



Vedanta – Environmental and Social Failures in India and Abroad

The Company regularly flouts laws and regulations intended to protect the environment and vulnerable groups. Investors have been kept in the dark.

PLEASE READ IMPORTANT DISCLAIMER – PAGE 2

October 2, 2025 – Vedanta’s operations across India and Africa show a persistent pattern of regulatory evasion, local dissent suppression, labor protests, extractive land acquisition, and aggressive legal maneuvering. This report focuses on the Company’s ESG failures across India and overseas.

These ESG failures would prevent most of Vedanta’s institutional bondholders and investors from ownership. This is an inherent failure of institutional investors’ ESG policies which rely on misleading, or fabricated, ESG disclosures directly from Vedanta management.

Vedanta’s failures fall into 5 broad categories, which often overlap. No longer confined to village level disputes, Vedanta is losing the political support it relied on, with figures from both major parties now openly opposing their projects.

1. Disregard for Environmental Regulations

Across multiple sites Vedanta has been fined or sanctioned for unauthorized waste dumping, unsafe waste handling and violation of pollution standards. The Company is responsible for water contamination, hazardous emissions and unremediated environmental damage.

2. Labor Force Disputes

Vedanta faces strikes, wage protests and allegations of unsafe working conditions. Intimidation is routine and local police forces resort to violent tactics to disperse workers. These protests occur across the Group’s operating subsidiaries.

3. Marginalization of Local Peoples

Vedanta’s projects encroach on local indigenous, farming or residential communities. Promises of employment or resettlement are broken, even if ordered by the courts or officials. Protests at Vedanta expansions have become a routine feature of its operations.

4. Intimidation and Corruption tactics

Vedanta has used forged consent documents, manipulated hearings, and engaged in harassment of activists and communities. Courts and commissions have found repeated evidence of such coercion: this is an institutionalized approach by the Company.

5. Failure to Remediate Even After Intervention

Vedanta routinely resists or delays corrective action even after regulators, courts or governments intervene. The Sterlite site is still contaminated years after its closure and BALCO failed to rehabilitate 46 households despite official intervention. This pattern of waiting out sanctions instead of addressing underlying issues is common across Vedanta’s operations.

The following case studies show how these failures are playing out at Vedanta’s operations in India and abroad. Together they show that **the Company’s ESG framework is a PR facade**, resulting in reputational damage and ongoing sanctions.



Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Vedanta Resources, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.



ESL Steel – Bhagabandpura, the Caged Village

Bhagabandh Adivasi Tola (aka Bhagabandhpura) is a small village now surrounded by Vedanta's ESL Bokaro Steel plant in what can only be described as economic and physical siege.

Over 400 residents, mostly daily wage laborers and farmers, have been effectively imprisoned by VEDL's encroachment and are unable to enter or exit the village without permission from VEDL's private security personnel. The village (highlighted in red below) is accessible by the ESL Steel Gate, which is controlled by the Company.



Figure 1 – Bhagabandh Adivasi Tola (in the red rectangle) Surrounded by the Bokaro ESL Plant

The land itself was acquired under opaque conditions. A May 2017 site inspection found discrepancies between the area listed in ESL's original environmental clearance application (Parbatpur) and the location occupied by the plant (Bhagabandh), roughly 5 km away¹. Landowners were not told the purpose of the acquisition and alleged underpayment.

This sparked a dispute between Bhagabandh villagers and ESL Steel that has raged on for more than 10 years and has escalated to violence.

Local reports and protest footage confirm the following:

- All three access roads to the village have been blocked by Vedanta's gates which are guarded by company security. Residents need clearance from security guards to pass through.
- Protestors have resorted to blocking roads and attempting to enter the plant to open a dialogue with Vedanta management².
- Children have difficulty accessing their schools, and residents report being harassed when taking their children to school.
- Local employment and compensation provided to the villagers is minimal despite significant environmental damage to the local area and the proximity of the plant³.

¹ <https://www.landconflictwatch.org/conflicts/vedanta-faces-hurdle-in-environmental-clearance-for-controversial-steel-plant-in-jharkhand>

² <https://timesofindia.indiatimes.com/city/ranchi/cops-among-several-hurt-in-clash-over-demand-for-jobs-in-bokaro/articleshow/123414406.cms>

³ <https://currentbokaro.com/local-villagers-stage-protest-disrupting-access-to-vedanta-esl-steel-limited-in-bokaro/>



- Protests have resulted in clashes with security forces, injuries and arrests. Local gatherings have been dispersed by State police under Section 144 of the criminal code which prohibits assembly.
- The body of a contract worker, Maheshwar Soren, was found under unclear circumstances near the plant. VEDL only paid compensation after local protests including a 10-hour blockade of the plant's gate⁴.

The village is primarily Muslim and Adivasi, scheduled tribes under the Indian Constitution. Most reporting on the protests has been limited to Hindi-language local daily newspapers like Prabhat Khabar, Jagran and the Jharkhand Mirror, with little to no English language pickup by larger outlets.

