

Mr. Stephen Corry  
Survivor International  
6 Charterhouse buildings  
London EC1M 7ET, United Kingdom

Dear Mr. Corry,

7<sup>th</sup> May, 2008

I refer your letter dated 25 April 2008 addressed to Mr. Anil Agarwal, our Chairman. It is unfortunate that you have been provided with completely false and misleading information regarding the bauxite mining project in Niyamgiri by vested interests and by people who have no stake in the sustained development of that area. We believe that, based on such false information, you have arrived at conclusions which are incorrect and have commenced campaigns that are misleading. We would like to present the correct facts to you:

1. The term "Niyamgiri hills" refers to a series of hills spread over an area of nearly 250 square kilometers. The bauxite deposit is located on top of one of such hills which has no human inhabitation whatsoever. Thus there is no question of any displacement of any person or persons. The Dongria Kondh tribe does not reside in this area. They live in areas that are situated 12-15 kilometers away from where the bauxite deposit is located.
2. The process of bauxite mining in Niyamgiri has been studied in depth by expert agencies and conclusions are that during and post mining, there is in fact an improvement in the overall forest cover and water table. This is also substantiated by the actual experience of bauxite mining by India's National Aluminium Company (NALCO) and Australia's ALCOA, by ways of example.

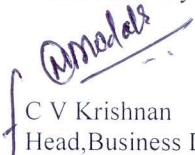
The Kalahandi district in Orissa, where the bauxite mining and Alumina refinery project are being set up, is perhaps the poorest district in India with extreme poverty, low literacy and absence of medical facilities. This extremely inhumane state of affairs, economic starvation and social isolation has continued for decades with the majority population not having any livelihood. It is in this context that the local population, the people of Orissa and all local stakeholders have welcomed the setting up of the first ever economic activity in Kalahandi for the local people including the scheduled castes and scheduled tribes population.

In the past three years, over 5,000 local people including tribal and other backward people have worked to create a world class refinery at an investment of over US\$ 800 million. The refinery and the mining projects provide for employment and income generating activities for over 5,000 people who otherwise were earlier dependent on seasonal crops and were subjected to starvation in times of drought. From a situation of complete unavailability of medical care in the villagers, today mobile medical vans cover the vast majority of villages. This has led to significant reduction in deaths due to malaria and in child mortality rates. From a situation of non-existence of roads and no electricity, the project has helped build 50 kilometres of roads and the electrification of a vast number of surrounding villages.

As enlightened and privileged human beings, we should not try to keep the tribal and other backward people in a primitive, uncared-and-unprovided-for socio-economic environment. We have a strong obligation to provide them with education, health care and sustainable livelihood opportunities so that they move forward with the rest of the world in an all inclusive growth path. Both the Honorable Supreme Court of India and the Orissa State Government have prescribed intensive rehabilitation measures and schemes for development of the people of the Niyamgiri area. We are firmly committed to implementing these rehabilitation and development plans.

We would be happy to provide any further information you may need to help better your understanding and correct your misconceptions. We also strongly urge you stop these motivated campaigns and remove the misleading information from your websites.

Please contact me with any questions or comments that you may have.  
Yours sincerely

  
C V Krishnan  
Head, Business Development