

# Mining Displacement in Odisha — Rights, Rehabilitation, and What NGOs Can Do

Odisha is India's most mineral-rich state. It holds 34% of India's iron ore reserves, 24% of coal reserves, the world's largest deposits of chrome ore, significant bauxite reserves in the Eastern Ghats (the traditional territory of the Dongria Kondh, Kutia Kondh, and other PVTG c...

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Social Justice & Tribal Welfare

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Scheduled Tribes constitute approximately 22.85% of Odisha's population. Across India, they constitute approximately 8.6% of the national population but roughly 55% of people displaced by development projects. The disproportion in Odisha is even more acute: the mineral-bearing geology of the state is concentrated in the Eastern Ghats and Deccan Plateau, which are also the areas of highest PVTG and ST population density.

A 2025 ScienceDirect study on mining-induced displacement and tribal resistance specifically in Odisha documents the political economy of this relationship: displacement decisions are made through processes in which the affected communities have minimal power; compensation is determined by officials with interests aligned with project developers; and resistance is often met with administrative pressure, legal harassment, or in some cases violence.

The numbers that matter: between the 1950s and 2000, India had displaced approximately 21.3 million people through development projects, of whom 40% were tribal. Since 2000, the pace of mineral extraction has accelerated significantly. The

systematic monitoring of displacement and rehabilitation outcomes does not exist in any authoritative form — which is itself a governance failure that NGOs can partially address.

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## **The Legal Framework: What Displaced Communities Are Entitled To**

### **The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (LARR) 2013**

The LARR Act 2013 is the primary national framework for land acquisition. It significantly strengthened protections compared to the colonial-era Land Acquisition Act of 1894. Key provisions relevant to tribal communities in Odisha:

**Social Impact Assessment:** Before land can be acquired for any public purpose or project, the government must conduct a Social Impact Assessment (SIA) — a study of the likely impacts on affected communities, including livelihoods, social networks, cultural sites, and basic needs. The SIA must be conducted with community participation and its findings made public.

**Consent requirements:** For public-private partnership projects and private projects, the Act requires the consent of 80% of affected families (a 70% consent requirement in some categories). In Fifth Schedule areas (PESA areas), gram sabha consent is required before any land acquisition.

**Rehabilitation and Resettlement:** The Act mandates R&R packages including: housing at the resettlement site; land for land (agricultural land in exchange for agricultural land lost) where possible; livelihood support; access to basic amenities (water, sanitation, roads, schools, health facilities) at the resettlement site; and for those below the poverty line, a monthly pension of ₹2,000 or equivalent.

**Employment preference:** Minerals Concession Rules 2016 require mining lessees to give preference in employment to tribals and to persons displaced by mining operations.

## **The Forest Rights Act in Mining Contexts**

Before any forest land can be diverted for mining or other development, the gram sabha must give consent under the FRA. This is not advisory — it is a mandatory prior step. The Supreme Court has upheld this requirement in multiple judgments. Despite this, forest diversion for mining has routinely proceeded without genuine gram sabha consent, often through procedural forms that nominally comply while substantively circumventing community decision-making.

For communities with recognised Habitat Rights (covered in the Habitat Rights Practice Note), the FRA's Section 5 authority — to stop activities that adversely affect wildlife, forests, and biodiversity — is particularly important. A community that holds Habitat Rights has stronger standing to contest mining that threatens their recognised habitat than communities without formal rights recognition.

## **The Reality: Why the Legal Framework Fails**

The legal framework is, on paper, strong. The practice is consistently documented as inadequate.

A 2024 Journal of South Asian Research study specifically on tribal displacement in Odisha states directly: "cash compensation seems to be the only panacea for the problems induced by displacement" — meaning that despite LARR's comprehensive R&R mandate, actual rehabilitation in Odisha has predominantly been reduced to monetary compensation without the land, livelihood, or community support that genuine rehabilitation requires.

A 2024 IJLMH study on development, displacement, and tribal rights identifies the structural causes: "Compensation provided to displaced tribals is often insufficient and does not reflect the true value of their lost assets. Delays in compensation exacerbate

the issue. Rehabilitation programs are frequently poorly implemented, with gaps between policy and practice. Issues include lack of basic amenities, inadequate housing, and failure to provide sustainable livelihoods."

The most systematic evidence of the gap between LARR's provisions and actual implementation is the absence of monitoring data: there is no authoritative national or state-level database tracking whether displaced communities have received the R&R to which they were entitled, whether resettlement sites are liveable, or whether promised employment has materialised.

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## **What NGOs Can Do: Four Specific Roles**

### **Role 1: Pre-displacement monitoring and advocacy**

The most important moment for NGO intervention is before displacement happens — when a project is proposed but not yet approved. This is when:

- The Social Impact Assessment must be conducted with community participation
- The gram sabha's consent (in Fifth Schedule areas) must be sought
- The R&R package must be negotiated
- Alternative project designs (different routes, different extraction methods, smaller footprints) can still be considered

#### **What NGOs can do at this stage:**

- Support communities in understanding what a mining project proposal means in concrete terms: how much land, which households, what compensation is being offered, what alternatives exist
- Facilitate gram sabha meetings where the project is formally discussed — ensuring the gram sabha's position is documented in writing and submitted to the District Collector and project developer

- Connect communities with legal support organisations (HRLN, Vasundhara) when gram sabha consent is being sought through procedurally compliant but substantively empty processes
- Support communities in submitting formal objections to the SIA and to any Environmental Impact Assessment process — both are required to accept public comments and both provide documented records of community opposition

This is the most politically challenging NGO role because it positions the NGO explicitly in opposition to projects that have government approval and industry support. It is also the most important, because once displacement happens the legal remedies are substantially weaker than preventive advocacy.

