

Sub: Diversion of 285.44 hectares of forest land in Lankapalli R.F. of Khammam Division in favour of Singareni Collieries Company Limited (SCCL) for their Kistaram OCP.

1. Government of Andhra Pradesh vide their letter dated 28th April 2014 submitted the above subject proposal to obtain prior approval of the Central Government, in terms of the section-2 of the Forest (Conservation) Act, 1980.
2. The following additional information pertaining to the said proposal have been indicated in the said communication received from the Government of Andhra Pradesh:
 - (i) The SCCL is a Government Company jointly owned by both the State and Central Governments. This is the only coal mining company in South India entrusted with the task of extracting the coal to meet the energy needs of South India. The activities of SCCL are spread over in Khammam, Warangal, Karimnagar and Adilabad districts of Andhra Pradesh. The SCCL is presently having 37 coal mining leases spread over in the above four districts. In these sanctioned leases, SCCL is operating 36 underground mines and 14 opencast mines producing around 52 million Tonnes of Coal per annum.
 - (ii) SCCL has obtained Bhupalpalli Mining Lease over an extent of 2792 ha (27.92 sq. kms) in Non forest-land covering Kakatiya Khani (KTK) Nos., 1, 2, 3, 5 and 6 Incline mines.
 - (iii) Kakatiya Khani No.1 Incline (KTK-1) is an existing mine covered in the above mining lease in Bhupalpalli area, Warangal District, Andhra Pradesh. At present the mine is working in 3 seams, namely No.1, 2 and No. 3 seam in descending order. KTK - 1 incline property is partly covered in non - forest land and partly covered in forest land. This mine is already possessing Additional Mining Lease in Tadicherla RF, Karimnagar East Division, Warangal Circle to an extent of 235 hectares sanctioned vide MoEF letter no. 8-40/99-FC, dt. 16.10.2000, for a period of 30 years.
 - (iv) From recently drilled boreholes, it was found that the fault F2-F2 was shifted further towards West. Thus the area between the East side of Tadicherla Block - II and West side of (KTK-1) incline is named as 'Kakatiya Khani -1 (KTK-1) Incline Extension Block'. Out of the total area of extension block, an area of 128.77 Ha extending over strike length of 1.0 km and dip length of 1.3 kms having 5.70 million-tones of coal reserves is being proposed to be annexed to the ongoing KTK 1 Incline.
 - (v) KTK - 1 Incline including the proposed annexing block is covering an area of 506.75 hectares, out of which 142.98 hectares (Non RF) is covered in Bhupalpalli Mining Lease- (valid up to 3.8.2029) and 235 hectares (RF) is covered in Additional Mining Lease for 30 years diverted vide MoEF letter dated 16.10.2000 (valid up to 15.10.2030). The balance 128.77 Hectares out of which 115.78 hectares is forest land and 12.99 hectares is non-forest land. Since the area proposed is extension to the existing mine property, no additional expenditure is required for extracting the coal from this block. As such, establishing of surface infrastructure can be avoided and the property can be extracted without disturbing surface, for which Mining lease is required to exploit the coal from this block through underground method of extraction. Hence, the present application is for Additional Mining Lease in RF in continuation to the existing mining lease and diversion is required for a period of 30 years.
 - (vi) The occurrence of coal deposits extending into forest area is as a nature's gift. The location of project is site specific. No surface structures will be raised in the proposed lease area, as such no diversion of surface forest land is required.
 - (vii) The total forest land of 115.78 hectares is required for underground mining only is situated in Camp. Nos. 401 and 404 of Tadicherla RF, Bhupalpalli Range, Karimnagar (E) Division, Warangal Circle.
 - (viii) There is no requirement of surface forest-land. The proposal is only for approval under FC Act 1980 for mining lease for underground operations at KTK - 1 Incline over 115.78 hectares of Tadicherla RF, Bhupalaplli Range, Karimnagar East Division, Warangal Circle, Andhra Pradesh for a period of 30 years.
 - (ix) This proposal is for grant of mining lease to carry out underground mining operations which will be conducted at a depth range of 90 m to 470 m. No diversion of surface forest land is involved. However SCCL has agreed for payment of Compensation for the damage if any, caused to the forest on surface due to underground mining. The SCCL has also agreed for payment of NPV as per rules

and an undertaking to this effect is enclosed.

