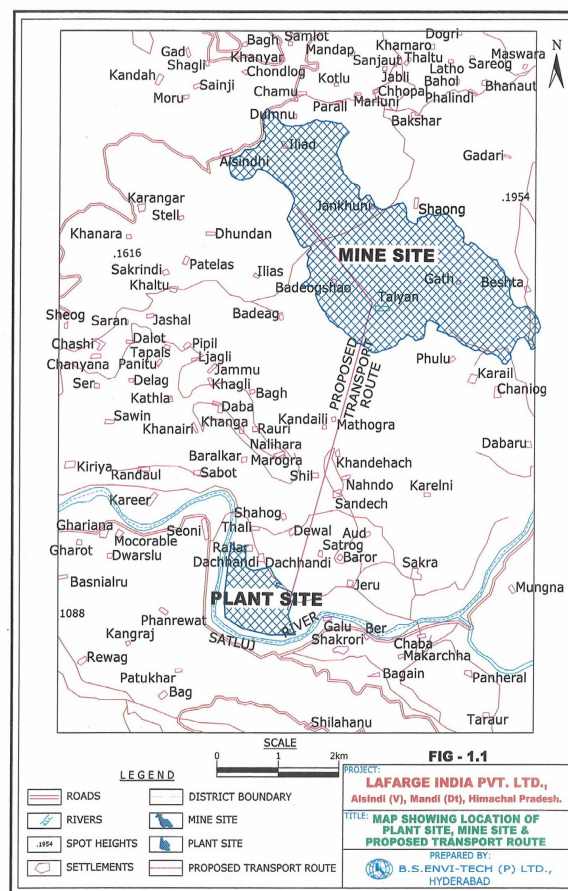
The two main components of the project are the 3 MTPA limestone mine and cement plant which also involve setting up of - an 8 km conveyor belt to transport the limestone, crushers, storage houses, working and residential areas. The cement plant site is located in the Satluj valley near Tattapani at DPF Ghanghar village, Karsog Tehsil, Mandi district, Himachal Pradesh.

The limestone mine is spread over an area of 800 ha located near Alsindi Village, Karsog Tehsil, Mandi district, Himachal Pradesh falls on

the State Highway No.13 connecting Shimla and Mandi and is 17.3 kms (aerial distance) north of Shimla. River Satluj passes at about 3.3 km south of the deposit. The deposit is surrounded by Taraur PF in the western direction and Bakshar RF in the eastern direction.

The mine area forms part of the lesser Himalayan ranges which are characterized by extremely rugged topography comprising of high peaks, steep slopes and deep incised valleys. The mountain where the limestone deposit is located rises from river Satluj at 620m above MSL to 1800m above MSL. While the northern aspect of the mountain comprises of rich floral (natural mixed forest with pine, oak, rhododendron and pomegranate trees) and faunal diversity (comprising of species such as leopards, black bear, goral, barking

Illustration 1: Project Site as per the EIA report



deer, jackal, serow, wild pigs, monkeys, flying squirrel, peacocks, jungle fowl and various other pheasant species), the southern aspect is a vast grassy slope. The villages on the northern as well as southern aspects have rich agricultural diversity and cultivate maize, wheat, rice, pulses and vegetables.

The climate and topography of the area favours apple cultivation which is seen in villages such as Shaongi. The existence of natural groves of pomegranate trees is a substantial source of horticultural produce from the area. Apricot, peach, almond, pear, mango, *jamun*, banana, mulberry, walnut, horse chestnut trees are also seen in the area.

The area within 10 kms radius of the mining and cement plant site comprises of 171 revenue villages with a total population of 41982. The average family size is 5-6 persons per household. The SC/ST population is 26.7% and 0.7% of the total population respectively. The main occupation of the area is agriculture. (2001 Census figures as per the EIA).

### **III. Implications for the people and environment**

#### **Land required for the project**

As per the Environment Impact Assessment report submitted by Lafarge last year, the total land required for the project is 910 hectares. A major part of this land will be in the mining area. *However, the EIA does not make a mention of acquisition of agricultural land in the mining area. In fact the EIA states that only 2 hectares of agriculture land is involved (at the plant site).* In March 2009 the government of Himachal Pradesh issued section 4 notices under the land acquisition act for acquiring about 1009 *bighas* of land which is nearly 62 hectares<sup>5</sup>. This land will be acquired not just from the plant site but also from the mining area.

Agricultural land forms a small part of the total land to be acquired. Most of the land required for the project is government land falling in the category of Demarcated Protected Forest (DPF), Reserved Forest (RF) and Un-demarcated Protected Forest (UPF).

