

Ref: VAL/ MK/MOEF/10/001

Date: 15.09.2010

To,
The Advisor (IA)
Scientist 'G'
The Ministry of Environment & Forests
Government of India,
Paryavaran Bhawan, CGO Complex,
Lodi Road, New Delhi-110003

[**Kind Attention:** Dr. Nalini Bhat]

Sub: Reply to Show Cause Notice dated 31st August 2010 issued under Section 5 of the Environment (Protection) Act, 1986 for revocation of the environment clearance to the existing 1 MTPA Alumina Refinery and 75 MW Captive Power Plant at Lanjigarh in District Kalahandi in Orissa by M/s. Vedanta Aluminium Ltd.

Ref: Your letter no. F.No. J.11011/1103/2007-IA-II (I) dated 31st August 2010.

Dear Madam,

This is with reference to the above mentioned show-cause notice issued u/s 5 of Environment (Protection) Act, 1986, vide MoEF letter referred above for revocation of Clearance for our existing Alumina Refinery at Lanjigarh, which is yet to be received at our Mumbai office. However we have downloaded the same from MoEF website and furnishing our response as follows:

The allegations raised are as follows:

Allegation No.1


The unit has already proceeded with construction activity for expansion project without obtaining prior Environment Clearance [General Conditions (ii) of Environmental Clearance dated 22.9.2004][Para 3(i) of Show Cause Notice].

Allegation No.2:

No piezometer for monitoring of Ground Water Quality around Red Mud and Ash disposal pond has been established as per the condition no. (v) of the Specific Conditions of Environmental Clearance dated 22.9.2004. [Para 3(ii) of Show Cause Notice]

Allegation No.3:

The bauxite for the refinery was to be sourced from the mines which have already obtained environmental clearance. The ministry vide letter of even no. dated 15th June 2006 has accorded approval to the unit to source bauxite from indigenous mines which have already obtained environmental clearance. The inspection report has listed 14 mines from which bauxite was being sourced by the project proponents. However, out of these 11 mines, only one has received environmental clearance. [Para 3(iii) of Show Cause Notice]



Allegation No.4:

The project authorities are yet to achieve the stipulated area under plantation i.e. 166 ha. [Para 3(iv) of Show Cause Notice]

Allegation No.5:

The fugitive emissions in the lime and coal handling areas are not up to mark. [Para 3(v) of Show Cause Notice]

Allegation No.6:

The 1 MTPA Alumina Refinery was accorded environmental clearance on the condition that no forest land would be used for establishment of the refinery. But now, it is established that the unit has occupied 26.123 ha. of village forest land within the refinery boundary. Hence, the environmental clearance accorded to the company for setting up of refinery is illegal invalid. [Para 4(i) of Show Cause Notice]

Allegation No.7:

The unit has already proceeded with the construction activity for its expansion project from 1 MTPA to 6 MTPA without obtaining environment clearance as per the Provisions of the EIA Notification 2006 under the Environment (Protection) Act, 1986. [Para 4(ii) of Show Cause Notice]

Our response to each of the allegations is furnished below:

Allegation No.1

The unit has already proceeded with construction activity for expansion project without obtaining prior Environment Clearance [General Conditions (ii)].

Response:

i. The condition B(ii) alleged to be violated is reproduced herein below for ready reference:

“No further expansion or modifications in the plants shall be carried out without prior approval of the Ministry of Environment & Forests”

ii. In the instant case there has been no violation of the above condition in as much as the plant has not been operationalized as yet. Further the construction is not illegal for the following reasons:

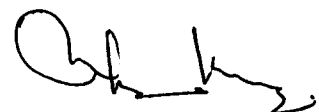
- a. On 03.10.2007 application was submitted to the MOEF along with term of reference and also the project feasibility report for expansion from 1 to 6 MTPA of alumina refinery and increase in power generation capacity from 75 MW to 300 MW
- b. Draft Terms of Reference (TOR) were submitted to the MOEF and at the time of discussing the same detailed presentation was made regarding the manner and

conditions in which the terms of construction were to be undertaken. The terms of reference were approved on 12.03.2008.