- (x) The user agency has certified that all other alternatives have been explored to minimize the requirements of forest land and the 115.78 hectares of forest land covering in Camp. No. 401 & 404 of Tadicherla RF proposed for diversion is bare minimum required for the proposed underground mining of KTK-1.
 - (xi) Wildlife species such as Sambhar, Sloth bear, Chowsinga, Wild Boar and Peacock are available in and around the forest proposed to be diverted for non-forest purpose.
3. The forest land proposed to be diverted has been **inspected by the Regional Office (South Eastern Zone), Chennai**. Additional information pertaining to the proposal available in the site inspection report submitted by the Regional Office (South Eastern Zone), Chennai vide their letter dated 11th September 2014 are as below:
- (i) Site inspection of the project was done by Shri K.S. Reddy, Addl. Principal Chief Conservator of Forests (Central), Regional Office (South Eastern Zone), Chennai on 03.07.2014. The Chief General Manager, SCCL, Kothagudem and General Manager (Estates), SCCL, General Manager (Environment), SCCL, Adviser (Forestry), SCCL and local forest staff were present during the inspection. Based on the site inspection and discussions held with the officials of SCCL and Forest Department, and perusal of records pertaining to the project, the report is submitted, as under: -
 - (ii) The Singareni Collieries Company limited (SCCL) is currently operating JVR OCP-I Mine with an annual production capacity of 2.5 Million Tonnes. The production from the Mine is mainly meeting the coal requirement for Kothagudem Thermal Power Station of Telangana State. This Mine is spread over in an area of 244.02 hectares in Lankapalli Forest Block and 148.00 hectares of Non-forest land. This Mine is likely to get exhausted within next 2 years. SCCL has obtained FC clearance for the adjoining 136.5 hectares. This Mine is likely to last up to 3 years. In addition to this, the Singareni Collieries Company Limited have submitted application for diversion of 776.20 Ha. for JVR OCP-II which was also inspected and report submitted.
 - (iii) The SCCL has applied for Mining Lease over an extent of 435.68 hectares in the name of Kistaram OCP. Of the 435.68 hectares, 285.44 hectares is forest land in Lankapalli Forest Block and the remaining is Non-forest land. SCCL have submitted proposal for diversion of 285.44 hectares of forest land in Lankapalli R.F. Sathupalli Range of Khammam Forest Division. Of the 285.44 hectares requested for diversion, 200.72 hectares is for quarry, drain and bund around quarry. 13.98 Hectares is required for top soil dump and 57.73 hectares is required for hard OB dump. 4.36 hectares is required for service buildings essentially to be located at the Mine and another 8.65 hectares is required for Coal Handling Plant and Coal Stock Yard.
 - (iv) SCCL requested for grant of lease for 20 years. The estimated coal reserves in this project are 21.61 Million Tonnes of which about 20.71 Million tonnes are reported to be located in forest land applied for diversion. The Project is expected to provide direct employment to 370 persons. Estimated Annual production is 2 million tonnes of coal. The SCCL has been granted status of CPSU for the purpose of CA vide MoEF letter NO.11-423/2011-FC, dt.31.1.2013. Therefore, Forest Dept. identified double extent of degraded forest land and prepared CA Scheme for a financial outlay of Rs. 1,250.73 lakhs which works to RS.2.19 lakhs per hectare.
 - (v) The proposed area does not form part of National Park, Wildlife Sanctuary, Biosphere Reserve, Tiger Reserve, Elephant corridor etc. There are no protected archaeological Heritage sites/Defence Establishment or any other important monument is located in the area. There are no protected areas situated within 10 kms area within project site. The density of the tree growth in the applied Forest area is said to be more than 0.4. In this area, the No. of trees to be felled are estimated to be 1,16,361 of which 97,440 are below 30 cm. girth class and 880 No. of trees are above 60 cm. girth class. The remaining are from 31 cm. to 60 cm. girth class.
 - (vi) Non-forest land belongs to nearby Kistaram village. There is one village called Jagannathapuram in the Non-forest land required for the Project. In this village, there are about 100 houses consisting of about 150 families They do not have any agricultural lands. SCCL has identified about 30 Acres of land at a distance of 3 kms at Cherukupalli village for rehabilitating the villagers. The SCCL has agreed to rehabilitates the displaced persons as per the latest policy of the Government.
 - (vii) Regarding Certificate under RoFR Act, the distance Collector, Khammam vide Rc. No. G/1963/2013 dated 2.5.2014 has issued No. Objection Certificate for diversion of Forest land. As

