

LAND ACQUISITION
AND
RESETTLEMENT & REHABILITATION
IN HIMACHAL PRADESH

**CASE STUDY FOCUS: Benefit Sharing From Limestone Mining In Sirmour District
(Revised updated June 2008)**

**NON-LENDING TECHNICAL ASSISTANCE PROGRAMME
FOR THE GOVERNMENT OF HIMACHAL PRADESH**



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ABBREVIATIONS

CCI	CEMENT CORPORATION OF INDIA
CWP	CIVIL WRIT PETITION
GO	GOVERNMENT ORDER
GSDP	GROSS STATE DOMESTIC PRODUCT
LA	LAND ACQUISITION
MCR	MINERAL CONCESSION RULES
MMDR	MINES AND MINERALS DEVELOPMENT AND REGULATION
NMDC	NATIONAL MINERAL DEVELOPMENT CORPORATION
NMP	NATIONAL MINERAL POLICY
R&R	RESETTLEMENT AND REHABILITATION
SDM	SUB DIVISIONAL MAGISTRATE

1.0 BACKGROUND

This case study on the Limestone mining in Sirmour District provides a general overview of mining in the state, an overview of the concept and practice of benefit sharing, specific mining situation in Sirmour and focuses on the revenue and benefit sharing practice. The document concludes with a set of recommendations for the consideration of the State.

2.0 MINERAL WEALTH OF HIMACHAL PRADESH

The state of Himachal Pradesh is relatively less endowed with metallic minerals, barring Limestone and some non-metallic minerals including building stones it virtually lacks any major metallic or fuel minerals.

Limestone and dolomitic Limestone is fairly widespread, occurring in the six mid-himalayan districts (Table 1 and Figure 1)

S.No.	District	Major Minerals
1	Bilaspur	Limestone, Dolomitic limestone, Shale, Brick earth
2	Chamba	Limestone, Roofing slate, Magnesite
3	Solan	Lime stone, Dolomitic limestone, Shale, Building stone
4	Mandi	Limestone, Rock salt, Roofing slate, Quartzite
5	Shimla	Limestone, Quartzite, Slabs slates
6	Sirmour	Limestone, Dolomitic limestone, Barytes, Gypsum, Shale, Quartzite

Source: Annual Administrative Report, Department of Industries, 2005-06

The occurrence of Uranium in several places along the thrust zones in the Himalayas, particularly in Himachal Pradesh and Uttarakhand are indeed encouraging. In the Upper-Middle Siwalik transition zones of Himachal Pradesh, Haryana, Uttarakhand and J&K, lenticular uraniferous bodies, both in the sandstones as well as in conglomerates occur over large areas. The lenses are a few metres to few tens to hundred of metres in dimension with low average grade. A large number of blocks have been drilled and exploratory mining was also carried out in three blocks, viz. Asthota, Khya and Andalada, Hamirpur, Himachal Pradesh. Rajpura is the best-known occurrence so far, with a low reserve¹. Since mining of atomic minerals is an exclusive privilege of the Department of Atomic Energy and its subordinate institutions the state has very little say in its development.

The revenues from mining in the state have been increasing steadily (Table 2). Yet, the contribution to the state GSDP from mining is meagre².

¹ <http://www.dae.gov.in/amd/regions/nr.htm>

² Mining constituted only 4.7 percent of the Primary Sector Contribution of 18 % GSDP
Source: http://planningcommission.nic.in/plans/stateplan/sdr_hp/sdr_hpch6.pdf

S.No.	Parameter	2003-04	2004-05	2005-06
1	Revenue Received (In Rs. crores)	35.24	37.09	41.25
2	No. of Leases granted/renewed			
2.1	Under major minerals	1	5	4
2.2	Under minor minerals	52	24	17
2.3	No. of river beds auctioned	52	22	27
3	No. of Illegal Cases	1808	1939	1560
3.1	Penalty on Illegal Extraction (Rs. Lacs)	8.91	33.89	33.25

Source: Various Administrative Reports, Department of Industries, GoHP

At present there are three cement plants in Large and Medium Sector³, besides about ten mini cement plants functioning in the State. There is now an expansion of captive limestone mining for cement plants in the state. Five more large scale cement plants have been approved to be set up in the State based on limestone deposits at Sunder Nagar, Alsindi (Mandi district) Boroh-Shind (Chamba) Bagga-Bhalag (Solan District) and based on reject of NMDC mine of Arki, Distt. Solan



Figure 1 - Various Mineral Localities in Himachal Pradesh

³ See Annexure I

3.0 LACK OF STATE MINING POLICY

Though there is no specific 'mining policy' in the state but there several laws and regulations are applicable to the mining activities. The concern over river-bed over-exploitation led to the formulation of a river bed mining policy in the year 2004. The legislations and regulations pertaining to mining are;

- The Himachal Pradesh Minor Mineral (Concession) Revised Rules, 1971
- The Mines and Mineral (Development and Regulation) Act, 1957
- The Mineral Concession Rules, 1960
- The Forest Conservation Act, 1980
- The Forest Conservation Rules, 1981
- The Environment Protection Act, 1986
- The Environment Protection Rules, 1986
- The Himachal Pradesh Mineral Vesting of Rights Act, 1983
- The Himachal Pradesh Mineral Vesting of Rights Rules, 1989

The State geologist in the Department of Industries administers the mining activity in the state of Himachal Pradesh.

