

## India

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Allegations	Statement
<p>Expropriation: Expropriation of peasants to build the plant and no decent compensation was paid.</p>	<ul style="list-style-type: none"> <li>In India, the legislation for acquisition of land needed for public purpose and for companies and for determining the amount of compensation to be made on account of such acquisition is called as "Land Acquisition Act, 1894".</li> <li>The act deals comprehensively with various facets of land acquisition. The State Governments also have their policies for rehabilitation of displaced persons if the acquisition of land is very large and results into displacement of a larger number of persons.</li> <li>The amount paid as compensation for land acquisition is fixed by the State Governments taking into consideration the prevailing market rate. However, quite often, it is less than the rates which a land owner may get if he sells his land through private negotiation.</li> <li>The whole purpose of Land Acquisition Act, 1894, is to acquire a contiguous chunk of land which is required for setting up of an industry.</li> <li>ACC has acquired and is acquiring most of the land by private negotiation and is generally paying higher price for the land than what is payable under the Land Acquisition Act, 1894.</li> </ul>
<p>Criminalization: Criminalization of resistance is mentioned. An example is given of the case of Bhagwati Sahu. Sahu, a leading figure of a peasant organization, and was arrested for alleged robbery and assault. The background is the display of a security employee of Holcim. "It cannot be proven that prosecution against Sahu was obviously designed under the direction of management", says MultiWatch. The local management of Holcim has conducted an unfair fight against the poor and their organizations for years.</p>	<ul style="list-style-type: none"> <li>A security manager of the Bhatapara cement plant, Chhattisgarh, of Ambuja Cements had lodged a report with the local police at the village Rawan on 6th March 2011 against Mr. Bhagwati Sahu and Mr. Lakhan Sahu.</li> <li>He and his companion were attacked while buying groceries in the village of Rawan, Chhattisgarh. His mobile phone and 3,500 Rupies (~CHF 65 / USD 78) in cash were stolen.</li> <li>We are not in a position to further comment as this is a matter of the local police and the competent courts.</li> </ul>
<p>Number of workers: At ACC Jamul only 300 of 1,500 workers are permanent. At Ambuja in Rawan there are 620 permanent staff out of more than 3,000 workers. The rest are contractual workers and are employed by third parties.</p>	<ul style="list-style-type: none"> <li>ACC Jamul: ~1300 of which 400 are permanent workers</li> <li>ACL Bhatapara: ~1660 of which 620 are permanent workers</li> <li>It is standard practice and regulated by the Contract Labour Act to outsource activities to independent contractors who employ contract workers on a need basis</li> <li>High number of contractor workers were engaged during the kiln line 2 expansion at ACL Bhatapara; with completion of the project, this number will reduce further</li> <li>Comparing total workers strength across the Group, there is a considerably higher intake in India due to the companies' acknowledgement of social responsibility to create job opportunities in remote areas</li> </ul>
<p>Occupational Health &amp; Safety: Holcim has quit the membership of the Cement Wage Board. The pressure on the contract workers at ACC Jamul has increased since the takeover. The increased pressure has led to an accumulation of accidents. Usually the factory inspectorate will not be notified unless there is a serious</p>	<ul style="list-style-type: none"> <li>This allegation is incorrect.</li> <li>There were two separate Cement Wage Boards set up in the 1960s to arrive at mutually agreeable service conditions of workers in cement industry. These were tripartite bodies that comprised representatives of government, employers and labour. ACC fully abided by the recommendations of both Wage Boards. Later in 1978 and 1983, the service conditions of workers in cement industry were determined by</li> </ul>