- c. It is well established and also mentioned in the EIA Notification of 2006 that if the MOEF is opposed in principal to the project/expansion, it can be rejected at this stage. The finalization of the terms of reference clearly showed that the MOEF had no objection to the site for expansion. It is noteworthy that there was no restraint imposed on carrying out construction activities while issuing the TOR.
- d. In fact it is only on 19.08.2010 that the MOEF through a Circular on the website for the first time gave a blanket direction that *"Instances have come to the notice of this Ministry where the project proponents have undertaken construction activities relating to the project at site without obtaining the requisite prior environmental clearance as is mandated under the EIA notification 2006. ... No activity relating to any project covered under this notification including civil construction, can be undertaken at site without obtaining prior environmental clearance"*. A copy of the letter dated 19.08.2010 is annexed hereto and marked as **Annexure 'A'**.
- e. Prior to 19.08.2010, there was no such condition for prior environmental clearance to be obtained before commencing construction activities for a project of this nature, namely, for purpose of expansion. In fact from time to time the MOEF/SPCB was informed of the ongoing construction activities. However, no order of restraint was passed.
- f. On 16th February 2010 when VAL received the instruction from SPCB for stoppage of the work, all construction works were stopped as a matter of abundant precaution as witnessed and confirmed by visits of EAC as well as Dr. V.P. Upadhyay, Director, MOEF, Eastern Regional Office, Bhubaneswar.
- g. When the construction was commenced for expansion there was regular monitoring by the project proponent as also the authorities of the environmental conditions even when the construction was going on. Six monthly reports of the surrounding environmental conditions were submitted to the State Pollution Control Board with respect to the 1 Million Ton refinery. These are also on the records of the MOEF. This data would be relevant for determining whether the construction activity had caused any adverse impact on the environment. A perusal of the reports would show that no negative impact on the environment was observed. Thus assuming without conceding that the construction was illegal there was no environmental damage caused as a result of the construction.

Allegation No.2:

No piezometer for monitoring of Ground Water Quality around Red Mud and Ash disposal pond has been established as per the condition no. (v) of the Specific Conditions.



Response:

- i. It is clarified that there was no requirement for providing piezometers. The condition was only to provide piezometric holes. The relevant condition of the environmental clearance in this regard is reproduced hereinbelow for ready reference:

"The company shall adopt dry disposal (High Concentration Slurry Disposal) system for Red Mud and Ash disposal. Monitoring of groundwater quality around the red mud and ash ponds shall be undertaken by providing piezometric holes. A leachate study shall be undertaken and report submitted within six months of commissioning of the project. A plan shall be worked out for the rehabilitation of red mud pond and ash pond as and when they are filled up. Efforts shall be made to find out productive uses of red mud."

Piezometric holes were provided around Red Mud Pond, Ash Pond and other areas by awarding this job to Institute of Advance Technology and Environmental Studies (IATES). A copy of the said report is annexed hereto as **Annexure 'B'** for the last one year for ready reference.

- ii. From the above, it can be observed that all the conditions, viz., use of high concentration slurry disposal, monitoring of ground water quality, leachate study and efforts to make effective use of red mud has been made in letter and spirit. Additionally, it may be noted that the use of piezometer is generally recommended to monitor the hydraulic pressure in the aquifers. There are other sensors or instruments which are used for measuring PH and conductivity and can be coupled with piezometer if ground water contamination is to be monitored. It is only for this reason a better monitoring system for ground water contamination as recommended by SPCB vide point No. 49 of Consent to establish dated 30th May 2003 (**Copy enclosed as Annexure 'C'**) & condition no. 20 of Consent to Operate granted vide Memo No.25416, dated 18th October 2006 (Copy enclosed as **Annexure 'D'**) has been implemented. SPCB requirement was that "*adequate numbers of observation wells shall be made available around Red Mud pond, Ash pond, Process Water lake, Dirty water pond to monitor Ground water contamination. The location of these wells shall be finalized in consultation with the Board. Monitoring report of the ground water quality shall be submitted to SPCB quarterly*".

In line with the direction of the State Pollution Control Board, 10 Nos of the observation bore well have been provided near red mud pond (3 Nos), process water lake (2 Nos), Ash Pond (3 Nos) Dirty water pond (2 Nos) & base line data for the ground water was conducted before putting slurry into the respective pond as confirmed vide inspection report of SPCB dated 20th March 2007 (Copy Enclosed as **Annexure 'E'**). Also quarterly report is being submitted to SPCB for all the bore wells. The recommendation of SPCB has been followed as per the direction of MOEF given vide point No (i) of general condition of Environment Clearance which states that "*the Project authorities shall strictly adhere to the stipulations made by the Orissa Pollution Control Board and the State government*".