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<sup>5</sup> Local measurement unit. Approx 16.3 *bighas* = 1 hectare.

### **Affected Areas**

At the mining site 16 villages of 3 Panchayats - Balindi, Bagshyad and Bindla will be directly affected as they will lose part of their agricultural lands and most of their forest lands under the category of Demarcated Protected Forest. The conveyor belt will pass over the village Talhain of Bindla Panchayat. Apart from this the mining activity will indirectly affect, with its solid waste and pollution generation, all the villages in the Alsindi valley downslope of the Pheridhar ridge.

The Cement Plant is proposed to be located at the DPF Ghanger a few metres from the right bank of the Satluj river. All around are villages practicing agriculture on fertile agriculture lands. The villages adjacent to the plant site are of Thalli and Shakra Panchayats. Across the river, barely at a distance of 500 metres is Panchayat Shakrori and its constituent villages, falling in the Sunni Tehsil of Shimla district. Sunni town and Tehsil head quarter will also be affected as a result of the air and water pollution from the plant. All in all about a radius of 10 kms of the plant and mining site will be affected directly and indirectly.

*While the EIA mentions that there is a population of more than 40000 in a radius of 10 kms of the project site it does not provide any detail on the livelihoods practiced by the people and the economic dependence on forest and agriculture.*

### **Livelihood Impacts**

#### ***Agriculture***

At the mining and the cement site agriculture is the mainstay of the local population. The agriculture is not just subsistence but cash based and highly rewarding. The main crops grown in the area include wheat, maize, lentils and potatoes. There is a good inflow of cash from

vegetables like peas, cauliflower, cabbage, cucumber catering not only to the local market but upto markets in Delhi and Mumbai. Horticulture is practiced by almost every household with orchards and plantations of apple, pomegranate, walnut, plum, apricots and pears.



**Illustration 2: FIELDS AT SHAKRORI - 500m FROM CEMENT PLANT SITE**

#### **Case study of Shakrori**

Aerially 500 metres from Ghanger, the plant site, with just the Satluj in between the green mosaic of agriculture fields in Shakrori will be the victim of severe air pollution if the cement plant comes up. Shakrori Panchayat with villages Shakrori, Chaba, Mukadccha, Bagain, Jaamdaar and Golu has almost 350 families. With irrigation from the local stream the returns from agriculture are good. Says Kala Paal of Shakrori "This season we have made 25,000/- a month just by selling French beans!" It is little wonder then that Shakrori was the first village to be up in arms against the cement plant. "The plant site is across the river but because it falls in Mandi District and we, on the other side, in Shimla district are not even being considered as affected by the project" says Thakur Singh, the ex- Pradhan of Shakrori. Not only have they filed their objections with various central and state authorities, but people from Shakrori have also carried out a rally and demonstration at Sunni last year. "We even went to Lafarge with our concerns and their response was that they would use state of the art technology with minimal pollution". This of course did not convince them and they were quick to counter by asking for a guarantee that the pollution levels would remain the same 5 years from now and went a step further to demand that if not then the farmers should be entitled to compensation. "They obviously had no response to this which made it clear that we have no choice but to resist the plant", added Thakur Singh.

### ***Forest-based livelihoods***

The proposed mining area of 800 hectares is located beyond Alsindi, near village Shaungi and above village Talhain, across DPF Pheridhar, Alyas and Bagshyad. At least 7 villages depend on these rich forests for their everyday sustenance needs of fodder, fuel wood and grass. For those who own smaller land holdings, like Dalit communities, collection of NTFP from the DPF, UPF and RF areas is the main source of



**Illustration 3: Meeting at Bagshyad**



**Illustration 4: Oak Forests of Jankhooni**

livelihood. Wild Pomegranate trees also serve the same purpose as those on private lands with *anardana* selling at a whopping Rs. 350/- a kg. Mushrooms or *Gucchi* are also collected and provide a good income. The DPFs are also used for grazing of cattle and sheep. Similarly the



100 hectares of Ghanger DPF at the plant site is used for grass and free grazing of animals.