<p>accident and the union puts pressure on them.</p>	<p>awards or decisions of arbitrators appointed under law. ACC abided by these awards as well.</p> <ul style="list-style-type: none"> <li>• The association with Holcim has had no bearing on service conditions of workers. Presently ACC is guided by the terms and conditions as per the latest wage settlement signed between Cement Manufacturers Association (CMA) and Labour unions in February 2011, even though ACC is no longer a member of CMA. In fact the terms settled by us are even better than the CMA settlement.</li> <li>• Occupational Health &amp; Safety is taken very seriously in ACC. At all ACC plants including Jamul, there is a continuous effort to measure and improve Safety Management Systems to avoid accidents. ACC Jamul has professional doctors and medical facilities available for continuous monitoring and observation of workplace and occupational health. Safety training is mandatory for all permanent and contractor workers. Safety personal protective equipment are provided to all those who work inside plant premises without exception.</li> <li>• An intensive safety training and awareness programme is conducted at ACC called ACC Suraksha Bandhan which focuses exclusively on contract workers.</li> </ul>
<p>A fatal accident occurred in August 2010 at ACC Jamul when the plant management forced workers to fix a broken container of hot coal, despite the workers having not been trained for this work. The management also tried to cover up fatal accidents, and to avoid compensation payments.</p>	<ul style="list-style-type: none"> <li>• In August 2010 two persons lost their lives in an unfortunate accident at Jamul – one a permanent employee and the other a contract worker. The job was a routine one involving removal of a jam in the coal hopper caused by heavy rain. The job was being performed by the company's permanent workers, one of whom died in the mishap. The job was not assigned to the deceased contract worker who was in a cleaning operation nearby. The injured person was rushed to hospital where he received due emergency care and the best of subsequent definitive medical treatment for several days before he succumbed. The entire expenses on his medical care were borne by the company.</li> <li>• We deny there was ever any attempt to cover up the accident. Timely notifications were made to all concerned such as police, Inspector of Factories etc. The family of the deceased contract worker was paid compensation of Rs 200,000/- by ACC. The family also received insurance money of Rs 300,000/-. In addition, the family receives life-long pension under government's Employees State Insurance scheme. As a special gesture, ACC assisted the widow of the deceased in securing employment and has provided free education to her two children until they leave school.</li> </ul>
<p>Overtime: ACC violates the rules in not paying overtime. Many contract workers work monthly 200-250 hours unpaid overtime.</p>	<ul style="list-style-type: none"> <li>• The allegation is incorrect.</li> <li>• Contract workers are not employed by ACC nor is their majority under its command. It is the third party service provider who is their employer and is therefore responsible to comply with the respective provisions on overtime in line with all regulations.</li> <li>• Standardised frame-agreements are in place, which follow all relevant labour statutes, including those pertaining to minimal wages.</li> <li>• For compliance purpose, the companies even supervise the payment of wages by the contractors to their employees.</li> <li>• It is incorrect to say contract workers are not paid for overtime. All contract workers receive overtime payments as due to them whenever they work over and above the normal working hours. This is supervised by the company.</li> </ul>
<p>Minimum wages: Ambuja only pays contract workers the statutory minimum wage since 2010 – after pressure from PCSS. Previously, workers had to pay the cost of boots and goggles on their own and medical facilities were not available to contract workers.</p>	<ul style="list-style-type: none"> <li>• This is incorrect. Minimum wages had been ensured prior to 2010.</li> <li>• PCSS is not a negotiation partner of ACL as it does not have any members at the Bhatapara plant.</li> <li>• Around 70% of workers are members of a strong national union who is taking care of their interests. Local management was so far able to resolve all outstanding issues in direct discussions with this union.</li> <li>• Proper attention is paid to ensure safety of all workmen by providing compulsory training to each of them by the company before they are allowed to enter the plant and start a job.</li> <li>• Safety of workers though has to be ensured by the supervising contractor.</li> <li>• Contractor workers are permitted to avail themselves for the first-aid facilities at the company's hospital at par with regular workers.</li> </ul>
<p>Depletion of ground water: The water consumption of Ambuja is</p>	<ul style="list-style-type: none"> <li>• Water generation of the plant including water harvesting projects of the Ambuja Cement Foundation is 1.3 times higher than its usage.</li> </ul>

responsible for further problems. The industrial consumption lowers the groundwater level, say UPKS, an organization of concerned farmers. This results in dried out wells.

- Environmental Impact Assessments (EIA) is conducted prior to the installment of a plant and basis to obtain the required permits issued by the Government of India.
- Special clearance for water / ground water usage has to be obtained from the Central Ground Water Board of the Government of India prior to any expansion project.
- All relevant permits have been obtained.
- ACL pursues a clear policy in dealing with water resources management and many other aspects related to our plant surrounding communities through the Ambuja Cement Foundation, the company's extensive Corporate Social Responsibility (CSR) program.
- Ambuja Cement Foundation (ACF), the CSR wing of Ambuja Cements, has undertaken considerable activities related to conservation of water both for the purpose of bringing about additional harvest as well as for ground water table recharge.
- These initiatives have been taken around Bhatapara. Two main projects have been undertaken in this respect – 1) construction of river check dams and deepening of existing pond structures of which 8 projects have been implemented through ACF's financial aid. A total of about 168,000 cubic meters of water is assumed to be recharged to the ground from the river check dam projects. The contribution through pond deepening projects is measured to be 244,000 cubic meters in the year 2011. ACF has also supported community to install hand pumps (94 cumulative) for drinking water availability in the villages.