- iii. Besides above, a leachable study was conducted by NGRI, Hyderabad using Piezometric holes covering Hydrogeological, Hydrochemical and geophysical study. Additional studies were undertaken by the Institute of Advance Technology and Environmental Studies (IATES, BBSR) using Pizeometers and the same were submitted to the SPCB. This has been done in line with the direction of SPCB.
- iv. From the above, it can be observed that an objective based ground water monitoring system has been implemented in the plant and is in place. All care have been taken by VAL in consultation with the SPCB to ensure that there is no ground water contamination and also adverse impact from any of refinery operation either on Ground water or on Surface water. Hence, there is no violation of EC conditions as mentioned above.
- v. However, as a matter of abundant precaution, as suggested by Dr. V.P. Upadhyay, Director, MOEF, Eastern Regional office, Bhubaneswar, during his last visit to the site, action has already been taken for installing online Pizeometers at Red mud pond and Ash pond as an additional measure to monitor the water table around these facilities along with existing monitoring system.

Allegation No.3:

The bauxite for the refinery was to be sourced from the mines which have already obtained environmental clearance. The ministry vide letter of even no. dated 15th June 2006 has accorded approval to the unit to source bauxite from indigenous mines which have already obtained environmental clearance. The inspection report has listed 14 mines from which bauxite was being sourced by the project proponents. However, out of these 11 mines, only one has received environmental clearance.

Response:

- i. Although the issue has nothing to do with the expansion project and has already been answered in the show cause notice on the existing refinery the same is being answered herein. The MOEF had vide letter dated 15.6.2006 accorded approval to VAL to source bauxite (import/indigenous) from mines which have already got clearance under EIA Notification, 1994. A copy of the said letter dated 15.06.2006 is annexed herewith as **Annexure 'F'**. It is to be noted that the requirement of EC for Mines has come into force only after issue of EIA 1994 Notification which state that "*Central Government direct that on and from publication of this notification in the official gazette, expansion or modernization of any mines (If pollution load is to exceed the existing one or any new mine) EC is required from Central Government*". Thus, in case of mines operating before 1994 which have neither increased the capacity nor the lease area, no environmental clearance is required. In the instant case, none of the mines from which bauxite is being sourced have increased their capacity or lease area after 1994. . The list of suppliers from Jharkhand is attached as **Annexure 'G'**.
- ii. The parties are having mining lease and operating the mine prior to 1994. In some cases mining lease had expired and application for renewal has also been submitted within stipulated time. However renewal has not been made till date and therefore the lease is

deemed to have been extended under Rule 24A of the Mineral Concession Rules till the State Government passes any further orders. Annexure 'H'.

- ii. In the instant case, none of the mines from which bauxite is being sourced have increased their capacity or lease area after 1994.
- iii. From the above, it is clear that VAL has not procured any Bauxite from Illegal and unregulated source and all conditions of EIA notification have been complied.

Various entities such as SAIL, OMCL and other Public Sector Undertaking which are involved in mining are also following the same practice. In fact it is only on 2.7.2007 that it was finally clarified by the MOEF that all such projects which have been operating without any environmental clearance would obtain environmental clearance at the time of their renewal. A copy of the said Notification is annexed to as Annexure 'H (I)'.

Allegation No.4:

The project authorities are yet to achieve the stipulated area under plantation i.e. 166 ha.

Response:

- i. As per specific condition No.-VI of Environmental Clearance "Greenbelt of adequate width and density shall be provided to mitigate the effects of fugitive emissions all around the plant. A minimum of 25% of area shall be developed as green belt with local species in consultation with DFO and as per CPCB guidelines". From the condition, it is very clear that the basic objective of providing greenbelt was to mitigate the effect of fugitive emission. In this regard, the company has adopted a three tier approach as follows:
 - a. Using State of the art technology to control fugitive emission & noise at the source.
 - b. Providing green cover around the unit having possibility of generating the fugitive emission & noise to ensure that in case of failure of any equipment, fugitive emission is within the permissible limits.
 - c. Green cover around plant, township, red mud pond, Ash pond, along the roads & continuous water sprinkling in and outside plant areas on roads etc to ensure that SPM / RSPM level are within the limit.
- ii. As per the condition of EC more than 25 % of the total area have been earmarked for the plantation. Plantation is an ongoing process and cannot be completed in one go. As already mentioned in the report of Dr. V.P. Upadhyay that 108 Ha of area has already been covered under plantation by planting more than 2.5 Lacs trees as block, avenue & fruit plantation. Besides this plantation has been done in the Rehabilitation Colony also by planting local fruit bearing species only in consultation with DFO / Local Forest Ranger. Balance area is being covered under plantation in phased manner. It is worth mentioning that VAL is in operation only for the last three years and has planted 2.5 Lacs trees in just three years. This reflects the commitment towards improving the ecology of

the area. It will always be ensured that more and more green belts are developed in and around the facilities and at no point of time the areas earmarked for green belt development will be utilized for any other use. Few photographs of green belt developed by VAL are attached for ready reference as Annexure ' I ' (Colly).

