

Date: 23 February, 2010

**We help tribal peoples
defend their lives, protect
their lands and determine
their own futures.**

Response

Reference: Survival International response to Vedanta Resources letter of 9 February 2010,
published on Business and Human Rights Resource Centre

Survival's release of 21 December 2009 ("Pro-mining goons harass and intimidate human rights investigators in India") is "completely untrue, baseless, false, biased, distorted and misleading." If that is not enough, it is also "designed to defame and malign a highly reputed organisation and to harm and damage the reputation of India". So at least says the Head of Corporate Communication at Vedanta, Mr Pavan Kaushik. His tirade against Survival, however, parts company with the facts at almost every turn.

Vedanta Aluminium, says Mr Kaushik, is a "distinct and separate" entity from Vedanta Resources, but the two companies are joined at the hip. Anil Agarwal and his brother are directors of both companies, and through Anil's majority shareholding in Vedanta Resources are able to dictate the subsidiary's every move. As one of its own shareholders has observed only a few days ago, Vedanta "has chosen to raise capital in the UK and is expected to meet the standards applied to all companies listed in the London market."

Mr Kaushik goes on to say that his company has a "deep respect" for human rights. This will come as news to the Norwegian Council of Ethics, whose investigations unearthed "a systematic practice where breaches of the law and an indifference to the damage the activities inflict upon people and the environment seem to be an accepted and established element of Vedanta's corporate culture." It may also surprise the British Government, whose own enquiries confirmed that "Vedanta has not respected the rights and freedoms of the Dongria Kondh consistent with India's commitments under various international human rights instruments", and that it was "essential" that the company should change its behaviour.

Vedanta's refusal to do so has led a growing number of investors to dispose of their shares. These include the Church of England and most recently the Joseph Rowntree Charitable Trust, which announced its decision in a statement that read: "We have heard first-hand about Vedanta's environmental and human rights abuses in Orissa, and believe Vedanta is pushing industrialisation to the detriment of the lives and lands of local people and at great risk to its own reputation. This behaviour may be legal but it is morally indefensible. We have therefore decided to sell our entire stock in Vedanta."

Mr. Kaushik apparently believes that Vedanta has behaved legally, because the Supreme Court of India has approved "all aspects" of the Niyamgiri project. This claim rests on equally thin ground. The Court has never considered the legal or constitutional rights of the Dongria Kondh, who do not have the resources to litigate against an opponent of the size and power of Vedanta. Aware of this, one of their supporters instructed Counsel at his own expense to make representations on the Dongria's behalf at the Supreme Court hearing in October 2007. When Counsel rose to speak, he was told by one of the judges that he had no right to address the Court and should sit down. This perhaps explains why the judgment on which Vedanta relies so heavily contains not a single reference to the Dongria Kondh.

We are particularly puzzled by Mr. Kaushik's insistence that the Court considered "whether the local community had been consulted, and was satisfied with the evidence that this consultation process had taken place." Vedanta has said this many times, but despite repeated requests to do so has never identified the "evidence" it has in mind. We have invited the company to supply the date and place of any meeting at which it has talked to the Dongria about its plans, but it has been unable or unwilling to do this either. We have sought the same information from the Dongria themselves, but they say that the company has never sought their views on the mine. Even now many have little idea of what lies in store for them.

Mr. Kaushik claims that no Dongria will be displaced to make way for the mine. This is not what Vedanta said in its mining plan, and is difficult to square with the service of notices on Dongria villagers under the Land Acquisition Act. But it is almost beside the point whether or how many Dongria will be instructed to move: when mining operations begin, life will become unbearable in the thirteen villages within four kilometres of the site, and another eight only five kilometres away. None of them can hope to escape the ravages of the mine; the Dongria way of life may well disappear forever.

“We want you to come again and again to this place. We have many problems, but when we know that foreigners are helping us for our survival we welcome that and we congratulate you.” – Dongria village headman, December 2009

We believe that Vedanta shareholders are entitled to know what is being done in their name and we fully intend to ensure that they are. Survival does not have the slightest desire to defame Vedanta or anyone else, but will do everything it can to support the Dongria Kondh in their fight for fundamental rights.

A handwritten signature in black ink, appearing to read "Stephen Corry". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Stephen Corry,
Director