These are not isolated actions. Local resistance has escalated into repeated clashes since late 2023 with documented events continuing to at least August 2025⁵.

Economic Blockade Against Vedanta ESL Steel: Economic blockade announced by Jharkhand Exploitation Mukti Ulgulan Manch against Vedanta ISL Steel Ltd on Wednesday failed due to police activism. However, during this time there was a fierce clash between the police and the protesters at Alkusha turn. Situation worsened when angry villagers attacked Sialjori police station in-charge Manish Kumar, seriously injuring him. Demonstrating villager Sandhya Devi also suffered head injuries. Tension developed in the area.

Figure 2 – Bokaro News: Clash between police and protesters at Alkusha turn, Sialjori police station in-charge injured (translated)

While the protests are fragmented, the consistent throughline has been a demand for employment. This is a condition originally tied to the land acquisition agreements that led to the village's encirclement.

The table below highlights the Group's policies with the on-the-ground reality at the site, many of which contradict the Group's framework and regulatory obligations.

Bhagabandh: ESG Commitments vs. Ground Reality	
Vedanta ESG Policy Commitment	Documented Conduct at Bhagabandh
"Support economic development by providing local employment"	Majority of affected villagers report receiving no employment or compensation despite proximity to the plant. Protests consistently center on unmet job commitments.
"Avoid and minimize physical and economic displacement"	Village has been physically encircled by plant infrastructure, cutting off all public access routes. Entry and exit require permission from private security.
"Build trusting and constructive long-term relationships...and contribute to social and economic outcomes."	Residents allege harassment by security, surveillance through CCTV, and denial of basic services. No formal resolution mechanisms recorded.
"Consult and consider the views of affected parties"	No evidence of meaningful consultation or participatory process. Appeals to district authorities have been ignored.
"Prevent injury and ill-health... through elimination of hazards"	Ambulances allegedly blocked from entering. Delays in medical attention reported. A contract worker was found dead near the plant; compensation paid only after protests.
"Obtain free, prior, informed consent (FPIC)" from Indigenous communities	No FPIC process documented. Adivasi villagers assert land was acquired under false or misleading premises, with no formal compensation or consent.

Figure 3 - Bhagabandh: ESG Commitments vs. Documented Conduct⁶

A transcript of an interview with a Bhagabandh resident detailing the situation in the village has been attached as Annexure 1.

⁴ <https://www.jharkhandmirror.net/vedanta-esl-pays-rs-5-lakh-compensation-to-family-of-deceased-contract-worker-after-protest/>

⁵ <https://www.prabhatkhabar.com/state/jharkhand/bokaro/economic-blockade-against-vedanta-esl-steel>

⁶ <https://www.vedantaresources.com/esg-sustainability-framework.php>



BALCO – Labor Disputes and Court-Ordered Penalties

Wage and Working Condition Disputes and Intimidation

In January 2024 workers at BALCO staged a 4-day tools-down protest demanding higher wages and clarity on Long Term Service schemes. The protestors were dispersed by a police baton charge, resulting in a stampede that injured several workers.



Figure 4 – Korba Balco News: गेट जाम कर धरने पर बैठे बालको के मजदूरों पर पुलिस ने भांजी लाठी

The 11th wage agreement failed to resolve tensions with both the BALCO Employees Union and the Aluminum Employees Union condemning the agreement as illegal. These grievances were rooted in the decline of permanent employees while contract labor increased and an increased canteen charge that would affect lower-wage workers disproportionately⁷.

Contract workers also went on strike when BALCO closed two mines in Chotia and only told workers 3 days before the mine's closure. Workers went on strike demanding the rest of their pay for a 3-year contract that had been cancelled halfway⁸.

Hiring Mix

Criticism of BALCO's labor practices is not confined to protests by disgruntled employees. During the Chhattisgarh Assembly Winter Session 2024, Former Congress Chief Minister Bhupesh Baghel accused BALCO of breaching hiring norms and demanded an investigation⁹.

Raipur: Bharat Aluminium Company Limited (BALCO), part of Vedanta Limited and one of India's largest aluminum manufacturers, has been accused of significantly violating Chhattisgarh's industrial policy in the context of recruitment.

Former Congress Chief Minister Bhupesh Baghel directly accused BALCO's management of breaching these norms and called for an impartial investigation from Minister for Commerce and Industries Lakhmanlal Devangan during the Winter Session of the Chhattisgarh Assembly.

Figure 5 – BALCO Violated State Industrial Policy In Context Of Recruitment, Says Former CM Bhupesh Baghel – The Free Press Journal

At issue was BALCO's employment mix: only 505 of its 1,986 workers were from Korba, a breach of local employment expectations set by the State.