per the Gram Sabha Resolution enclosed to the Certificate, rights have been recognised to 12 families involving 10.03 hectares (24.08 Acres) and the rights holders have agreed for diversion of the land after providing R&R as per R&R Policy of the Government which was agreed by SCCL.

- (viii) Old plantations of bamboo and recent plantation of Eucalyptus clones and NTFP Plantations are there in an area of 221.95 hectares required for the Project.
- (ix) Sathupalli Mandal Headquarter is situated at a distance of 5 of 5 Kms. From the project site. This mining activity is bound to have adverse effect on the town, particularly due to the current and proposed mining activities in JVR-OC-I & II Mines in area of more than 1000 Ha of Forest land producing about 4 Million tonnes/annum. Hence, in view of the location of Sathupally town in the close proximity it may not be desirable to have another mine working in the close vicinity of the town. Hence, the proposal is not recommended.

4. The said proposal along with site inspection report (SIR) received from the Regional Office (South Eastern Zone), Chennai was placed before the Forest Advisory Committee in its meeting held on **20th -21st October, 2014** for their examination and appropriate recommendations. FAC after examination of proposal and interaction with representatives of user agency observed as below:
- (i) Legal status of forest land proposed to be diverted is Reserved Forests;
 - (ii) Crown density of vegetation available in the forest land proposed to be diverted is more than 0.40;
 - (iii) Forest land proposed to be diverted contains 1,16,361 trees, out of which 97,400 trees are of less than 30 cm girth. Only 880 trees are above 60 cm girth. The 221.95 hectares of forest land proposed to be diverted contains old bamboo plantation of bamboo and recently raised plantation of eucalyptus clones and NTFP species;
 - (iv) Forest land proposed to be diverted is vulnerable to soil erosion;
 - (i) The proposed area does not form part of National Park, Wildlife Sanctuary, Biosphere Reserve, Tiger Reserve, Elephant corridor etc. There are no protected archaeological Heritage sites/Defence Establishment or any other important monument is located in the area. There are no protected areas situated within 10 kms area within project site. Presence of schedule-I animals such as four-horned antelope (*Tetraceros quadricornis*), and Python (*Genus python*) has however, been reported in the forest land proposed to be diverted;
 - (v) Initially compensatory afforestation was proposed to be created on non-forest land equal in extent to the area of forest land proposed to be diverted. However, it has been reported by the Regional Office (South Eastern Zone), Chennai that in terms of the MoEFCC's letter No. 11-423/2011-FC, dated 31st January 2013 wherein the State Government has been permitted to raise compensatory afforestation in lieu of forest land diverted in favour of SCCL over degraded forest land twice in extent of the area of forest land diverted, the compensatory afforestation is proposed to be raised over degraded forest land twice in extent of the area of forest land proposed to be diverted at an estimated outlay of Rs. 3,832.30 lakhs;
 - (vi) Forest land proposed to be diverted is free from any habitation. However, in the adjacent non-forest land required for this project, one village namely Jagannadhapuram consisting of 84 (83-ST + 01-Non-ST) families is existing. Execution of the project will necessitate shifting of these families;
 - (vii) Total 435.68 hectares of forest land required for the proposed Kistaram OCP, of which 285.44 hectares is forest land. The said area is situated towards North side of existing JVR OCP - I (Formerly named as Sathupally OCP-I);
 - (viii) The Kistaram OCP is planned to produce 2.00 Million Tonnes of Coal per annum with a net capital outlay of 194.03 crores and has a life of 20 years including pre-mining and post mining activities. The estimated reserves of Kistaram OCP is 21.61 Million Tonnes, of which 20.71 Million Tonnes are located in Forest land. This project provides direct employment to 370 persons;
 - (ix) Out of the total 285.44 hectares of forest land proposed to be diverted, 200.72 hectares is required for quarry including drain, bund etc. around quarry, 71.71 hectares is required for external overburden dumps including drain, toe wall etc., around dumps, 4.36 hectares is required for service buildings and 8.65 hectares is required for coal handling plant and coal stock yard. Detailed justification along with full details of alternatives examined to avoid diversion of forest land for non-site specific activities such as, overburden dumps, service buildings and external dumps have not been provided;

