

CORPORATE MANSLAUGHTER

VEDANTA'S KILLER CHIMNEY at Korba

Part –I

Introduction & Irresponsible Corporate Behaviors of corporate houses

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BALCO, a part of Vedanta Resources—a London-listed metals and mining major with operations in UK, India and Australia — is a leading global player in Metals particularly making aluminum. Vedanta Resources has principal operations in India, Zambia and Australia. It is registered at London Stock Exchange, and also India's largest non ferrous metals and mining company based on revenues. It has its Head Office located at 6 Berkeley Street, London, W1J 8DZ, United Kingdom.



Indian born Anil Agarwal is the non Executive Chairman of Bharat Aluminum Company Limited (Balco) is set to become the largest aluminium producer in the world from a single location as it signed a pact with the Chhattisgarh government to set up a new smelter plant with an investment of Rs.80 billion (\$ 2 billion). The proposed plant with a capacity of 650,000 tonnes per annum (tpa) is under construction at its existing complex in Korba district, that will take the company's total aluminum output from 135,000 tpa to 1 million tpa - making it the largest aluminium producer in the world from a single location.



A Memorandum of Understanding has been signed by Additional Chief Secretary (Industries) P. Joy Oommen on behalf of the Chhattisgarh government and Balco's chief executive officer Pramod Suri, in presence of Chief Minister Raman Singh and Vedanta chairman Anil Agrawal and few others at a function at Raipur on 7th October, 2006 for a coal based 1,200 MW power plant —having four units of 300 MW each, at an investment of Rs. 5,000 Crores.

It was stated by the company official that they estimate that complete construction of power plant within 40 months, once all the regulatory and statutory approvals are received. It was also stated that the aim is to commission the power plant by the time its smelter plants are ready for production, in order to support the expansion process of setting up a 3.5 lakh MT per annum aluminum smelter plant at its site in Korba to take the total production capacity to 9 lakh MT per annum by 2011.

BALCO awarded the contract for the construction of the 3 x 400 = 1,200 MW power plant to a Chinese firm which is known as Shandong Electric Power Construction Corporation (SEPCO),— which, in turn, sub-contracted the work of construction of 275 meter high two chimneys to New Delhi based Indian company known as Gannon Dunkerley & Company Limited (GDCL).



SEPCO signed the EPC contract with India BALCO for a 4x300MW coal fired capital power plant at 20th Aug. 2007. The commencement date is at 1st NOV. 2007 and total execution duration will be 30 to 39 months for all 4 units (interval 3 months). The contract scope includes design & engineering, procurement, construction & erection, commissioning and supply spare parts for 3 years.

While Chinese engineers and other staff were engaged in construction of power plant's boiler and other constructions, they also supervised the construction of the Chimney. GDCL.

Contrary to the company statement after signing the MoU with the state government of Chhattisgarh, even without possessing the land or obtaining the required permission from the local municipal corporation, company started construction of the power plant on the encroached land, which is owned by the state forest department.

In May-June 2005, the Minister of Revenue, Nanki Ram Kanwar a resident of Korba and a local MLA order an enquiry based on reports of encroachment of around 1000 acres of land by BALCO. On 17.2.2005, an eleven-member committee headed by the Naib Tehsildar and supervised by the Superintendent of Land Records, submits its report. The report gives clear finds on BALCO having encroached 1000 acres of land in complete violation of the Forest (Conservation) Act, 1980. The report also highlighted that about 50,000 trees have been cut by the BALCO management. This is where the expansion of the present plant of BALCO has taken place. Matter goes to the High Court but much to the relief of Balco, files pertaining to the alleged encroached land is missing.

In the second week of February, 2009 Minister for Revenue, Government of Chhattisgarh, Mr. Amar Agrawal in his written reply to a question by Leader of Opposition Mr. Ravindra Choubey, stated in the Chhattisgarh State Assembly, that Bharat Aluminum Company Ltd has encroached 1,036.52 acres of government land in Korba. He also told the house "The state government had registered 10 cases against the company in Korba between June 17, 2005 and June 28, 2005 under various sections of the land revenue code," He also stated that BALCO had even started building chimneys and other structures for its proposed 1,200 MW thermal power plant at Korba on the encroached land.