⁷ <https://www.cgpowerhub.com/2024/07/06/balcos-wage-agreement-sparks-controversy-decline-of-a-once-golden-legacy/>

⁸ <https://www.ibt24.in/chhattisgarh/korba/workers-started-agitation-against-the-arbitrariness-of-balco-management-see-2633588.html>

⁹ <https://www.freepressjournal.in/india/chhattisgarh-assembly-winter-session-2024-balco-violated-state-industrial-policy-in-context-of-recruitment-says-former-cm-bhupesh-baghel>



Pollution, Non-Compliance with Court Mandates and Failed Rehabilitation

In August 2025, BALCO was ordered by the Chhattisgarh High Court to immediately rehabilitate 86 families affected by pollution from its coal yard and cooling tower, and for a speedy resolution to pending cases¹⁰. Notably the State Government did not register any objection to the High Court's order, suggesting a loss of local political support.

Over 200 families have been affected by the pollution for 14 years, causing respiratory and skin diseases as well as serious health problems.

Chhattisgarh The pollution generated by the huge coal yard and cooling tower built under Balco's 2004-2022 expansion project in the Shantinagar, New Shantinagar and Ring Road area of Korba in the U.S. has made life difficult for more than 200 families. In this matter, Chhattisgarh High Court has taken a strict stand and directed Korba Collector for immediate rehabilitation of 86 affected families and speedy disposal of pending cases.

Read this news too... Chhattisgarh High Court summoned the Education Department at dilapidated schools and Anganwadi centres

Instructions for rehabilitation and employment

The High Court issued this important order during the hearing on the PIL filed by Dilendra Yadav. Notably, the state government did not register any objection to this order. Earlier also the Sub-Divisional Officer (Revenue) had written to Balco Company directing it to provide rehabilitation and employment to 46 additional affected families, but the company did not take any action on this.

Figure 6 – बालको प्रदूषण से कोरबा के 200 परिवारों का जीवन संकट में, छत्तीसगढ़ हाईकोर्ट ने दिए तत्काल पुनर्वास के आदेश – *thesootr.com*

Officials had previously written to BALCO directing it to provide rehabilitation and employment to 46 additional families, a directive the Company failed to meet. Not only is the Company encroaching on residential areas with its operations, it fails to take responsibility for the fallout of said encroachment.

BALCO: ESG Commitments vs. Documented Conduct	
Vedanta ESG Policy Commitment	Documented Conduct at BALCO
"Comply with applicable national, regional, and local environmental regulations and statutory obligations."	The Chhattisgarh High Court ordered immediate rehabilitation of 86 families in Shantinagar/New Shantinagar due to hazardous emissions from BALCO expansion projects.
"Avoid or minimize risks to and impacts on the health and safety of the local community during the project life cycle from both routine and non-routine circumstances."	Earlier directive to rehabilitate 46 families was ignored. Court and community testimonies cite severe health impacts (dust, noise, unsafe proximity) from BALCO coal yard and tower expansions.
"Do no harm to life and ensure physical and psychological safety, freedom, and well-being of our employees, communities, and other relevant stakeholders."	Locals reported distress and hazardous living conditions leading to court-ordered mandatory relocation and employment.
"Recognize and respect employee rights to associate freely and to collective bargaining."	In 2024, BALCO workers protesting wage agreements faced police baton charges, suspension of gate passes and intimidation.
"Hire competent employees, with preference to local employment as far as possible."	In the 2024 Assembly, ex-CM Baghel alleged only 505 of 1,986 BALCO employees were Korba locals, breaching state employment expectations.

Figure 7 – BALCO: ESG Commitments vs. Documented Conduct

¹⁰ <https://thesootr.com/state/chhattisgarh/families-korba-danger-balco-pollution-chhattisgarh-high-court-9641830>



Lanjigarh – Fly Ash Dumping and Demands for Relocation

Fly Ash Dumping Violation

In August 2024, local news reported that the Odisha State Pollution Control Board (OSPCB) had fined Vedanta ₹71.16 crore (\$8.3m) for improper dumping of fly ash in contravention of Vedanta's CTO and MoEFCC regulations. It was also found that the Company had been disposing of fly ash in sites not approved by the OSPCB.

The fine was based on a rate of ₹1,000 per non-compliant tonne, suggesting 711,600 tonnes were improperly dumped.

In November 2024 the Odisha State Pollution Control Board (OSPCB) suspended the ash handling permit of Vedanta's power plant in Jharsuguda.

The Company was found to have violated several guidelines on fly ash disposal including^{11,12}:

- Failing to dewater the quarry dumping site before dumping
- Failing to construct a retaining wall or dyke to stop runoff from the dumping site.
- Failing to build a garland drain to stop overflow during the rainy season
- Trucks carrying fly ash were uncovered and overloaded, causing spills en route to the dumping site
- Inadequate water sprinkling on the road to the dump site
- Trucks were not adequately washed or cleaned

Vedanta was given 15 days to appeal the decision and submit a detailed plan to remedy the situation, but failed to do so. In December 2025, Congress MLA Raazeen Ekka demanded action against Vedanta in the Assembly, citing the risk of the perception that the state government were working hand-in-glove with Vedanta¹³.