- (x) State Government and Regional Office also observed that 4.36 hectares of forest land proposed to be utilised for service buildings and 8.65 hectares of forest land proposed to be utilised for coal handling plant (CHP) and coal stock yard is dense forest located adjacent to the existing road and Sathupally Municipality. A service buildings and CHP coal stock yard is already existing in the JVR OCP-I project, which is in operation in vicinity of the forest land proposed to be diverted. These non-site specific activities may be undertaken in non-forest area also. Hence, user agency may deduct the said 13.01 hectares of forest land proposed to be diverted. The balance 272.43 hectares of forest land is unavoidable and barest minimum for the project;
- (xi) Proposal received from the State Government contains documentary evidence in support of the settlement of rights in accordance with the provisions of the Scheduled Tribes and Other Traditional forest Dwellers (Recognition of Forest Rights) Act, 2006 stipulated by the MoEF vide letter dated 3rd August 2009. As per the **Gram Sabha Resolution enclosed to the Certificate, forest rights have been recognised** to 12 families involving 10.03 hectares (24.08 Acres) and the rights holders have agreed for diversion of the land after providing compensation as per Resettlement and Rehabilitation (R & R) Plan prepared on the basis of the R&R Policy of the Government. The SCCL has agreed to accept the said conditions; and
- (xii) Regional Office, South Eastern Zone, Chennai after examination of the said proposal observed that Sathupally Mandal Headquarter is situated at a distance of 5 kilometers from the project site. This mining activity is bound to have adverse effect on the town, particularly due to the current and proposed mining activities in JVR-OC-I & II mines in area of more than 1000 hectares of forest land producing about 4 Million tonnes/annum. Regional Office, South Eastern Zone, Chennai therefore, further observed that in view of the location of Sathupally town in the close proximity it may not be desirable to have another mine working in the close vicinity of the town. Regional Office, South Eastern Zone, Chennai therefore recommended that approval under the FC Act for diversion of the said forest land.

5. **Recommendation of FAC held on 20th -21st October, 2014:** FAC after detailed deliberations recommended that decision on grant of approval under the FC Act for diversion of forest land may be deferred till EIA, EMP and proceedings of the public hearings are considered by the Expert Appraisal Committee (EAC) for grant of Environmental Clearance to the project. The EAC may be advised to specifically examine the impact of the project on Sathupally town while formulating their recommendation. Meanwhile, the State Government may be requested to furnish their comments on the following issues:

- (i) Impact of the project on Sathupally town along with measures proposed to be undertaken to mitigate these impacts; and
- (ii) Justification for diversion of forest land for non-site specific activities such as, overburden dumps, service buildings and external dumps along with full details of alternatives examined.

6. The above recommendation of FAC was communicated to the State Government of Telangana vide Ministry's letter dated 21st November, 2014 (Pg. 599/c).

7. The State Government of Telangana vide their letter No. 2373/FOR.I (1)/2014 dated 27.01.2017 (Pg. 601-629/c) has forwarded a point-wise reply submitted by the Principal Chief Conservator of Forests, Telangana (HoFF), in respect of MoEF & CC, GoI, New Delhi letter dated 21.11.2014, and the same is given under below:-

S. No.	Observations raised by FAC	Reply submitted by State Government
1.	Impact of the project on Sathupally town along with measures proposed to be undertaken to mitigate these impacts; and	In this regard the State Government informed that the user agency stated that the Kistaram OCP is located at a distance of 2 Km. from Sathupalli Town. Hence, there may not be much impact on the Sathupalli Town. Green belt will be developed all around the mine to prevent spread of dust to the adjoining areas. SCCL will continuously sprinkle water on the Haul roads, CHP to