Historical events in and around Himachal Pradesh and specifically in the border district of Sirmour resulted in imposition of regulatory measures. Himachal Pradesh's mining activity revolves around the events in the neighbouring state of Uttarakhand where limestone mining was banned in the year 1985 following a Supreme Court Judgement. The first mining lease under major minerals was granted in the year 1963 for extraction of limestone in District Sirmour. The department imposed a ban on granting of fresh mining lease in Sirmour in the year 1986 following the ban on limestone mining in the environmentally sensitive Doon Valley and to regulate sudden rush of miners towards Sirmour.

The state government has brought out The Himachal Pradesh Minor Minerals (Concession) Revised Rules in 1971, which are followed in case of minor minerals.

The mining policy/law environment dates back to 1957 with the coming up of Mines and Minerals (Development and Regulation) Act and subsequent rules were drafted like mineral concession rules and minor mineral concession rules. The minor minerals are separately notified and come under the purview of the State Governments. The State Governments have for this purpose formulated the Minor Mineral Concession Rules. The Mines and Minerals (Development and Regulation Act, 1957, was amended in 1999 to focus on development aspects with consequent change in name. This and Mines Act, 1952, together with the rules and regulations framed under them, constitute the basic laws governing the mining sector in India. A brief highlight of relevant acts/rules is provided in Annexure V. So far the mining legislation has been more focused on regulatory and exploratory norms and to an extent the compensation to the owner of land in certain cases. The new National Mineral Policy (2008) attempts to bring in the social

components like R&R in purview of mineral policy framework (Section 7.11 of the NMP, 2008).

Despite the policy and strategies for environmental control and stopping of illegal mining in the river beds, the number of illegal cases are still high (see table 2).

4.0 BENEFIT SHARING

The concept of benefit sharing has been gaining currency as in many contexts in the past the 'trickle-down' to the community of the benefits of the project has been invisible or absent. Benefit sharing is thus a mechanism for direct monetary benefits that local communities or affected population obtains from a project.

Riverbed mining in Himachal Pradesh

The total number of parts of riverbeds presently identified for auction in the State of Himachal Pradesh are about 300 and out of this about 110 parts of river beds are under operation. In addition, about 156 leases in river beds have been granted for the establishment of stone crushers and about 14 leases have been granted for setting up of screening plants/hollow blocks units. In total about 47.3 Sq.Km (i.e 0.085% of the State) area is involved in river/stream bed mining.

Based on conservative estimate, approximately 35 lakh tonnes of sand, gravel and boulders are extracted annually from river/streams to meet the demand of road construction, bridges, building material, engineering requirements for flood controls, maintaining water supply intake points, retaining walls, hydroelectric projects etc.

Based on these about 260 number of stone crushers, 14 no of screening- cum-hollow block units have been established in the State. Apart from generating Rs. 2.8 crore of direct revenue it has generated direct/indirect employment to about 20000 persons in far-flung areas of the state have also been provided.

Source: River bed mining policy, GoHP

Benefit sharing could take various forms such as Revenue Sharing, Equity Allocation, Creation of Trust Funds and Royalties. Fischer⁴ identifies the following in a review of benefit sharing experiences across the globe in the context of extractive industries:

1. State-owned production and equity participation
2. License fees and auctions
3. Tax and Royalty Options
 - a. Royalties and Severance Taxes
 - b. Income and profits taxes
 - c. Resource Rent Tax
 - d. Liability and Environmental Taxes

⁴ Review of International Experience with Benefit Sharing Instruments, World Bank, SEA Division, 2005

The workshop organised by the Ministry of Rural Development⁵ clearly articulated the objectives of Resettlement and Rehabilitation and stated

The objective of the LA and R&R process should change from “providing compensation for loss” to “overall development of affected persons, communities and the wider area of impact”. The principle of benefit sharing places LA & R&R in a broader context of regional development. In doing so, it increases the opportunities for maximizing, delivering and realizing development benefits.

Benefit sharing, however, is not an alternative to compensation for assets lost to land acquisition, but an approach to share the benefits of development projects with neighbouring communities, whether affected by land acquisition or not, to enhance their development through a sustainable income stream, and thereby create lasting good neighbourly relations between the entity making the investment and surrounding communities.