- iii. It is pertinent that the approval did not specify and/or stipulate any defined time frame to comply with creation of green belt to the extent of 25% of the area.

Allegation No.5:

The fugitive emissions in the lime and coal handling areas are not up the mark.

Response:

- i. The lime area have been provided with Wet Scrubbing system for controlling dust generation and recycling the collected dust back into the system in slurry form. Similarly coal handling areas have been provided water sprinkler for open heaps, dry fog systems for all conveyors and transfer points. VAL is continuously submitting monthly monitoring/compliance reports to SPCB for all Air, Water pollution parameters. VAL's continuous efforts are there to improve the system. It may be noted that Company is committed to have best environmental management practices in the plant. Recently, company has been awarded Green Business Leadership Award from Financial Express/ EVI as well as from CII, Bhubaneswar. However, any suggestion in improving the system further will be highly appreciated and it will be ensured that the same are implemented without fail. In light of above, it may be noted that all state of the art technologies have been implemented and there is no violation on account of above.

Allegation No.6:

The 1 MTPA Alumina Refinery was accorded environmental clearance on the condition that no forest land would be used for establishment of the refinery. But now, it is established that the unit has occupied 26.123 ha. of village forest land within the refinery boundary. Hence, the environmental clearance accorded to the company for setting up of refinery is illegal invalid.

Response:

- i. The issue of the said forest land was the subject matter of proceedings before the Hon'ble Supreme Court in IA no. 1324/2006. It was raised in detail by the CEC in its report. By its letter dated 27th March 2005 the State Government of Orissa had clarified to MoEF that the said land would not be used for any plant facilities and shall be clearly demarcated and developed at project cost as a green area.
- ii. Thereafter the MOEF vide its letter dated 28th March 2005 noted the request of the State Government and closed the issue. Based on MoEF's consent vide letter dated 26.04.2005 the State Government of Orissa inter-alia gave detailed instructions for demarcation and

protection of the said land which is being done by Vedanta. Copies of the correspondence in this regard are annexed hereto as **Annexure 'J' (Colly)**. It is further noteworthy that the villagers are not denied access to the forest area. There has been no instance of villagers wanting access to the land and not being so allowed. In fact many of the villagers have been employed by the company and have free access to the GJJ land.

iv. From the above it is very clear that VAL has not violated any Forest Conservation Act and also not in illegal possession of Forest land in refinery area of whatsoever nature, as alleged. In the last six years, VAL has planted nearly 60000 trees in these pockets towards its commitment to improve the ecological conditions in the area. In view of above, it may be appreciated that it is incorrect to say that the environmental clearance accorded to the company for setting up of Refinery is legally invalid when no area has been used for setting up of any plant facilities, and there is no question of diversion of forest land.

Allegation No.7:

The unit has already proceeded with the construction activity for its expansion project from one MTPA to 6 MTPA without obtaining environment clearance as per the Provisions of the EIA Notification 2006 under the Environment (Protection) Act, 1986.

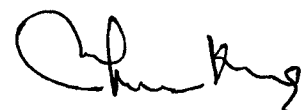
Response:

This has already been answered in detail in the reply to the show cause notice dated 31.08.2010 for withdrawal of TOR issued by the MOEF. The contents of the same may be read as part and parcel of the present reply.

Without prejudice to the above submissions, we would like to take this opportunity to give a brief background on how this project was conceived and came about which made are germane to the instant case. Various Corporate Social Responsibility (CSR) initiatives undertaken as also the investments made. We would request that a holistic view of the matter ought to be taken so that the principle of sustainable development which is the basis of environmental jurisprudence/legislation is adhered to in letter and spirit.

Brief Background

With the discovery of East Coast Bauxite by GSI in late seventies, India became the fourth largest country having more than 3.0 Billion Tonnes of proven Bauxite reserves out of which Orissa is a largest depositing Bauxite having approximately having 60% of total Bauxite reserves of the country and thus providing ample opportunities for investors and to make India as one of the best destination for Aluminium Industry.