## **Role 2: R&R entitlement documentation and claim support**

For communities that have already been displaced, or where displacement is certain to proceed, the NGO role shifts to ensuring that displaced families receive the R&R they are legally entitled to.

### **The entitlement documentation process:**

- Household-level mapping: which families are affected, what land and structures do they hold, what livelihoods depend on the land being acquired?
- Documentation of entitlements under LARR: what package has been offered, how does it compare to the legal requirements, what is missing?
- Support for claims where entitlements have been denied or under-delivered: written complaints to the R&R authority (District Collector for state government projects, project authority for private projects), escalation to the State R&R Commission where it exists, and legal aid where formal claim processes are needed

**The employment preference tracking:** Under the Minerals Concession Rules 2016, mining companies must give preference to displaced tribals in employment. This

provision is largely unenforced. NGOs that track whether specific mining operations in their districts are complying — through RTI requests to the District Mining Officer and direct observation — produce accountability that is otherwise absent.

### **Role 3: Systematic displacement documentation**

The absence of systematic monitoring data on displacement and rehabilitation outcomes is both a governance failure and an NGO opportunity. An NGO that systematically documents — over time, for specific mining projects in specific districts — what communities were displaced, what R&R was promised, what R&R was delivered, and what the current situation of displaced families is, produces the evidence base that policy advocacy on mining displacement requires.

This documentation work is not glamorous. It requires sustained presence, longitudinal tracking (tracking the same households over several years after displacement), and careful record-keeping. But aggregated documentation from multiple projects and communities creates the state-level picture that no official database provides and that is necessary for any credible advocacy on mining displacement policy.

**RTI as a tool:** Much of the information needed for displacement documentation is held by government agencies and is legally accessible through Right to Information requests: SIA reports, gram sabha consent documentation (or its absence), R&R packages offered vs. delivered, employment compliance data. RTI-based documentation is legally robust and produces official records that can be used in legal and advocacy contexts.

### **Role 4: Psychosocial and livelihood support for displaced communities**

Communities that have been displaced from their ancestral lands face both practical deprivation and a deeper form of loss — severance from the cultural, spiritual, and ecological relationships that defined their identity and livelihoods. Research consistently documents that displaced tribal communities experience higher rates of

psychological distress, family breakdown, and social disintegration than non-displaced comparable communities.

**For recently displaced communities:**

- Mental health support — connecting communities to ASHA-based counselling support (see Mental Health Task-Sharing Practice Note) and DMHP resources
  - Livelihood transition support — identifying what livelihoods are viable in the resettlement context, training where new skills are genuinely needed, connecting to MGNREGS and other employment schemes at the resettlement site
  - Entitlement access at the resettlement site — health, education, ration cards, MGNREGS job cards — which often need to be established fresh because displacement has broken the bureaucratic connections that existed in the original village
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## **For CSR Managers: The Supply Chain Dimension**

This note would be incomplete without addressing the relationship between CSR programmes and the mining sector. A significant proportion of Odisha's CSR funds come from companies in the steel, aluminium, coal, and mining sectors — the same sectors whose operations have displaced tribal communities. This is not a reason to refuse CSR engagement; it is a reason for CSR programmes to be designed with clear eyes about the structural context.

Specifically, CSR programmes in Odisha's tribal districts that focus on health, education, and livelihoods for tribal communities while the same company's operations are displacing other tribal communities are not neutral — they are operating within a context they should acknowledge.

**What responsible CSR in this context looks like:**

- CSR programmes that include genuine community consent — not just consultation — in programme design
- Investment in R&R implementation quality for communities displaced by the company's own operations, where applicable
- Transparency about which communities are served by CSR and which are affected by operations — rather than selective presentation of the former

The most impactful CSR investment in Odisha's mining-affected tribal districts is funding for the NGO monitoring, documentation, and legal support work described in this note — work that produces the accountability infrastructure that makes displacement rights real.

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*Related Knowledge Commons content: Social Justice & Tribal Welfare Sector Primer (Sector 03) · Practice Note: FRA Habitat Rights for PVTGs — habitat protection from diversion · Practice Note: SC/ST Prevention of Atrocities Act — when displacement involves atrocity · Practice Note: PESA Implementation — gram sabha consent in mining decisions*

*Evidence Grade: B — Multi-study. This Practice Note draws on the ScienceDirect mining displacement Odisha study (2025), the IJLMH development displacement tribal rights study (2024), the Journal of South Asian Research Odisha displacement analysis (2024), Chambers & Partners Mining 2025 India legal analysis, TheLaw.Institute protecting tribal land rights analysis (April 2025), and Down to Earth reporting on Odisha mining communities. Last reviewed: April 2026.*

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