Benefit sharing arrangements should reflect the local context and needs, and can include transfers to local government entities at different levels, to communities, and to specific categories of individuals (e.g, annuities for vulnerable individuals, or scholarships for training of youth).⁶

The advantages of benefit sharing arrangements were identified as follows:

- (i) It contributes to the well-being of the communities by generating a stream of benefits over an extended period of time, and, if properly used, these additional resources positively impact the local economy and livelihoods.
- (ii) It respects and responds to the interests of the communities while increasing likelihood of acceptance of the project.
- (iii) It can be both narrowly and broadly targeted while being sustainable and enforceable.
- (iv) It helps build relationship and encourages specific stakeholder engagement, particularly where community inputs can contribute to better decisions.
- (v) It includes local development as part of project design and project outcomes
- (vi) It promotes the principles of good neighbourhood.

Benefit sharing is a broad issue, which calls for public consultations, identification of stakeholders and their expectations upstream in the

⁵ International Experience Sharing Workshop on LA and R&R and Benefit Sharing, Manesar, July 21-23, 2007

⁶ http://dolr.nic.in/workshop/workshop_manesar1.pdf

project implementation cycle. Such an inclusive approach can facilitate a transition from a “trickle down” or an “administered” model to a “negotiated” model of benefit sharing. There could be no fixed benefit-sharing model since the instrument must vary depending on the local context.

5.0 SITUATION IN SIRMOUR

The regulatory provisions on mining and securing the rights of the people in the district has some cross linkages with the HP Village Common Lands (Vesting and Utilisation) Act, 1974 and environmental and conservation compliance measures through a committee set up after the PIL filed by Kinkri Devi and Others.⁷

H.P.VILLAGE COMMON-LANDS (VESTING AND UTILIZATION) ACT, 1974

While a number of laws govern mining activity, this act is very critical to the actual situation of mining in the Sirmour district. Until 1974, pastures and wastelands, part of the forest surrounding villages, river beds, irrigation channels and common paths, belonged to the Panchayats. These lands were used for the benefit of the village community or for common purpose of the village. This area was termed as shamlat or shamilat-deh, in accordance with the Punjab Village Common Lands Regulation Act, 1961. The shamlat was the non-exclusive property of the whole village community and no individual or the Panchayat could alienate it.

Due to increased State concern over the environment in the early seventies and to apply “scientific methods of management” on open wastelands and to have a pool of land for various other development purposes within the domain of the State, the Himachal Pradesh Village Common Land Vesting and Utilisation Act, 1974, was passed to facilitate its administration. This Act resulted in the transfer of common lands ownership from the Panchayats to the State government.

The law has an exception on a particular category of such land which states that “lands subjected to partition between individuals /co-sharers before the date of commencement of this Act” would not be vested with the state, but would continue to be utilised by the co-sharers. This clause was an ‘unexpected but strong inducement’ to partition the land. The farmers used this clause of the Act in order to secure both access to and individual benefits from the commons subject to nationalisation. A sub-group of landowners, mostly influential and well-informed people, approached the patwari to proceed with the shamlat partition. The initial partitioning of grazing lands first took the form of illicit encroachments, which were later

⁷ Smt Kinkri Devi & another brought a social action litigation before the Hon'ble H.P., High Court, Simla, on March 31st 1987 against four respondents namely the State Government through Secretary, Industries, the Deputy Commissioner, Nahan, Shri V.K. Walia & the Union of India. Later several other respondents viz., Cement Corporation of India Ltd., H.P. State Pollution Control Board and the mining lessees were also impleaded

legalized⁸. The remaining parts of the shamlat which have not been encroached upon but, vested in the State government, have been bifurcated into grazing land (50%) and, Allotable Pool Land (50%) for landless and small farmers not owning more than one acre.

In lands thus partitioned before the promulgation of the Act and allotted to the people from the allotable pool, the consent for mining has to be obtained by the lessee from the villagers and this provides them both to veto mining as well as seek rent from the lessee that translates to sharing of revenue from the mining activity.

To cite an example, M/S Namrata Minerals and Chemicals was not allowed to mine in Shiva Rudana Panchayat in Paonta Sahib Tehsil on the shamlat lands owned by the villagers without their consent. There are rich deposits of high-grade limestone beneath the shamlat land. The land in question vested in state and on June 16, 1984, the state government granted mining lease over 100 bighas, including this shamlat land to Namrata Minerals and Chemicals for extraction of high grade limestone. The mining lease expired on June 16, 2004. The petitioner alleged that the company continued extracting high-grade limestone, even after the expiry of the period of lease. Petitioner contended that the state government was not competent to grant any further lease or to renew the lease, which had expired. The court further directed that the action of the state government for extraction of limestone from the village common land after June 25, 2004 was illegal, arbitrary and without jurisdiction.