		control spread of dust. Coal will be transported in tarpaulin covered lorries. Further, the project proponent has also stated vide letter dated 13.01.2016 (Pg. 611-612/c) and requested to the Director General, ICFRE, Dehradun to study the impact of the area Kistaram OC coal mining on Sathupalli town. Hence, whatever measures are recommended by ICFRE in addition to the measures proposed by SCCL, the same also will be implemented to mitigate the impacts, if any.
2.	Justification for diversion of forest land for non-site specific activities such as, overburden dumps, service buildings and external dumps along with full details of alternatives examined.	In this regard the State Government informed that the user agency stated that the total requirement of the land for Kistaram OCP is 435.68 ha of which 285.44 is Forest land. Of the total forest land required, 200.72 ha. is for quarry including drain and boundary around the quarry which are site specific. Of the balance 84.72 ha., 71.71 ha. is identified for dumping which is also site specific as dumping also mining activity and needs Mining Lease. In addition to this Forest land, available Non-forest land of 95.03 ha is identified for dump after leaving 27.91 ha of non-forest land for protecting Jagannadhapuram Tank (water body) as prescribed in condition No. (xvii). Total OB to be excavated in this Mine is 129.58 million cu.m. and the dump is proposed up to a maximum height of 120 m. in a total area of 166.74 Ha. which includes 71.71 Ha. of forest land. The land for OB dumping is required initially for a period of three years and thereafter OB will be accommodated in external and backfilling in de-coaled area simultaneously.

8. The Principal Chief Conservator of Forests, (HoFF), Telangana vide their letter No. 54546/2009/FCA-1, Dated 06.01.2017 has reported the **following additional points:-**

A. Following alternatives are examined to avoid, dumping in Forest land: The user agency i.e. M/s. SCCL stated that the available Non-forest land on the North side of the quarry is 122.52 ha. of which 94.61 ha is proposed for dumping of OB. The balance 27.91 ha. of Non-forest land is left for protecting the Jagannadhapuram Tank. On the South side of the quarry, State Highway is passing in close proximity to this area, Kistaram village is located within 500 m. of this area and Kistaram Irrigation Tank which is exiting, is to be protected. Hence, dumping can not be done towards South side.

As can be seen from the Plan, the available Non-forest land is already identified adjacent to the Forest land to make the dump as contiguous one so that dumping can go up to the maximum height of 120 m. which will minimize requirement of land.

B. Location of Service Buildings in Forest land: The project proponent stated the as per Mines Act, 1952, CHP and essential infrastructure come under the definition of mine have Mining Lease and statutory mine boundary. Hence, a minimum area of 4.36 Ha. is identified for service buildings and

8.65 Ha. is identified for CHP & Coal Yard nearer to the mine. Thus, a total of 13.01 Ha. (4.36+8.65 Ha.) of forest land is proposed for locating the essential infrastructure. This will also reduce the travel distance of dumpers which in turn results in reduction of lead, fuel requirement, dust, exhaust gases etc. If the CHP & Coal Yard are to be located in Non-forest land, it will be very near to Kistaram (V) where more than 1500 families are staying. Hence, to keep the CHP and Coal Stock Yard away from the nearest village, the essential infrastructure facilities are proposed adjacent to the Pit mouth in the Forest land.

Hence, all the options have been examined while formulating the Project to avoid Forest land for dumping and other essential infrastructure in Forest land. Due to non-availability of sufficient Non-forest land nearby, bare minimum of 84.72 Ha. of forest land is identified for dumping and locating essential infrastructure.

User Agency may advise to explore the possibility to modify the mining plan to extract deeper seams of coal: The user agency stated that while preparing the Mining Plan for Kistaram OCP, the deeper seams of LB1 and LB2 below A-seam are not considered for extraction since the coal seams exist in small patches of the area and have thickness of 0.87 and 0.80 m. respectively. Moreover, the parting between A & B LB1: & LB2 are 32.00m and 20.00m respectively. Due to more thickness of the partings and low thickness of LB1 and LB2 seams, the average stripping ratio for extraction is 38.24 cum/T. Hence, it is not feasible to mine LB1 and LB2 seams below A-seam and also uneconomical. By taking the above facts into consideration the Mining Plan was approved by expert committee of Ministry of Coal after due deliberations.