Kalahandi is one of the most backward area in the country and national planners have recognized the need of industrialization in this backward area to bring poor tribal into main stream. With this background the State Government of Orissa has signed MOU for setting up Integrated Aluminium Complex in Orissa based on Lanjigarh Bauxite deposit and other hereby deposit.

Corporate Social Responsibility Initiatives by VAL

With setting up of Alumina Refinery, VAL have promoted various CSR initiatives in tune with the concept of sustainable development which has also been held to be the basis of all environmental legislation.

Vedanta Aluminium Ltd(VAL) is a law abiding company and has always complied with the conditions, guidelines or instructions issued from time to time by regulatory bodies like MOEF, SPCB etc. Besides compliance to regulatory norms in all operations, it is always ensured that all out efforts are made from the beginning in all our projects to ensure that no compromise is made in design, procurement and operation in achieving the basic objective of Environmental Protection Act which has been held by the courts to be Sustainable Development. As envisaged in Environment Protection Act 1986 (hereinafter referred to as the Act), development and protection of the environment are not inimical and utmost care has been taken to ensure that none of the operations should degrade the environment. All mitigation measures are taken to minimize the adverse effects, if any, by selecting environmental friendly technologies and systems. Reference in particular may be made to compliance status of point B(i) of the general Conditions of the Environmental clearance dated 22.09.2004 in respect of which the monitoring report of Dr. V.P. Upadhyay, Director (s), Regional Office, Bhubhaneshwar (MoEF) who was entrusted this task by the MOEF has itself interalia observed that "As per the monitoring report of the Orissa State Pollution Control Board, the emission and discharge parameters are within the prescribed limits." This compliance of one of the most fundamental conditions towards environment protection reflects the commitment of the company to environment Protection.

It is submitted that VAL has never failed in submission of compliance reports and has always shown a proactive approach in making the plant as one of the best plant in the world in terms of environmental management. It is only because of continuous efforts & suggestions made by SPCB from time to time that the concept of "Zero Discharge System" has been successfully implemented. The company has developed a detailed road map to achieve "Zero Waste Concept" and aims to become the first Alumina Refinery in the world to have such a system. The action plan in this direction is reflected in the report of Dr. V.P. Upadhyay, Director, MOEF and a detailed presentation in this regard is annexed hereto and marked as **Annexure 'K'**.

The VAL sustainable development strategy, known as the "Vedanta Way" is all encompassing and comprises the main principles of Environmental Stewardship, Nurturing People, Health & Safety & Empowering Communities. It is noteworthy that the Dr. V.P. Upadhyay Report has observed "The industry has a good facility for health monitoring. In addition to health surveillance by in-house health specialist, the industry also has taken experts from regional Labour Institute, Kolkata for occupational health monitoring of the

employees. Rehabilitation colony has been provided with hospital where families from the rehabilitated village as well as local population from other villages are provided medical facilities free of cost.

Sustainable development is a key part of VAL strategy and overall ethos. This is also the objective of the Environment (Protection) Act, 1986 as well. The focus of the company has been on community engagement through CSR activities, so that overall socio economic development in the area can be ensured along with development of the industry. Kalahandi despite vast available mineral resources, was always known for its backwardness and deaths due to hunger, poverty, malnutrition, famine, drought, selling children for food, Malaria and Diarrhea etc. Reference in this regard may be made to the Parliamentary debates where as far back as on 28.11.1996 the need for industry in the area, in particular an alumina plant, was felt. The then M.P. of Kalahandi had stated "*The Government of India & the Orissa Government should take keen interest to set up at least a large Alumina plant because we have got a heavy deposit of Bauxite in Niyamgiri and Sijimali of Kalahandi District. Several discussions have been held at the state and the central level. But there has not been any alumina plant, then a minimum of 40000 people can sustain out of the different kinds of earnings from that.*" Copy of the relevant extract of the parliamentary debate is annexed hereto and marked as Annexure 'L'.

In the Kalahandi Bolangir and Koraput (KBK) region, Kalahandi is the most backward area and in Kalahandi, the Lanjigarh Block is the least developed region. This area has always drawn the attention of our policy makers and it is mainly because of consistent efforts put in by national planners that a project of this magnitude could be established in this region after more than six decades of independence. This lone project has made a major impact in eradicating the poverty and is providing opportunities to the poor & most deprived tribal to come into the mainstream.