KINKRI DEVI CASE AND CLOSE MONITORING OF MINING ACTIVITIES

Kinkri Devi and others Vs the State of Himachal Pradesh (CWP No, 82 of 1987) was among the first public interest litigations in the country admitted by the Hon High Court of HP. The court verdict restricted grant of further leases in Sirmour and directed the constitution of a committee to monitor limestone mining in Sirmour District.

The committee completed 25th six-monthly monitoring. This mechanism of intense inspection and authority to force mid-term corrections in the nature of mining activities provides the committee to list tasks, inspects the mining areas every six months and gives its recommendations, which are then followed up by the mining department for compliance and follow up action before the committee visits next time. This has resulted in transformation of relationships of the mine owners with the mining department due to regular interactions and suggestions to adopt scientific methods in mining to lessen the environmental impacts.

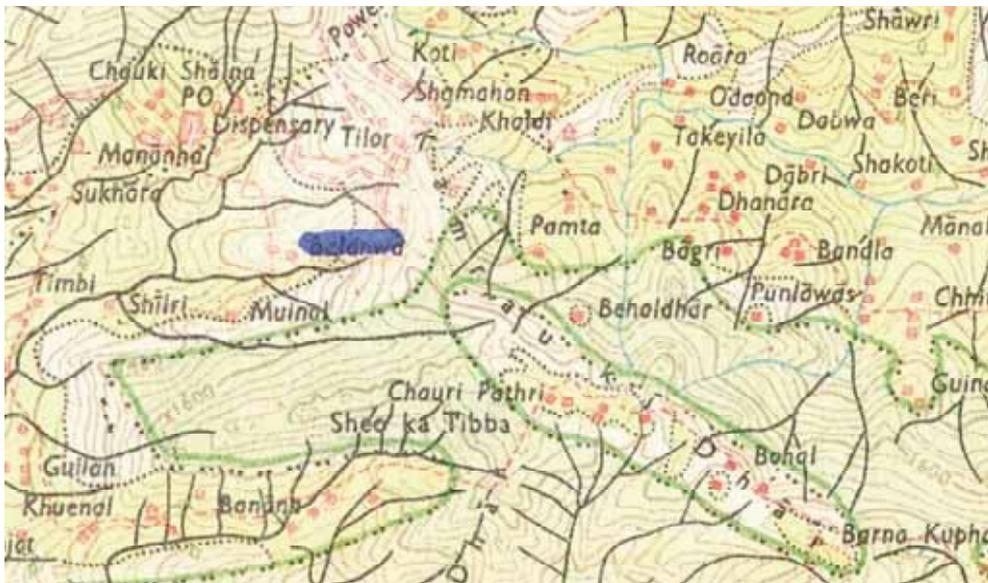
⁸ <http://dlc.dlib.indiana.edu/archive/00000224/00/bone032200.pdf>

There is a definite advantage in terms of reduction of risk⁹ as the committee emphasises on scientific mining practices and the owners have to comply with the periodic recommendations of the committee.

These two aspects of surface rights with local communities and the court ordered inspection provides for a unique situation of mining in the District of Sirmour.

6.0 KAMRAU CASE STUDY

The Kamrau sector is located in the NE region of the Sirmour district, approachable from SH No.1 through Paonta Sahib - Satuan - Kamrau - Tilordhar. Kamrau is one of the mining regions in the district, which is located at about 37 kms from Paonta Sahib.



The major share of mining area in the district is with the CCI, Rajban and large number of mines (small) are concentrated in different zones but the largest numbers are in Sataun-Kamrau-Bohrar belt with 27 mines. There are 71 limestone and barites mines in the district of the total 82 leases in different groups. Among these 36 are working mines, 17 are temporary non-working mines and 18 non-working (continuing) mines. No minor mineral quarry (river beds) is auctioned in compliance to the directions issued wide G.O. dated 09.09.2003. As a result, 'Gair Mumkin land' now falls under the definition of forest land and attracts the provisions of Forest (Conservation) Act 1980.

⁹ The committee inspected the Chipnal Limestone Mine of M/S Chatter Singh Tomer and directed the lessee to remove the undercuts and overhangs in the area. In case of Dugana Limestone mine, the committee directed the lessee to lift the slided material within three months by taking due care that not a single block of slided material rolls down the slope. Till the slided material is not removed, the lessee should not carry out extraction of limestone in any other portion of mining lease area. The Mining officer was also directed to monitor this and ensure that no mining activity should be carried out in mining lease till all the slided material is lifted