Demands for Relocation by Local Residents

In parallel, the residents of Bhurkamunda village, which is almost surrounded by the Jharsuguda complex, launched protests demanding relocation. They alleged that the Company's had made life in the village unliveable:

- Severe air and noise pollution from the plant had created a hazardous environment.
- Hundreds of heavy trucks passed through the village each day creating high risk of fatal accidents.
- No sealed road exists to or through the settlement.

The villagers issued a 45-day ultimatum stating that if their demand for resettlement was not met, they would protest the facility indefinitely. Satellite imagery shows that the road to the Jharsuguda complex's Bhurkamunda gate, the main entry to its captive power plants, runs straight through the village on an unsealed road.

¹¹ <https://ecnetnews.com/vedanta-group-fined-71-16-crore-for-unauthorised-fly-ash-dumping-in-odisha/2024/>

¹² <https://www.thestatesman.com/india/odisha-pollution-panel-pulls-up-vedanta-group-suspends-permission-for-fly-ash-handling-1503361312.html>

¹³ <https://www.newindianexpress.com/states/odisha/2024/Dec/06/congress-mla-demands-action-against-vedanta-for-illegal-fly-ash-dumping-in-odisha>



Figure 8 – Bhurkamunda Village (in the red rectangle) Surrounded by the Lanjigarh Complex

Vedanta’s unauthorized fly ash dumping and the unresolved grievances of Bhurkamunda village stand in direct violation of the Company’s own ESG policies.

Lanjigarh: ESG Commitments vs. Ground Reality	
Vedanta ESG Policy Commitment	Documented Conduct at KCM
“Comply with applicable national, regional, and local environmental regulations and statutory obligations.”	In November 2024, Odisha Pollution Control Board suspended Vedanta’s fly ash handling permissions. The Company was fined ₹71.16 crore for unauthorized dumping across multiple districts.
“Avoid or minimize risks to and impacts on the health and safety of the local community during the project life cycle from both routine and non-routine circumstances.”	Residents of Bhurkamunda live adjacent to Vedanta’s smelter. They report severe air and noise pollution and accident risk from heavy truck movement.
“Ensure a fair and effective grievance mechanism accessible to all stakeholders.”	Bhurkamunda villagers issued a 45 day ultimatum in January 2025, citing total inaction from Vedanta on their demands for relocation.
“Engage with the local community to understand their priorities and concerns and informing them of operations that might affect them...”	Community claims no consultation or response from Vedanta or authorities despite repeated letters, protests, and warnings.
“Conserve natural resources by adopting environment-friendly and energy-efficient technologies through process improvements.”	Fly ash was dumped without authorization, impacting farmland and water sources in Jharsuguda, Sambalpur, and Sundargarh.
“Implement community developmental solutions, social infrastructure and provide services to local communities to foster economic and social growth.”	Bhurkamunda lacks a paved road, basic access to transport, and is exposed to unregulated industrial traffic to the Lanjigarh power plant.

Figure 9 – Lanjigarh: ESG Commitments vs. Documented Conduct



KCM – Poisoned for Profit

In 2006 Vedanta Resources subsidiary Konkola Copper Mines (KCM) discharged highly acidic waste into the Kafue River, the main source of water for the town of Chingola. A Zambian High Court ruling in 2011 found KCM criminally liable for environmental destruction and “gross recklessness” stating that the Company had “no regard for human life.”

The judgment has been published alongside this report on our website.

The Court found that the contamination was due to sustained and intentional negligence by KCM. Its findings included:

- Water from the Kafue river registered a pH of 2.8, approaching that of battery acid and dangerous to living tissue. KCM had been discharging highly acidic waste into the water supply for at least a month.

chemistry and post-graduate in management. On 6th November 2006, he got a call that there was pollution of Kafue River. He rang his officers to go and check. The pollution occurred on the hill. It was flowing into Chingola. The Regulations say lower acid must be discharged. In this case it was 2.8 which was very acidic. From October the discharge had been highly acidic. He reported to his

Figures 10 & 11 – Judgment: James Nyasulu & 2000 others vs. Konkola Copper Mines Plc & 2 Others

- KCM failed to treat the waste with lime due to low stocks, despite other mines in the area having no problem obtaining enough to treat their waste.
- KCM's key defense witness was found to be "incredible" as they were an "ill-qualified environmental coordinator" who was a "'craftsman in survey drafting', not schooled in environmental protection".

There was serious failing by the first defendant, in that they employed an ill-qualified environmental coordinator 'a craftsman in survey drafting', not schooled in environmental protection. He was an incredible witness. They did not add lime to the discharge, when

Figure 12 – Judgment: James Nyasulu & 2000 others vs. Konkola Copper Mines Plc & 2 Others

- The Environmental Counsel of Zambia was named as a defendant but cleared of wrongdoing when the court found that the ECZ had repeatedly asked KCM for its discharge reports which KCM did not provide.

the discharge. There was medical evidence consistent with the evidence see PP. 25-30 plaintiffs' bundle of documents. DW3 gave damning evidence of first defendant's negligence and absorbed second defendant who according to him had warned the first defendant and punished the first defendant by not giving them a year's licence. They had been asked to provide analytical reports of their discharge, but did not comply. The second defendant could therefore not be said to have failed to perform their statutory duty.