"The company did not take permission from the Korba Municipal Corporation (KMC) for the second chimney and we had served notices for violating the norms," states Mr. Lakhanlal Devangan, Mayor, Korba municipal Corporation (**KMC**). However Mr. B.K.Srivastava, Chief of Corporate Communications do not agree to the same, stated to the press that "The construction was going on as per the Memorandum of Understanding (MoU) signed with the state government and the company had all the necessary clearances,"

It is also important to note that just one week before the chimney collapsed, a notice was served by KMC to stop the work which BALCO ignored. Even a team of the KMC officials had reached the site and stopped the construction work before about a week of the collapse but BALCO started the work once again soon.

This exposes the fact that though BALCO is not even the owner of the land, has not obtained the required mandatory permissions to construct the second 275 meter high chimney from the local municipal corporation, have ignored the notices and stopped the construction of Chimney by KMC authorities, BALCO went ahead with its construction plan. This illustrates beyond doubt that the motive of the BALCO is mischievous. Even when it was pointed out to them that the construction of Chimney is of substandard and without any permission, it also ignored the safety standards by going ahead with constructing a giant Chimney of 275 meter high with diameter of 60 meter, vertical hollow structure of masonry, steel, or reinforced concrete, built to convey gaseous products of combustion from a building or process facility which caved in and collapsed after reaching a height of 253 meters, trapping many innocent workers within its cement concrete rubble on the afternoon of Wednesday, the 23rd of September, 2009. The worst disaster of its type in the history of India had taken place at the encroached site.

What happened on the afternoon of Wednesday, the 23rd September, 2009:

Wednesday, 23rd of September of 2009 was like any other day for the day shift workers engaged in the construction of the chimney. Most of those poor workers who worked hard day and night in shifts of 12 hours each for over 2 ½ (Two and half) months right from constructing from the Thirty five meters below the ground to a height of about 253 meters above the ground. They had no idea what so ever that what they are constructing their own grave in which they will be ultimately buried alive. Those poor workers that included many tribals also, were hired from the Indian states of Bihar, Jharkhand and Madhya Pradesh by one Mr. P.M. Singh, who is the sub contractor to GDCL. Those poor persons had come to Korba with dreams that they will earn enough money that could help them to support their families back home.



It was raining heavily since afternoon; As such few others who were engaged in other works around the chimney had also taken shelter at the canteen and at three stores located closely to the base where the diameter of the chimney is 180 Meter. One hydra, a miller and three wrenches were also in operations. There were about 52 workers who were working at the top of 253 meters, few of whom had left just before five minutes. At that time about 180 persons were there in and near the base of the Chimney. All of a sudden, at about 3.40 PM, base of the chimney gave away. As per the eye witness, Chimney sunk in to the ground, soon

within in few seconds chimney collapsed with huge sound split from one side burying many innocent workers within its rubble. Later Korba police have registered a case on the charges of culpable homicide not amounting to murder and common intention — under Section 304, 34 of the Indian Penal Code (IPC), against BALCO

Irresponsible Corporate Behaviors of BALCO and its contractor companies

In such a massive tragedy BALCO; its contractor Chinese company SEPCO and Indian company GDCL are expected to behaved as responsible corporate citizens but instead, demonstrated how inhuman and irresponsible they can be. No one was available to tell or produce from official records to how many workers are trapped and their names etc. Tempers of the workers present at the accident site were already high. Fuel to the fire was added when they saw the record room of GDCL near the collapsed chimney; they thrashed one of the staff of GDCL.

(Photographs courtesy Mr. Abdul Aslam of Korba)

END OF PART I

Note: Part II is on "Rescue operations or Hiding Operations" ?????