Status of Mining Leases (Major/Minor) in Sirmour					
S.No.	Category	Mineral	No. of Mines	Area (Bigha-Biswa)	Remarks
1	Working (Major Mineral)	Limestone	28*	5069-9	As no fresh leases are granted, working permits to mines operating on private lands/shamlat is granted.
2	Working (Minor Mineral)	Limestone	8	171-19	6 mines are in shamlat land and rest in private land.
3	Minor Mineral Leases	Sand/Stone/Bazri	11	670-11	
4	Major Minerals (not in operation due to own reasons)	Limestone	17#	N.A	The reasons for non working are poor market of products and bonafied reasons.
5	Non Working Mines@		18	N.A	Some of these mines are declared unsuitable by CMRI which are closed. Closed Mines - 3, FCA - 4, Court matter - 1, M.L.Validity Expired - 7, Pending Formalities - 3
	TOTAL		82	5911-19 (479 Hectares)	
<p>* One mine is of barites in Banore Section. In 3 cases Shamlat is yet to be restored back and in 5 cases land is vested to the government in 1974. # two mines are of barites @ 11 mines are minor mineral mines.</p>					

There is a provision in the MCR 1960 (rule 72 - see box below) to compensate the land owner or a person who's surface rights are vested in that particular land. Although there are two categorizations mentioned in the MCR for calculating compensation i.e. for agricultural land and non-agricultural lands, the situation in Sirmour is slightly different as there is a sharing of benefits 'graded mineral cost' with the owner of land, which is an additionality component and strengthens the economic base of the owner. Before the execution of mining lease, an agreement between the land owner and miner is made and these are the mutual arrangements between them. It is also pertinent to note that in the 'Himachal Pradesh Minor Mineral (Concession) Revised Rules, 1971, there is a rule which states 'No restriction to be imposed by owner of land on mining operations'.

No person having a right in any capacity in the land covered by a mining lease or mining permit, shall be entitled to impose any prohibition or restriction on the mining operation by the holder of lease or mining permit of such land or to demand any sum by way of premium or royalty for the removal of the minor mineral; provided that such person shall be entitled to get compensation from the said holder for the use of the surface which may be agreed upon from the said holder for the use of the surface which may be agreed upon between them. In the case of any dispute the amount of compensation shall be determined by the Collector and his order shall be final.

The methods discussed below are the outcome of practices in the district where some land has been vested in the government and rest is private land where mining takes place. Though the arrangement is solely between the land owner and the lessee (miner), the terms are mutually agreed upon and adhered to. The role of the state is to regulate the mining activity by following provisions of the court orders, Central Acts and State Notifications in a manner that interests of the local people are safeguarded.

STREAM OF BENEFITS TO THE LAND OWNER

1. Royalty - Mostly the royalty on raw mineral is 50 paise per ton, which has slight variations with the quality of mineral. The landowners receive this at the end of month. There is no record of actual number of people being benefited by this, but where it is undivided Shamlat lands all families benefit.
2. Graded mineral cost per ton to land owner after grading (normally rates are Rs. 20-35) but it can rise upto Rs. 60 depending on the quality of limestone for instance chemical grade gets the maximum; or
3. Regular fixed amount as compensation to the landowner, which is, negotiated between the miner and the individual whose land is leased out to the miner. Normally the rates are in the range of Rs. 20/- to Rs. 35/- per tonne and depend on the quality of the mineral or a lump sum agreed during the execution of lease.

Thus on an average Rs 30 per tonne of material mined is earned by the landowner. An estimate based on the production figures for the past three fiscal years is given in Table 3

Year	Quantity Mined (Tonnes)	Estimate of Financial Benefits (Rs)		Total Benefits (Rs)
		Royalty @ 0.5 Rs/Tonne	Graded Revenue Share @ Rs 30/tonne	
2004-05	1,174,716	587358	35241480	35828838
2005-06	1,164,180	582090	34925400	35507490
2006-07	1,205,070	602535	36152070	36754605

Source: Production Figures from District Mining Officer other details from field studies

VILLAGE INCOMES AND MINING

In Kamrau sub-tehsil it is interesting to record the significant variation in incomes between villages where mining activity takes place and where it does not, which indicates a wide variation¹⁰.

INSTITUTIONALISATION OF MINE OWNERS

In 1984 the association was formed with 12 mine owners registered under societies registration Act that has now grown to 34 members. The SDM for Poanta Mr. R.S. Gupta and Mr. Subhash Kumar, State Geologist from mining department sensitised and encouraged the miner owners to take the initiative of institutionalizing their activities. The district mining department enabled coordination on quality, dumping yard, technologies and norms and condition for mining. There are different associations/societies that work in coordination; these are Kamrau Transport Cooperative Society, Trans Giri Truck Operators Society, and Sirmour Mine Owner Association¹¹, Sataun. The truck operators are engaged in this region and they have a fleet of 170 vehicles of different types. The Mine Owners Association is also involved in providing infrastructure¹² and a recent case of purchasing and donating 5.1 bighas of land for a school was cited. Mine Owners have also promoted groups working for welfare measures in the vicinity. Environmental consciousness in terms of adapting to scientific mining (retaining walls etc) with the help of mining department is also noticeable in the region. In the interior areas mining has lead to the opening up of roads and the vehicles plying regularly means there is a good connectivity for local people to the nearest town of Paonta Sahib. The Association also contributes to training of local people and many of the mining mates are from local area. Training is imparted through three centres at Kamrau, Kajhar and Sataun, however there is no record of actual number of persons who have been trained and absorbed in the activities locally.