Figure 13 – Judgment: James Nyasulu & 2000 others vs. Konkola Copper Mines Plc & 2 Others

- The Company suppressed evidence linking the contamination to illness in locals and nurses told patients that their medical records were “company property” and denied them access.
- Employees were told that sharing medical records would result in their termination, a serious threat in a town like Chingola where KCM is the major employer.



- A former KCM lab technician stated that water quality tests regularly showed dangerous readings, a situation that would trigger a plant shutdown in prior years.
- Residents who drank the water reported vomiting, diarrhea, stomach pains, chest pains and skin irritation.

The sitting judge, the Hon. Mr. Justice Phillip Musonda excoriated KCM, finding them liable under both Common and Statutory Law, stating “There was gross recklessness, whether human beings died or not. They deprived the community in Chingola the right to life.”

This is to deter others who may discharge poisonous substances without diminishing their potency not to cause harm to the environment, human beings, animals, etc. I reiterate that this was lack of corporate responsibility and criminal and a tipping point for corporate recklessness. Costs will follow the event. This judgment

may appear to be investor unfriendly, but that is having a dim view to KCM's don't care attitude whether human life which sacrosanct in our constitution was lost or not. International investors should observe high environmental standards, that is a global approach.

Figures 14 & 15 – Judgement: James Nyasulu & 2000 others vs. Konkola Copper Mines Plc & 2 Others

The Court ordered KCM to pay K10b (\$420m), \$K5m (\$210,000) for each of the 2,000 plaintiffs in general and punitive damages.

Musonda further agreed with the plaintiffs' claim that KCM was "shielded from criminal prosecution by political connections and financial influence, which put them beyond the pale of criminal justice". We believe it is by leveraging these tactics that VRL regained possession of KCM, despite having no means of meeting its funding commitments.

This was supported by multiple former KCM employees that we interviewed as part of our investigation, who believed that this was the only way VRL could have regained control of KCM.

the first defendant was reckless and had no regard for human, animal and plant life. The only hypothesis for a powerful multinational to supposedly act with impunity and immunity, is that they thought they were politically correct and connected. These courts have a duty to protect poor communities from the powerful and politically connected. I agree with the plaintiffs' pleadings in paragraph eight of the statement of claim, that the first defendant was shielded from criminal prosecution by political connections and financial influence, which put them beyond the pale of criminal justice.

Figure 16 – Judgement: James Nyasulu & 2000 others vs. Konkola Copper Mines Plc & 2 Others

Our visit to the KCM site corroborated these findings: a KCM employee stated that the river has not recovered to date and that it is widespread knowledge that KCM is responsible. Our report on KCM can be found at the link below:

<https://viceroyresearch.org/2025/08/29/vedanta-konkola-copper-mines-a-hollow-asset>



The table below contrasts Vedanta’s current ESG commitments with its conduct at KCM. While the events at KCM predate Vedanta’s ESG framework, the comparison is instructive.

KCM: ESG Commitments vs. Ground Reality	
Vedanta ESG Policy Commitment	Documented Conduct at KCM
“Avoid infringing on the human rights...address adverse human rights impacts with which we are involved.”	KCM contaminated the Kafue River with acid waste, depriving over 2,000 residents of access to clean water and causing widespread illness. The High Court found KCM had “no regard for human life.”
“Ensure that effective grievance mechanisms are available for individuals and communities...adversely impacted by our operations.”	Residents were denied medical records from KCM-funded clinics. Employees were threatened with termination if they shared health information.
“Engaging with stakeholders to ensure that their views are considered in our decision making.”	No consultation or engagement occurred before or after the water contamination. Residents were not told of risk or possible links to the KCM plant.
“We will identify, prevent and mitigate the impacts of our operations on communities throughout the lifecycle of our operations.”	The company failed to treat toxic waste despite knowing how. A former KCM lab tech confirmed internal tests showed acid levels that would have shut down plants in prior years.
“We are committed to maintaining safe, healthy and secure workplaces and communities and preventing injury and ill health.”	KCM knowingly exposed residents to hazardous substances, leading to vomiting, stomach pain, and skin damage. No health advisory or emergency response was issued.
“We believe that strong environmental performance is essential to the success of our business.”	Acid waste with pH 2.8 was discharged into the Kafue River. The ecosystem and water supply remain damaged to this day.

Figure 17 – KCM: ESG Commitments vs. Ground Reality

VRL’s continued operation of the asset, despite having no means to meet its funding commitments as well as widespread ESG failures in the rest of the Vedanta Group shows that ESG frameworks are simply a cover.



Sijimali and Kodingamali – In the Balance

Sijimali shows Vedanta's playbook mid-execution. The project is hotly contested and already showing the same breakdowns as seen across other Vedanta assets: forced land acquisitions, suppression of local dissent, and disregard for environmental regulations.

