

**Sub: Diversion of 1576.81 ha of Reserved forest land for the development of special Economic Zone and Industrial Park at Village – Siracha, navinal, Dhrub, mundra, Baroi, Gorasama, Luni, bhadreshwar, Ta. Mundra, dist. Kutch in facour of Adnai Group, Mundra port and Special Economic.**

The State Government of Gujarat vide their letter No. FCA-1014/10-11/14/S.F-66/F dated 21.01.2016 was submitted the above subject proposal seeking prior approval of Central Government in accordance with section-2 of the Forest (Conservation) Act, 1980.

2. It was reported by the State Govt. in their forwarding letter dated 21.01.2016 (Pg. 4/c) that area of Siracha village is important for conservation of Indian Bird and Wolf, hence 100 ha of siracha village may be excluded from the diversion and exact location of 100 ha from the total demanded land of siracha village can be decided at the time of formal approval.
3. The said proposal was considered by the FAC in its meeting held on 20.07.2017 and after thorough deliberations and discussion with the user agency the following was observed:
  - (i) Detailed land use plan has not been submitted and therefore the State government shall provide detailed land use of the whole area including forest and non-forest land.
  - (ii) State government will analyse and examine the land use plan and submit a proposal for diversion of forest land for non- forestry purpose for only those land use which are permissible under the guideline of FCA 1980.
  - (iii) MOEF &CC had accorded prior approval under section 2(ii) of FC Act 1980 in favour of M/s Mundra Port, for diversion of reserved forests area of **57.75 ha** for laying of Railway line vide letter No. 8-163/97-FC, MoEF, New Delhi, dated 24.07.2004, and **1840.00 ha & 168.41 ha** for development of port based SEZ vide No. 8-2/1999-FC (pt.), dated 27.02.2009. It has been brought to the notice of FAC that the conditions laid out in these approvals under Forest (Conservation) Act, 1980 have not been fulfilled / complied by the user agency. The state government shall submit complete compliance of all stipulations of past approvals under section 2(ii) of FCA 1980.
  - (iv) Site inspection was carried out by the regional office for **1476.81 ha** whereas state government has now recommended the proposal for total **1576.81 ha**, which include 100 ha of *Acacia nilotica* patch , with condition that the same may be diverted by allowing user agency to pay five times of NPV of forest area. This patch is a part of 394 ha of forest of Sircha village which CF Kutch had recommended to be excluded. **Regional office may inspect the area again and give specific comments on exclusion/inclusion of 100 ha or 394 ha into the proposal.**
  - (v) State Government may kindly give justification for notifying the forest area as part of SEZ (special economic Zone) without seeking prior permission under the provision of Forest conservation act 1980.
  - (vi) It is reported that the part of non- forest area is being utilized as SEZ and now the proposal is for the balance patches of forest area which are required to be included in SEZ to make the total area as 10000 ha. From the review of the map and justification of the state it is learnt that it is statutory requirement of custom department that for processing zone of SEZ it should be located on contiguous pieces of land and that there should be over all contiguity in the various components of SEZ. State Government had further justified that there is no option than to opt for the diversion of forest land to be included in the SEZ. The State Government may be asked why this matter was not brought to the notice of FAC earlier.
  - (vii) State Government shall give very specific recommendation regarding suitability of Compensatory afforestation land.
  - (viii) State Government shall submit complete compliance of FRA.

4. Accordingly, the State Govt. and Regional office, Bhopal was requested vide the Ministry's letter dated 24.08.2017 to furnish the information as sought by FAC in its meeting held on 20.07.2017 (**Pg.756-757/c**). The State Government vide their letter no. FCA-1014/10-11/14/S.F-66/F dated 01.12.2017 (**Pg. 760-1015/c**) has submitted their compliance.
5. The point-wise information as sought by the Ministry and reply thereof given by the State Govt. are as follows.