Basic Training Packages Introduced by the Association

Training Type	Target group	Target Nos. for one training
First aid/Emergency relief	All mine labours and locals	15
Mine closure techniques	Skilled and non skilled labours	25
Dumping	Labour and transporters	40-50
Plantation	Locals and labours	20

¹⁰ Annexure III

¹¹ The mine lessees have been contributing liberally for development of the area including creating of infrastructure e.g. school buildings/ play grounds/ shopping complexes/drinking water facilities etc. The lessees have also been contributing towards religious functions and at times of local fairs to the villagers and the local administration. Infact these contributions are claimed as a matter of right by the villagers and the lessees also contribute liberally and willingly.

¹² Annexure IV lists the contributions identified from records of the Mine Owners Association

Since its evolution, the association has paid donations towards social activities amounting to Rs. 23.11 Million¹³ towards creation of social infrastructure like educational institutions, essential services, environmental services and other welfare measures. The association wants to form an executive body for social response programme in the region and constitution of a special body for disaster management i.e. landslides or flash floods.

7.0 SPECIFIC RECOMMENDATIONS

1. The State Government should evolve a mining policy for the State taking a cue from the recent policy enunciation by the Central Government. A participatory process involving experts, administrators, civil society organisations and citizens in mining belts and mineral bearing areas. Policy should address the need for mineral conservation, environmental and social aspects and be indicative of the level of dependence of the state economy on mining. The issue of providing industry status to mining should be considered with provisions for benefit sharing from the additional advantages the mining community would gain as a result of such a change.
2. Direct financial benefit sharing with affected communities is important and must be extended to mining activities across the state. Since the basis for providing rents for surface rights emanates from the Mineral Concession Rules, it is applicable to all regions. The specific beneficiaries and the quantum can be worked out in specific contexts, if mandated by the state. The Sirmour case may be used as a benchmark.
3. Periodic inspection by a high power committee has several beneficial impacts particularly on environmental aspects. The Government should consider mechanisms for enabling this even if not mandated by the court. The State can consider having a pool of experts to assist in the process.

13 Annexure IV

Annexure I - Major Limestone Reserves and Status of Leases and Cement Plants

Situations	Reserve in Million Tonne			Limestone Deposits	District	Reserve in Million Tonne		Status
	Proved	Estimated	Total			Proved	Estimated	
Lease granted and cement plans established	550	200	750	Kashlog-Mangu Limestone deposit	Solan	130	200	Leased out to GACL
				Gagal Limestone deposit	Bilaspur	370		Leased out to ACC at Barmana
				Manal Limestone	Sirmour	50		Leased out to CCI/Rajban
Leases Granted/ deposit allotted. Applications invited for setting up of Mega Cement Plants	1200	1550 900	2750	Alsindi Limestone deposit	Mandi	275	550	Leased out in favour of Grasim Industries Harish Cements
				Kiron-Sundernagar Deposit		225		
				Baroh Sindh limestone deposit	Chamba	400		Leased out to L&T
				Baga-Bhalag	Solan	300	1000	Allotted to Jaiprakash Associates
				Guma-Rohana block	Shimla		900	Applications invited
Other	50	1600	1650	Kothi limestone deposit	Shimla		750	Investigation in progress
				Sagraithi limestone deposit	Shimla		350	Investigation in progress
				Jamthal limestone deposit	Bilaspur		500	Investigation in progress
				Arki limestone	Solan	50		Leased out to NMDC

Source: State of Environment Report, 2006

ANNEXURE II - EXCERPTS OF RIVER BED POLICY

1. Key element

Crushed stone, gravel and sand are one of the largest non-fuel mineral commodities by tonnage produced in Himachal Pradesh, supplying some of the most important construction materials. Further, average unit value of crushed stone, sand and gravel is one of the lowest of all mineral commodities.

This production of aggregate in a particular area is a function of the availability of natural resources, the size of population, the economy of the area and various developmental and infrastructural works being undertaken in the area like road construction, hydro-electric projects etc. Further, being a low- value, high-volume mineral commodity, the prices are dramatically affected by transportation distances. If the distances increase, the transportation cost may increase much more than the cost of the aggregates.