Protests During Gram Sabha Resolutions

Vedanta's attempt to develop a bauxite mine in the Sijimali Hills region of Odisha triggered widespread opposition from local Adivasi and Dalit people, who claim that Gram Sabha resolutions were forged or falsified, and Vedanta used intimidation tactics to discourage opposition.

- There were multiple reports of mass arrest and illegal detention of locals, activists and journalists involved with a public hearing.
- Tactics by local law enforcement and anonymous groups including midnight raids, extrajudicial arrests, unlawful denial of entry and beatings were reported by local outlets¹⁴.
- On the night before the public hearing, armed police and unnamed groups surveilled roads into the villages.

In 2024 and 2025, protests at Sijimali intensified and began to attract coverage from national media outlets. Protests included Vedanta's nearby bauxite mine due to shared concerns over environmental damage, village displacement and the involvement of both the Odisha Mining Corporation (OMC) and Vedanta as operators.

- Tribal rights activists have been restricted from entering the area by the Rayagada district administration¹⁵.
- In March 2025 the Odisha High Court directed the State Government to address allegations that Gram Sabha resolutions were forged or fraudulently obtained¹⁶.
- On August 25, 2025, the MoEFCC deferred the diversion of forest land citing unresolved issues over community consent.
- The Forest Advisory Committee raised multiple concerns regarding local wildlife, erosion mitigation, discrepancies in land for compensatory afforestation and evidence of village activity on the site.
- On September 12, 2025, the Odisha State Government constituted a Rehabilitation and Resettlement Committee to monitor the project at the local level¹⁷.
- That same day, thousands of villagers protested at the Laximpur block headquarters protesting the expansion of the Kodingamali mine capacity from 3 mtpa to 6 mtpa, alleging severe water depletion, health concerns and environmental degradation¹⁸.
- On September 22, 2025, a social media post surfaced showing joint march by BJP and Congress leaders opposing forced land acquisition for the Sijimali and Kodingamali mining projects. The banner demanded the immediate cancellation of Vedanta's lease and named OMC and Vedanta as responsible¹⁹.

¹⁴ <https://samtamarg-in.translate.goog/2023/09/28/arrests-before-public-hearing-on-bauxite-mining-in-odisha>

¹⁵ <https://www.telegraphindia.com/india/rayagada-entry-bar-on-tribal-rights-activists-amid-tensions-over-bauxite-mining-prnt/cid/2117125>

¹⁶ <https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/centre-defers-decision-on-vedantas-proposal-to-divert-708-ha-forest-land-for-sijimali-bauxite-mines/articleshow/123676411.cms>

¹⁷ <https://www.newindianexpress.com/states/odisha/2025/Sep/12/odisha-forms-rr-panel-for-sijimali-after-moefccs-red-flag-on-vedantas-proposal>

¹⁸ <https://timesofindia.indiatimes.com/city/bhubaneswar/villagers-stage-rally/articleshow/123857466.cms>

¹⁹ https://x.com/Priyaa_Purohit/status/1970093486474223665



Figure 18 – Still from Tweet Video published September 22, 2025

Vedanta’s mining activities in Odisha are quickly becoming a flashpoint. While the matter stays confined to local coverage, the Company is unlikely to back down. Vedanta is desperate for a captive bauxite supply and Sijimali remains the only credible prospect it can show to investors.

However, recent events suggest a loss of political insulation: local BJP and Congress leaders have openly opposed the project, and protests are not receiving national attention.

Sijimali and Kodingamali: ESG Commitments vs. Ground Reality	
Vedanta ESG Policy Commitment	Documented Conduct at Sijimali/Kodingamali
“We will ensure that Free, Prior and Informed Consent (FPIC) is obtained from all Indigenous Peoples prior to initiating any activity affecting their rights.”	Multiple local groups and court filings allege Gram Sabha consent was falsified, with signatures collected across 10 villages in a single day. Villagers say they were neither informed, nor consulted.
“We will not tolerate threats, intimidation, or attacks against human rights defenders or individuals exercising their rights to freedom of expression or peaceful protest.”	24 local activists and tribal leaders were banned from entering the Rayagada district ahead of a public meeting. Rights groups allege this was a preemptive move to suppress protest.
“We are committed to maintaining safe, healthy and secure workplaces and communities and preventing injury and ill health.”	Protesters describe environmental destruction, water source loss, and health risks from bauxite mining. Public hearings have been disrupted by claims of misinformation and lack of impact assessment.
“We engage proactively with stakeholders to ensure that their views are considered in our decision making.”	Villagers report zero engagement, alleging Vedanta and OMC have bypassed traditional authority structures and ignored formal channels of dialogue.
“We are committed to transparency and timely disclosure of material sustainability issues.”	Vedanta has made no disclosure to investors regarding the active protests, legal challenges, or forest clearance delays affecting Sijimali despite its materiality to the Group’s strategy.
“We will identify, prevent and mitigate the impacts of our operations on communities throughout the lifecycle of our operations.”	The Sijimali mine is still in pre-clearance phase, but Vedanta has already erected barricades branded with its name in tribal areas. Communities claim this is assertion of control before consent.