*It is shocking that the EIA has no mention of the extensive dependence on forests and agriculture and instead projects that 49% of the people in the area are jobless. While it does so, the project MoU and EIA, both clearly mention that the employment generated in the construction phase will be only 2000 to 2500 which will be for a period of only 5 years. The jobs generated will be 200 in number mostly for skilled persons. This obviously implies that the local people have nothing to gain from the project even as they lose their precious natural resources*

#### Case Study of Talhain

If the cement plant comes up the conveyor belt would run from the Pheridhar ridge right over a small village called Talhain. Almost 60 families of the total 70 will have to part with approximately 664 *bighas* of agricultural land, almost 50% of the agricultural land in the village. Additionally 2000 *bighas* of DPF Talhain will also be diverted towards the mining. The DPF is a south facing grassy slope. The area fulfils the grass/fodder needs of the entire village, which has more than 1200 cattle. "Every family has cattle apart from goats and sheep which are openly grazed not only in the Talhain DPF but all the nearby forest areas" informs the Pradhan of the village. Moreover, it is the poor Dalit families who have smaller land holdings who own on an average 100 goats/sheep per family. Residents also perceive the threat of their natural water spring drying up as the upper slopes are blasted and mined for limestone. "We have 7 natural springs and 2 schemes of lift irrigation from the local *nallah* which will disappear as water sources dry up", add the Pradhan.



**Illustration 5: Grass slopes at Talhain**

### ***Ecological and Cultural Impacts***

As described in the introduction, the forests around the mining area are rich in floral and faunal diversity comprising of wildlife like leopards, black bear, *goral*, barking deer, peacocks and various other endangered pheasant species. The locals believe that these rich oak and deodar forests are home and territory of the local deity called Deo Badeyogi, and hold enormous cultural significance across 8 Panchayats. The temple of the deity is situated on the ridge of the proposed mining area.



**Illustration 6: Devbadeyogi temple on Pheridhar ridge**

*The EIA mentions that water requirement for the project is more than 22 lakh litres per day which will be drawn from the nearby Satluj river. However, there is no discussion about the impacts of this on the downstream population, river fauna and ecology and the power projects which require a constant flow of water.*



**Illustration 7: Cement Plant Site adjacent to the Sutlej**

The air pollution levels have been quoted to be well within permissible limits. Nevertheless there will be pollutants of a plant of such a large capacity sure to have an effect on the serene and clean environment in the area. While the noise pollution by the conveyor belt transporting clinker overhead the villages might be under permissible limits, it will be a nuisance for people residing below it. For an area, that sees only one bus in the entire day, the movement of 2000 trucks on a daily basis will not only add to the noise pollution but the vehicular emissions will add to the air pollution, which has not been represented in the EIA. Apart from that, it is a well known fact that people around cement plants have been found to be susceptible to Silicosis due to the pollutants present in their surrounding air and water.

The worst impact will be of the blasting of the mountains for extraction of limestone. Crushers are also known to generate high levels of dust, a fact that the EIA severely underplays. The effluents and solid waste discharged in the river will impact not only the pollution levels of its water but the tourism aspects related to the river. Tattapani, just 5 kms downstream is a popular tourist attraction for its hot water springs and rafting.

#### **Case study of Bagshyad**

Shaungi, Bagshyad, Udhanal and Jankhuni villages of Bagshyad Panchayat with 500 families are the most vulnerable as the limestone mines of the project are going to be located right in their backyard. 50% of the households in the Panchayat are Dalits completely relying on the forest for their sustenance. About 50% of the farmers have large apple orchards of 8 to 15 *bighas* with an income of 8 to 10 lakh a year. The rest of the small farmers of upto 6 *bighas* of land do not have big orchards but are dependent on vegetable farming. "Peas are in high demand these days selling at Rs. 40/kg and we are earning upto 60,000/- a year only from the vegetable and lentil sale", says Shiv Singh Thakur of Udhanal. Pratap Singh of Shaungi village is most concerned as the mining will start from the land right next to his home. "Because they are not acquiring my land they are not even considering people like me as affected. Ultimately, when the mining starts, even lands which have not been acquired will be rendered useless. The dust and blasting will make our life hell - how will we live here", he asks.

## IV. Opposition to the Project

A majority of the people in the area are apprehensive about the impacts of the project. The initial opposition to the project started amongst some people, who have been familiar with the impacts of other cement plants in Himachal. Also, when people accessed the MoU of the project they realised that there were going to be virtually no benefits, in terms of employment, for the local people. But the real resentment amongst the local communities started building up when they became aware of the scale of the project, the amount of land required and the extent of the mining area.

Initially, representatives from 10 of the Panchayats in the affected area were mobilized into a Paryavaran Bachao Sangharsh Samiti with two grassroot level organizations Jan Abhiyan Sanstha and Paryavaran Evam Gram Vikas Samiti. The Samiti made an effort to lobby with the representatives of Lafarge on relocating the plant which did not happen<sup>6</sup>.

Representations and submissions were sent by the Samiti to various authorities including the Prime Minister and the President registering their concerns in 2007 and February 2009. Interestingly, in April 2007 as well as 2009, the PM's office responded to a memorandum sent by the Samiti, asking the Secretary of the Public Complaints Redressal Department of the state to conduct an enquiry into the matter. However, there seems to have been no follow up by the State government. Even if there was a response the local people know little about it.