The DFO, Khammam vide Rc. No. 89/2010/A3 dated 24.08.2016 has reported that the Divisional Forest Officer has examined the detailed point wise information / justification submitted by the user agency and reasons for requirement of 285.44 ha of forest land for Kistaram OCP along with Non-forest land included in the requirement and inspected the above requirement of forest land on 21.08.2015 along with FRO, Sathupally and SCCL authorities. The dumping area requirement, the area was perambulated and the justification given by the user agency was seen, even revenue area has been taken in addition to forest area for dumping. Another observation is water bodies. With respect to structures as per project needs was also checked in the field and found to be necessary for proper transport of extracted material to the existing permanent road. The Divisional Forest Officer, Khammam has submitted that, the additional information given by the user agency (SCCL) on dated 23.02.2016 is correct as per his field observations and recommended for diversion of 285.44 Ha of forest land as per the requirement of user agency.

9. It is also mentioned that **the file was referred to IA division** for obtaining their **comments in the matter**. The IA division vide their note dated 22.08.17 (18/n) informed that the proposal for grant of EC to Kistaram Open Cast Coal Mine project of 2 MTPA in mine lease area 435.68 ha of M/s SECL in district Khammam was considered the EAC in its 58th meeting held on 23-24 June, 2016 for forth meeting held on 30-31 January, 2017. **While deliberations on the proposal, the EAC took note on the following:**
- i. The observations of the FAC in its meeting held on 20-21 October, 2014 (as at para 4.15.3 (xiii) above) and subsequent clarifications sought from the state Government need to be clarified by the project proponent for its compatibility with the EIA/EMP reports and the public hearing. The Committee desired that the proposal may be considered by the FAC in parallel, and without any prejudice to the observations of the EAC.
 - ii. Source of Fluoride in the ground/assessed to suitably address the observations of the EAC.
 - iii. Year wise expenditure incurred on CSR activities indicate no definite trend with no firm planning and the budget estimate accordingly.

The EAC after detailed deliberation deferred the proposal for want of information on the above lines. The same was communicated to the project proponent and reply is awaited.

10. It is also mentioned that the project proponent was informed that the CA sites proposed earlier having encroachments and some of the proposed area for CA has been earmarked for departmental plantation and therefore the CA scheme is being revised. Accordingly, the State Government of Telangana was requested vide this Ministry's letter dated 19.09.2017 (**Pg-635/c**) to submit the approved revised CA scheme with suitability certificate and the shape / KML files for the revised CA along with shape file for proposed area of diversion for further consideration of the proposal in the Ministry. **The status of environment clearance may also be intimated.**
11. The State Government vide their letter no. 2373/For.1 (1)/2014 dated 15.11.2017 has forwarded a copy of revised CA scheme with financial outlay of Rs. 1970.193 Lakh for treating an area 571.00 ha of degraded forest area in Khammam (227 ha) and Sathupally divisions (344 ha). Detailed CA scheme is placed in file at **642-742/c**.
12. The Shape file/ KML file of Revised CA sites has been examined by the DSS Cell and following observations have been made:
- i. Calculated area of the shapefiles received for revised CA Area is found correct as per the requirement i.e. 571.78 ha.
 - ii. Legal status of revised CA land is found as Forest land i.e. Compartment no. 51,52,53 148,149,175 as per the recorded Forest Area boundary uploaded on DSS.
 - iii. As per the current boundaries, revised CA is provided in four patches falling in the same district namely Khammam.
 - iv. Out of total proposed CA area, 93 ha. of land having the canopy density of Moderately dense forest that with 75 ha. of land classified under Open forest Category in terms of forest classes (as per the ISFR 2015) based on the interpretation of satellite data period 2013-2014.
 - v. Patchwise details of proposed CA patches w.r.t density classes (based on interpretation of satellite data period 2013-14) as per ISFR 2015, are as follows:

(Area in ha.)

S.No.	Patch	Very Dense Forest	Moderately dense Forest	Open Forest	Scrub	Non-Forest land
1	Patch-I	0	92	12	0	123
2	Patch-II	0	0	0	0	40
3	Patch-III	0	0	0	0	23
4	Patch-IV	0	1	63	0	219
Total		0	93	75		405

In view of above, the facts related to the above proposal may be placed before FAC in its next meeting scheduled to be held on 25.01.2018 for their examination and appropriate recommendation.