A stable river is able to consistently transport the flow of sediments produced by watershed such that its dimensions (width and depth) pattern and vertical profile are maintained without aggrading (building up) or degrading (scouring down)

The amount of boulders, cobbles, pebbles and sand deposited in riverbed equals to the amount delivered to the river from watershed and from bank erosion minus amount transported downstream each year.

2. Concern

The Himalayas and its foothills are a treasure house of the minerals being exploited by human beings since times immemorial. With the advent of society, the methods of the extraction of the minerals became more and more mechanized which resulted in extraction of the minerals at a pace much faster than the pace at which the nature could meet itself with such a situation to recover from the onslaughts of human beings. It brought into sharp focus the conflict between development and conservation, which served to emphasize the need for reconciling the two into the larger interest of the society

3. Vision

In Future River bed mining will be allowed in environmental friendly manner:-

It has become clear that short- term benefits must be weighted and balanced against the resulting long-term effect of resource depletion and decline in the state of the environment. This has arisen from :-

- Increasing evidence of potential problems from over- extraction of river/stream beds, and
- The community increasing demand on and expectation of , the river system

Therefore, in future Riverbed mining should be based on the principle of sustainable development.

4. Policy Statement

The State of Himachal Pradesh through the implementation of State Policy on River /stream bed mining, wishes: -

- to support an appropriate and environmental friendly utilization of natural resources of the rivers;
- to contribute to the conservation of the beauty and cleanliness of the rivers of Himachal Pradesh;
- to minimize the risk of channel erosion and the subsequent damage to private and governmental property.

5. Principles

- River natural resources must be utilized for the benefit of the present and future generation;
- It is the responsibility of all sectors to maintain the river resources of the state and to ensure that it is prudently managed and developed;
- Awareness is essential for ensuring the protection of river natural resources and for the proper utilization of riverbed material.

6. Objective

To ensure

- Scientific and systematic mining;
- Conservation of minerals;
- Protection of environment and ecology;
- Proper replenishment of River beds;
- Proper protection of River banks;
- Protection of soil erosion;
- Protection of bridges and other structure etc;and
- Checking of illegal mining.

(The policy document also gives a brief overview and lists out definitive strategies for protecting the riverbeds)

ANNEXURE III: VILLAGE INCOME AND EXPENDITURE, 2001

S.No	Village Name	Village Code	Total Income (in Rs.)	Total Expenditure (in Rs.)	Total Population
1	Adhog (4)	1645800	400	375	552
2	Ambaun (6)	1646300	150	150	169
3	Bag Hawra (10)	1646100	300	300	415
4	Baila Gujon (213)	1645100	867500	650500	522
5	Baldwa Bohal (26)	1648100	400000	200000	408
6	Barwas (23)	1647900	1500000	1400000	1117
7	Bhajhon (15)	1646600	200	200	450
8	Bhatrog (20)	1647100	100000	100000	354
9	Bhitar Kui (27)	1647400	100000	100000	66
10	Chamola Kyar (2)	1645500	300	295	159
11	Chandni (5)	1646200	500	500	771
12	Chareu (218)	1648300	100000	90000	428
13	Chauki Mirgwal (17)	1647600	600000	500000	611
14	Chitli (244)	1648800	800000	700000	366
15	Chiyan Piplat (3)	1645700	300	275	264
16	Dhab Pipli (215)	1647700	200000	175000	219
17	Gabar (14)	1646700	350	350	283
18	Jamna (248)	1649200	500	500	744
19	Jandnian (7)	1646400	100	100	93
20	Kamrou (24)	1648200	2000000	800000	2527
21	Kandon Cheyawag (250)	1649300	700	600	1127
22	Kandon Dugana (242)	1648600	109041	109041	2615
23	Kanti Mishwa (216)	1647800	1000000	900000	1191
24	Kathwar (1)	1645600	600	595	606
25	Khuenal Salag (25)	1648000	80000	75000	369
26	Korga (9)	1646000	450	445	714
27	Kotga Kandon (28)	1647300	400000	400000	736
28	Kunair Dhamaun (30)	1647200	200000	200000	362
29	Manal (16)	1646800	320	300	446
30	Mashu (249)	1649400	600	500	896
31	Nao Barwa (22)	1647500	200000	200000	231
32	Pab Bokala (241)	1648500	300000	250000	1002
33	Poka (21)	1647000	200000	200000	445
34	Rangwa Pabhar (246)	1649000	500	400	635
35	Sadiyar (8)	1646500	150	150	270
36	Sakandon (11)	1645900	450	445	314
37	Sakhauli (12)	1645400	400	395	1245
38	Sataun (18)	1646900	800000	800000	3360
39	Sathaur (13)	1645300	400000	350000	312
40	Shamahn Pamta (243)	1648700	2000000	1800000	586
41	Shaoga (245)	1648900	1200000	1100000	916
42	Sharli Manpur (247)	1649100	1000	750	2103
43	Shilla (217)	1648400	1300	1090	1454
44	Tatyana (219)	1645000	1690940	1510000	1720
45	Thountha Jakhal (214)	1645200	1423000	1210000	875