Opposition took a new turn and became more intense after a local Dev Sansad referred to as *Jada* was organised where the local *devta* (god) *Deo Badeyogi* through the *Gur* (oracle) gave his decision that the plant

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<sup>6</sup> Based on Note from Dr. Richa Minocha, Jan Abhiyan Sanstha

should not be allowed to come up in the area. This strengthened the resolve of the communities, especially, in the mining area, where there is immense faith in the *Deo Badeyogi*, to protest against the project. Following this, a joint action committee of representatives of the affected Panchayats and 9 local community organisations (including youth groups) was formed called Jai Shri Deo Badeyogi Sangharsh Evam Paryavaran Sanrakhsan Samiti.

The environment clearance public hearing was organized by the State Pollution Control Board, Himachal Pradesh on 4<sup>th</sup> December 2008, where people protested against the use of Lafarge's banner. The hearing finally took place after the banners were removed and representatives of the affected area mostly spoke against the project. There were a few representatives of Panchayats who have given the company NOCs (No Objection Certificates) and who spoke in favour of the project, but these were a handful. According to members of the Joint Action Committee (JAC), the Pollution Control Board, in their minutes to the Ministry of Environment and Forests, has played down the opposition to the project. The Minutes state that 'most of the people were in favour of the project' which the locals claim is untrue. The JAC sent a detailed letter of objections to the Ministry of Environment and Forests along with a video recording of the Public Hearing to make their case. The Expert Advisory Committee of the Ministry of Environment and Forests discussed the matter on 14-16 April and decided to make a site visit. However, the review committee did not contact or interact with the affected people during the site visit which was restricted to Sunni town and adjoining areas easily accessible by road. The Environment Clearance for the project was granted on 8th June 2008 despite all objections.

In order to challenge the Environment Clearance representatives of the community filed an appeal with the National Environment Appellate Authority. On 13th May the National Environment Appellate Authority while hearing petitions challenging the Environment Clearance granted to Lafarge India for its Al Sindi-Karsog Project decided that it would make a site visit to the affected area to assess the implications of the Environment Clearance granted to the greenfield project. The petitioners, Pratapsingh Thakur and Ganga singh Thakur filed the cases with the authority on several grounds the most critical being that the socio economic and environmental impacts of the project have been completely overlooked by the MoEF's Expert Advisory Committee while granting clearance to the project. The second important ground in the case was that the committee of the Ministry did make a site visit before recommending clearance, but did not visit the actual mining site nor did it meet any of the affected persons and granted the clearance on 8th June 2009. The counsel for Pratapsingh Thakur, Supreme court environmental lawyer Shri Ritwick Dutta argued that the very purpose of the MoEF committee's site visit was defeated by the superficial manner in which it was carried out. Based on this argument Appellate Authority member Shri J.C Kala ordered on 13<sup>th</sup> May 2010 that he himself would undertake a visit to the project site in June and carry out a detailed assessment by interacting with the affected people. He also said that the Appellate Authority will also look into the viability of planning such mine based projects in ecologically sensitive areas. The site visit by the Chairman of the NEAA was finally made on 23<sup>rd</sup> June 2010.

During the site visit the Shri Kala visited Shakrori, located opposite the proposed plant site, Thalli (adjacent to the plant site, Bagshyad and Kanda (at the mining site) and had discussions with the local people. More than 200 people had gathered at Thalli, and strongly

opposed the setting up of the plant given the productive agriculture of the area - which would be adversely affected by pollution from the plant. At Bagshyad, a gathering of 400 people dominated by women also presented their concerns and grievances to Shri Kala. A lot of resentment built up against the local MLA (Karsog) Shri Hiralal, who has been supportive of the project was obvious during the site visit, as people raised slogans against him. The District administration too, despite repeated petitioning and appeals by the people, has turned a blind eye to the local concerns related to the project. Even during the site visit officials of the revenue and forest administration were discouraging the Appellate Authority Chairman from visiting the actual affected site. However, Shri Kala, did finally visit the area and stated that he would review all the facts before him and give a just order in the matter. This was a first visit of its kind by the National Environment Appellate Authority to the state of Himachal Pradesh. Recently, the Authority Chairman also visited sites in Uttarakhand and Goa to assess environmental impacts of projects.