Figure 19 – Sijimali & Kodingamali: ESG Commitments vs. Documented Conduct²⁰

²⁰ <https://www.vedantaresources.com/esg-sustainability-framework.php>



Past Issues and Fallout

The ongoing disputes and ESG failures have not been disclosed by the Company and are happening far from the financial districts of Mumbai, Hong Kong or Singapore. They nonetheless pose risks to Vedanta's operations and reputation.

Niyamgiri

More than 5 years of protests by the local Dongria Kondh tribe led to a unanimous rejection of Vedanta's plan to mine the Niyamgiri hills for bauxite. Local reporting described intimidation tactics by Vedanta and the local police while protests spread to demonstrations in the state capital and other Vedanta facilities. The Central Empowered Committee found evidence of forged public hearings. In 2014 the MoEFCC withdrew Vedanta's mining clearance after a Union government investigation.

This ruling is the cause of the Company's current bauxite woes and its reliance on Sijimali as its last remaining credible bauxite play.

Nayakkarpatti Tungsten Mine

In January 2025 the Union government cancelled a proposed tungsten mining auction award to Vedanta subsidiary Hindustan Zinc. This followed months of protests with farmers, local leaders and political parties condemning the project. Farmers were able to secure direct assurances from the minister of mines that their rights would be protected, and Tamil Nadu's Chief Minister passed a resolution opposing the mine. This effectively cancelled the auction.

Sterlite Copper Plant

Vedanta's plant was shut down after protests in 2018 turned violent when police fired on protestors, killing 13 and injuring 102. The plant was later closed entirely due to violations of environmental norms. The plant had already caused significant environmental damage, with the Supreme Court citing a failure to remove slag, mishandling gypsum and unauthorized waste disposal in a 2024 dismissal of Vedanta's plea to reopen the plant. Vedanta had been warned about these violations but failed to act.

Vedanta University

Vedanta's plans to build a private university failed after protests brought attention to the Company's acquisition of farm and village land under coercive and unlawful conditions. In 2010 the Orissa high Court struck down the acquisition, a decision upheld by the Supreme Court in 2023. The Supreme Court cited undue favor and favoritism by the government toward Vedanta in the acquisition process.



A growing number of political leaders across parties and states have spoken out against the Company's operations. This table is not exhaustive and does not include all political parties that have denounced Vedanta's operations.

Political Opposition to Vedanta's Projects in India		
Name / Position	Affiliation	Project / Site
Arup Chatterjee, MLA	CPI	ESL Steel, Bhagabandh (Jharkhand)
Amar Kumar Bauri, MLA	BJP	ESL Steel, Bhagabandh (Jharkhand)
Bhupesh Baghel, Former CM of Chhattisgarh	INC	BALCO (Korba, Chhattisgarh)
Raazeen Ekka, MLA	INC	Jharsuguda (Odisha)
Saptagiri Sankar Ulaka, MP	INC	Sijimali/Kodingamali (Odisha)
Saugata Roy, MP	TMC	Sijimali/Kodingamali (Odisha)
Bhrugu Buxipatra, Leader	BJP	Sijimali/Kodingamali (Odisha)
Sarat Buruda, Politician	INC	Sijimali/Kodingamali (Odisha)
Rahul Gandhi, MP	INC	Odisha (general mining context)
M.K. Stalin, Chief Minister	DMK	Nayakkarpatti tungsten mine (Tamil Nadu)
Su Venkatesan, MP	CPI(M)	Nayakkarpatti tungsten mine (Tamil Nadu)
Kamal Haasan, Politician/Actor	Makkal Needhi Maiam	Sterlite, Thoothukudi (Tamil Nadu)
Vaiko, Politician	MDMK	Sterlite, Thoothukudi (Tamil Nadu)
Kabinga Pande, Minister of Environment (2006)	Govt. of Zambia	Konkola Copper Mines (Zambia)
Dora Siliya, Minister of Information (2019)	Govt. of Zambia	Konkola Copper Mines (Zambia)
Paul Kabuswe, Minister of Mines (2023)	Govt. of Zambia	Konkola Copper Mines (Zambia)
Chishala Kateka, President of New Heritage Party (2022)	Opposition, Zambia	Konkola Copper Mines (Zambia)

Figure 20 – Political Opposition to Vedanta's Projects in India

Vedanta's reputation for environmental damage, broken promises and conflict with communities is well known in India. The protests at Sijimali suggest it is now expected. Bondholders should put less trust in polished presentations and more on Vedanta's conduct on the ground.



Annexure: Transcript of Interview with Bhagabandh Residents (Translated)

The following is a machine-translated transcript of a series of interviews conducted with Bhagabandh residents by journalist and social activist Afzal Khan. The video is available at the link below:

<https://x.com/afzalbokaro/status/1956349034031173937>

Resident 1: Our problem is that we have been held captive here.

Afzal Khan: Captive?