Reference may once again be made to the Dr V.P. Upadhyay Report whose observations about the CSR initiatives of the company were "*The CSR activity as reflected in the EMP for contributing to socio-economic development and as stipulated in this clearance (environmental Clearance point V) has been taken up by the project in true spirit. The project has made good beginning in this tribal dominated area, where the facilities are meagre. The project is covering the aspects of health and sanitation, education, sport and cultural activities, encouraging sustainable livelihood options like self help groups, pisciculture, tailoring, strawberry cultivation etc. It is reported that creation of infrastructure development and the above socio economic programs has benefited the people of the area. Some areas where CSR programs are being implemented by the industry for community welfare and development in Lanjigarh region including the programmes being implemented by Lanjigarh Project Area Development foundation (LPADF) were visited. Rupees 20 Crore has been deposited by the project in LPADF*" The works undertaken by VAL in collaboration with the government and in partnership with the society in the areas of health, education, livelihood, promotion of local arts & culture and sports are given in the enclosed booklet of CSR activities in Lanjigarh & of Vedanta Group is reflected in the magazine called "Samavesh". It is clear from the enclosure that Vedanta has invested more than Rs.100 crores on CSR activities alone in the area of Education, health, Livelihood, Communication and promotion of Sports, Arts and Culture. A total investment of Rs.8000 Crores has been made in the project resulting in all round prosperity in the region.



Vedanta has strived to provide employment opportunities in all facets of the project to the local community. During the construction of the existing refinery more than ten thousand people worked for a period of more than three years of which the majority were the local population. Besides the ten thousand people worked at the plant site during the construction, the project has also generated substantial employment outside the State. Almost equal number of people have worked in various parts of the country to supply the materials for the plant besides creating indirect opportunity in the field of transportation, hotel business and other associated infrastructure facilities.

Presently nearly three thousand five hundred people are directly working at the plant site for operation and maintenance of the plant out of which nearly 70 percent of the people are local. Besides nearly eight thousand to ten thousand people are indirectly associated for keeping the plant running in business like bauxite handling and transportation alumina handling and transportation, coal, caustic soda, and furnace oil handling besides providing self employment opportunities to the local people. The Company has always fulfilled its commitment to provide job to each member of the displaced families by providing adequate industrial as well as behavioral training. Vedanta is the only mega industry in Kalahandi which is providing employment opportunity not only to the people of Kalahandi but also to the entire state. Today, the Vedanta Group has become one of the largest employment provider in the State. A booklet containing the CSR initiatives stated by VAL are annexed hereto as **Annexure M (Colly)**.

Without prejudice to above submissions it is further stated that at the highest it is a question of interpretation of the notification which interpretation is supported by detailed legal opinions taken in this regard. If despite this the MOEF were to take the view that such an interpretation is wrong, then it is requested that a holistic view is taken.

Reference may be made to the *M.C. Mehta Case, (2004) 12 SCC 118*, wherein it was held as follows:

"The development and protection of environment are not enemies. If without degrading the environment and minimizing the adverse effects thereupon by applying stringent safeguards, it is possible to carry on development activity applying the principles of sustainable development, in that eventuality, the development has to go on because one cannot lose sight of the need for development of industries, irrigation resources and power projects, etc., including the need to improve employment opportunities and the generation of revenue..."

It is noteworthy that in the instant case, six monthly reports of the surrounding environmental conditions were submitted to the State Pollution Control Board with respect to the 1 million tonne refinery. These are also on the records of the MOEF. This data would establish that expansion will not have any adverse impact on the environment. A perusal of the reports would go to show that no negative impact on the environment was observed. Hence, it is established that there are no compelling reasons which may force MoEF to take such steps of either revocation of the Environmental clearance for the existing 1 MTPA Alumina Refinery and 75 MW Captive Power Plant dated 22.09.2004 or issue direction for closure of the plant.

Also, it is requested that the expansion project be allowed to continue in the larger public interest.

In view of the above, the show cause notice issued may be recalled. Notwithstanding the above facts, the company is open to any further alterations / modifications as may be suggested by the MOEF, which would be in the interest of Environment Protection. It is also requested that a personal hearing may be given before taking a final decision on a project of such magnitude which also have wide ranging impact on the local community in one of the most backward and underdeveloped areas in India.

We shall be pleased to furnish additional clarifications, if any required on the above and also would like to present the same in person.

Thanking you,

Yours Faithfully,

For Vedanta Aluminium Ltd, Lanjigarh



(Dr. Mukesh Kumar)
Chief Operating Officer
Authorized Signatory

Encl: As Above