The Forest Clearance for diversion of forest lands under the Forest Conservation Act, 1980 is still pending with the state government. Apparently, the company has attempted with the help of the Divisional



**Illustration 8: Chairman of NEAA during site visit**

**Photo: Prakash Bhandari**



Forest Officer to redesign the project in order to reduce the area of forest to be diverted. However, previous experiences across the country have shown that mining companies, after establishing themselves, expand their project size to cover wider areas and here too the locals believe that re-sizing of the project is an option that is unacceptable to them. Further the settlement of the community rights over these forests under the Forest Rights Act 2006 has yet to be initiated by the Himachal Government in this region. As per an advisory issued by the MoEF in July 2009, the final clearance for diversion of forest lands will not be considered unless there is full compliance with the provisions of the Forest Rights Act 2006. This includes an NOC from each of the affected 'gram sabhas' stating that their rights have been settled and they are in agreement of the project.



**Illustration 9: Meeting at Bagshyad with NEAA chairman**

**Photo: Prakash Bhandari**

In March 2009 Section 4 notices were issued for an area of 1009 *bighas* under the Land Acquisition Act 1894. However, since the notice was issued during the Election Code of Conduct, the JAC wrote to the



Election Commission and the notice was withdrawn<sup>7</sup>. In June yet again Section 4 notices were issued and on 13th July there was a mass filing of objections with a demonstration of more than 500 people in Karsog.

#### **Concluding observations:**

With mounting experiences and recorded evidences from around the globe, of health hazards, environmental pollution and large scale loss of locally sustainable livelihoods due to cement plants and mining activities, the government needs to rethink whose interests it is really serving. The growing protests from the locals are making it amply clear that people are no longer ready to pay the price for development through sacrificing their sole means of survival and livelihoods, because they have now seen that no amount of cash compensation can replace productive land resources which they live with.

The EAC of the MoEF should consider the ground reality and impacts before granting an environment clearance even if that means carrying out a site visit and holding consultations with the local people. Further, the report submitted by the Himachal government to the PMO on reviewing the project should be made public. And there should be an open consultation held by the government with the people. Carrying out land acquisition

There should be a review of the policy of setting up cement industry in eco-sensitive zones like the Himalayan region. The Himachal government must carry out an independent assessment of the impacts of existing cement plants, considering the poor environment compliance record of

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<sup>7</sup> <http://www.expressindia.com/latest-news/code-violation-alleged-in-land-acquisition-for-mandi-cement-plant/436339/>

many of these projects. The government must consider declaring a full moratorium on cement industry till the findings of such a study are made public.

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**A critique by Mark Chernaik Scientist with E-LAW network on issues of Hazardous  
Waste and Pollution**

The DEIA (Draft Environmental Impact Assessment Report) report lacks any assessment of the impacts associated with the storage and combustion of hazardous waste. If you only glance at the DEIA report, then a casual reader would never suspect that LIPL is proposing to operate a hazardous waste disposal facility. However, LIPL is proposing to operate a hazardous waste disposal facility. Page 86 of the DEIA report states: "LIPL will design the kiln for firing high calorific value Hazardous wastes." Page 139 of the DEIA report similarly states: "LIPL will design the kiln for firing high calorific value Hazardous wastes." Page 147 of the DEIA report states: "LIPL will store the hazardous waste in a designated area. This area will be isolated from the other utility areas."

A conventional cement kiln that uses conventional fuels (such as coal) is fundamentally different than a hazardous waste kiln as LIPL is proposing. Hazardous waste kilns receive from chemical factories thousands of tons of liquid hazardous wastes, usually in steel drums. The liquid hazardous wastes are added to the cement kiln. There are a number of serious environmental impacts associated with the storage and combustion of hazardous waste in a hazardous waste kiln that are not associated with a cement kiln. These impacts include the release (sometimes catastrophic release) of extremely toxic chemicals (e.g. spent organochlorine pesticides and solvents) from hazardous waste storage facilities and the emissions of dioxin and other extremely toxic substances from the combustion of hazardous waste.

Annexure 1A of the DEIA report is a letter from the Ministry of Environment and Forests to LIPL setting out the Terms of Reference for the DEIA report. This letter states: "Following are the 'TORs': 14. A write up on the possibility of using of high calorific hazardous wastes in kiln and commitment regarding use of hazardous waste. 17. Details of Hazardous chemicals and their storage along with hazard analysis and disaster management plan should be included." The DEIA report ignores these requirements of the MoEF letter by failing to discuss any of the environmental impacts associated with the storage and combustion of hazardous waste. The clearance letter dated 8 June 2009 condones this failure of the DEIA report by stating in specific condition xxi that: "An effort shall be made to use high calorific hazardous waste in the cement kiln and necessary provision shall be made accordingly."

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