Resident 1: Yes, we've been kept like captives. They have a plan. When they want, they lock the gate. When they want, they open it. We're facing many problems here. Children, families...

Resident 2: We are stuck in the middle. Sometimes they come at 12 or 1 AM, pretending there's a car or incident, and lock the gate. Even if we ask them to open it, they delay or sometimes don't open it at all.

We've approached our local SDO, MLA, and DC with written complaints, but no justice has been served. We fold our hands and plead...

We request our MLA, DC, and SP to save us from this oppression and give us justice. We gave our land with hope, but haven't even received payment for most of it.

And in no case have we been proven guilty. We were acquitted with honor. I have the court's judgment with me. After all this, we are helpless...

Resident 3: Every time we go, we are threatened. Sir, this plant we set up, we hoped it would provide livelihood, help our village prosper. But now this plant is suppressing us. We were like prisoners before, and we are prisoners now. Our village, Bhagabanpur, is in deep trouble. I request our CM and DC to...

They treat different people differently, giving jobs or vehicles to some, but our Rajya Tola and Rensai Tola suffer from hunger and poverty — it's unbearable.

Afzal Khan: Looking at it, one questions: what are company laws and where is humanity? I'm currently in the Muslim Tola of Bhagaband. What's your name?

Rasida Parveen: Rasida Parveen. Our problem is we've been locked up.

Afzal Khan: Locked up?

Rasida Parveen: Yes. They build walls, lock gates at will.

Afzal Khan: Please move forward. Mehta Tola is nearby, but Ansari Tola has been surrounded by a boundary wall with one gate.

At night, they come and lock the gate, claiming there's an incident at the plant. When we protest, they open it temporarily. People are suffering due to this gate. What else do you want to say? What message for the Chief Minister?

Rasida Parveen: We request all ministers and MLAs. We trusted them, that's why we supported them. Life has become miserable.

Afzal Khan: Just 100 meters away is an oxygen plant causing severe pollution. The company never directly asked us to leave our homes, but their actions show otherwise.

Resident 4: One person is harassing us so much, even local roads are blocked.

Afzal Khan: DC Mr. Ajaynath Jha, if you're watching, please resolve the issues of these 400 people. We are harassed while sending kids to school or going out. We spoke to women; now we'll speak to men to understand more. What's your name?



Purush Ansari: Purush Ansari. We are saying that the company has surrounded us completely. There's a government road, and the company blocks it with a gate whenever they wish. They never asked us to vacate formally. Only 10–12 people are employed, others are wandering jobless.

Afzal Khan: What is your name. What are you trying to say?

Resident 5: The company files false cases against people. Yes, they filed a false case against me recently — accused me without cause.

Resident 2: The administration had ordered the company to vacate the government road, but they didn't comply. Instead, false cases were filed against villagers.

When the case progressed, they moved it to the Supreme Court. Case number: WPC 242, 2012. No judge ever ruled in their favor, yet they took control. If we speak too much, we're told to shut up or leave. We appeal to the CM, MLA, DC... We've written letters to everyone — DC, HDO, SP, MLA — we have receipts. Whenever someone goes to ask for work or help, they are framed in false cases.

Afzal Khan: Despite security cameras and hundreds of guards, they accuse locals directly — divide and rule. Nearby areas like Rajwara Tola or Mehta Tola face no issues — we are intentionally kept disorganized. This strategy is to consume us all, one by one.

Resident 2: We still have hope and support, but management here plays dirty games. They incite riots to frame workers. They show inflated losses and siphon money with their associates. A PRO named Sanjay Sinha has his favorites. If any worker raises issues, they are ignored or told to come later.

Afzal Khan: If we block roads in protest, they file false cases — this is a repressive policy. Sanjay Sinha is the PRO here.

Resident 2: Life is tough here; the company treats us like animals.

Afzal Khan: When the gate was locked a month ago, they accused people of theft from the plant.

Resident 2: When it was first locked, they gave us a key and said it wouldn't be changed. But 15 days later, they locked it again. On Friday morning, we called everyone — the police, our MLA — to say we were being treated like prisoners. But still, no justice.

Afzal Khan: We go to the police station, SP, DC, MLA — all we get are assurances.

Resident 2: No justice. We filed cases from Civil Court to High Court. After 7 years, they claimed insolvency to block proceedings.

Afzal Khan: We urge all officials — MLA, DC — to help resolve these dire problems. People are forced to live inside the plant, suffering from pollution.

Resident 2: There's a mosque where 100–200 people used to pray. Now we can't even bury our dead peacefully.

Resident 6: I request through your channel that the four people sitting idle be joined as per REH (Rehabilitation) policy. Children have been pulled out of school due to financial issues. We never imagined we'd face such days when the plant was being built.

Afzal Khan: What will you give us now?

Yaseen Ansari: My name is Yaseen Ansari. I used to work in the rolling mill. They removed me politically and shifted me to admin, where benefits are reduced. Everyone here has been affected: false cases, lost jobs, arbitrary gate closures. They are doing whatever they want. Is this the state of our country?