Source: http://www.censusindia.gov.in/Census_Data_2001/Village_Directory/Amenities_data

ANNEXURE IV - Donation of the Mine& Truck Owners Association

S.NO.	PARTICULARS	01-04-86 To 30-09-2007
1	Donation for schools, colleges	4144170
2	Donation for Chour Dhar Temple, Sarai and other temple	2454900
3	Donation for Water shelter, Water tank etc.	2422550
4	Donation for Earth Quake Relief	939000
5	Donation for Medical help and Pulse Polio programme	741700
6	Donation for Sirmour Utsav, Renuka Board, Yamuna Sharad Mahotsav	1291000
7	Donation for Sports activities and Nav yuvak Mandals	889000
8	Donation to poor peoples as girl's marriage	106100
9	Donation to Mahila Mandal and Cultural Club	404300
10	Donation for Literacy Programme, Red Cross and Hati Semite	172200
11	Donation of plying the water tanker	1733000
12	Donation for Mines Safety Week& Environment week	624750
13	Donation for members and employee as gift	1195000
14	Donation to Financial help to Truck owner	975000
15	Donation to Employees	4616108
16	Donation for news papers and advertisement	107000
17	Donation for Village Street Light	213551
18	Donation for Driver & Cleaner for accidental cases	35000
19	Donation to Himachal Seva Asharam Haridwar	50000
	Total Rs	23,114,329
Source: Records of the Mine Owners Association		

ANNEXURE V: MINING LEGISLATIONS AND POLICY AND REMARKS OF ISSUES OF R&R/BENEFIT SHARING

S.No.	Act/Rule/Policy	Provisions	Remarks
1	Mineral Concession Rules, 1960	Rule 72 - Payment of compensation to owner of surface rights etc. Rule 73 - Assessment of compensation for damage.	Mentions about compensation of different types but is silent on R&R
2	The Himachal Pradesh Minor Minerals (Concession) Revised Rules, 1971	Rule 55 - No restriction to be imposed by owner of land on mining operations	Person shall be entitled to compensation from the land holder for the use of the surface which may be agreed upon between them. In case of any dispute the amount of compensation shall be determined by the Collector and his order shall be final
		Rule 59 - Acquisition of land of third parties and compensation thereof;	If the owner refuses his consent to the exercise of rights and powers, reserved to the government, the government has to determine whether the compensation amount is fair or reasonable, if it is not satisfied, further amount has to be deposited. In assessing the amount of such compensation the government shall be guided by the principles of Land Acquisition Act.
3	Mines and Minerals (Development and Regulation) Act, 1957 (No. 67 Of 1957)	This act deals with the 'rules and procedures' for regulation and development of minerals and prospecting licence/mining lease etc and lays down procedures for the execution of mining lease	No emphasis on R&R
		Rules for regulating the grant of reconnaissance permits, prospecting licences and mining leases	The state government has powers to make rules in respect of minor minerals. Section 15 (1A)(h) states that the manner in which the rights or third parties may be protected (whether by way of payment or

S.No.	Act/Rule/Policy	Provisions	Remarks
			compensation or otherwise) in case where any such party is prejudicially affected by reason of any prospecting or mining operations;
4	National Mineral Policy, 2008	7.11 Relief & Rehabilitation of Displaced and Affected Persons	Mining operations often involve acquisition of land held by individuals including those belonging to the weaker sections. In all such cases a social impact assessment will be undertaken to ensure that suitable Relief and Rehabilitation packages are evolved. While compensation is generally paid to the owner for his acquired land, rehabilitation of affected persons in the form of substitute land, land for housing and jobs is not always adequate. Appropriate compensation will form an important aspect of the Sustainable Development Framework mentioned in para 2.3 and 7.10 above. In so far as indigenous (tribal) populations are concerned the Framework shall incorporate models of stakeholder interest for them in the mining operation, especially in situations where the weaker sections like the local tribal populations are likely to be deprived of their means of livelihood as a result of the mining intervention.
			In areas in which minerals occur and which are inhabited by

S.No.	Act/Rule/Policy	Provisions	Remarks
			<p>tribal communities and weaker sections it is imperative to recognize resettlement and rehabilitation issues as intrinsic to the development process of the affected zone. Thus all measures proposed to be taken will be formulated with the active participation of the affected persons, rather than externally imposed.</p> <p>A careful assessment of the economic, environmental and social impact on the affected persons will be made. A mechanism will be evolved which would actually improve the living standards of the affected population and ensure for them a sustainable income above the poverty line. For this purpose, all the provisions of the National Rehabilitation and Resettlement Policy or any revised Policy or Statute that may come into operation, will be followed.</p>