S. N.	Observation of MoEF&CC	Reply of State Govt.																												
i.	Detailed land use plan has not been submitted and therefore the State government shall provide detailed land use of the whole area including forest and non-forest land.	In this regard, the State Govt. reported that the user agency has submitted details pocket wise land use plan as per the FCA, 1980 guideline and is attached in their reply as Annexure-A (pg. 803/c), as submitted to CCF, Kutch & Nodal Officer. Detailed land use plan is in accordance with their project needs and project components. User agency has provided detailed land use plan and has given confirmation that diverted forest area for only those land uses which are permissible under the guideline of FCA, 1980. The details of proposed land use are as follows:																												
ii.	State government will analyse and examine the land use plan and submit a proposal for diversion of forest land for non-forestry purpose for only those land use which are permissible under the guideline of FCA 1980.	<table border="1"> <thead> <tr> <th data-bbox="846 936 1235 963">Proposed land use</th> <th data-bbox="1235 936 1430 963">Area in ha.</th> </tr> </thead> <tbody> <tr> <td data-bbox="846 963 1235 991">Power Plant 1000 MW X 3</td> <td data-bbox="1235 963 1430 991">59.90</td> </tr> <tr> <td data-bbox="846 991 1235 1018"></td> <td data-bbox="1235 991 1430 1018">209.20</td> </tr> <tr> <td data-bbox="846 1018 1235 1087">Copper Smelter Plant – 1 MT capacity</td> <td data-bbox="1235 1018 1430 1087">125.00</td> </tr> <tr> <td data-bbox="846 1087 1235 1157">Coal to Polygeneration – 10 MT capacity</td> <td data-bbox="1235 1087 1430 1157">89.52</td> </tr> <tr> <td data-bbox="846 1157 1235 1184">CFS &amp; warehousing</td> <td data-bbox="1235 1157 1430 1184">81.59</td> </tr> <tr> <td data-bbox="846 1184 1235 1211">Engineering Cluster</td> <td data-bbox="1235 1184 1430 1211">5.21</td> </tr> <tr> <td data-bbox="846 1211 1235 1394">Mix Industrial cluster viz engineering ware house etc and social Infrastructure as per FCA 1980 guidelines viz schools, hospitals/ dispensary, community halls, cooperatives, etc.</td> <td data-bbox="1235 1211 1430 1394">41.45</td> </tr> <tr> <td data-bbox="846 1394 1235 1421">CFS &amp; warehousing</td> <td data-bbox="1235 1394 1430 1421">51.46</td> </tr> <tr> <td data-bbox="846 1421 1235 1449">Commercial Airport with MRO,</td> <td data-bbox="1235 1421 1430 1449">84.98</td> </tr> <tr> <td data-bbox="846 1449 1235 1518">Storage yards, fuel tankers, terminals etc.</td> <td data-bbox="1235 1449 1430 1518">112.06</td> </tr> <tr> <td data-bbox="846 1518 1235 1545">Engineering Cluster with Water</td> <td data-bbox="1235 1518 1430 1545">516.44</td> </tr> <tr> <td data-bbox="846 1545 1235 1707">front for manufacturing and assembly of Crane, Boilers, project cargo, port operation equipment, etc and Liquid storage tanks farm.</td> <td data-bbox="1235 1545 1430 1707">200.00</td> </tr> <tr> <td data-bbox="846 1707 1235 1734">Total</td> <td data-bbox="1235 1707 1430 1734">1576.81</td> </tr> </tbody> </table>	Proposed land use	Area in ha.	Power Plant 1000 MW X 3	59.90		209.20	Copper Smelter Plant – 1 MT capacity	125.00	Coal to Polygeneration – 10 MT capacity	89.52	CFS & warehousing	81.59	Engineering Cluster	5.21	Mix Industrial cluster viz engineering ware house etc and social Infrastructure as per FCA 1980 guidelines viz schools, hospitals/ dispensary, community halls, cooperatives, etc.	41.45	CFS & warehousing	51.46	Commercial Airport with MRO,	84.98	Storage yards, fuel tankers, terminals etc.	112.06	Engineering Cluster with Water	516.44	front for manufacturing and assembly of Crane, Boilers, project cargo, port operation equipment, etc and Liquid storage tanks farm.	200.00	Total	1576.81
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	<p>of Railway line vide letter No. 8-163/97-FC, MoEF, New Delhi, dated 24.07.2004, and <b>1840.00 ha &amp; 168.41 ha</b> for development of port based SEZ vide No. 8-2/1999-FC (pt.), dated 27.02.2009. It has been brought to the notice of FAC that the conditions laid out in these approvals under Forest (Conservation) Act, 1980 have not been fulfilled / complied by the user agency. The state government shall submit complete compliance of all stipulations of past approvals under section 2(ii) of FCA 1980</p>	<p>In principal approval has been granted by Govt. of India vide letter No. 8-2/1999-FC (PT) dated 27.02.2009 for land admeasuring 1840 ha and 168.41 ha to Adani Ports and SEZ Ltd for development of port based Special Economic Zone. Compliance of conditions laid down in In-principle approval granted by the Govt. of India the User Agency has been given as <b>Annexure-B (pg. 804-854/c)</b>.</p> <p>For the condition No. 8 of in principle approval no. 8-2/1999-FC (PT) dated 27.02.2009, 3752.30 ha. Land is transferred in the name of Forests &amp; Environment Department out of 3700.00 ha Land of which was possessed by GEDA.</p> <p>For the Conditions No. 17, 18 &amp; 19 of Memorandum No. FCA-1009(10-14) SF-18-K dated 17.11.2009, the user agency has given the Bank Guarantee of Rs.7,73,00,000.00. User agency has provided detailed compliance of all conditions put forward in Final Approval given by the Govt. of India conditions and which is enclosed as <b>Annexure-B (pg. 804-854/c)</b>.</p>
<p><b>iv.</b></p>	<p>Site inspection was carried out by the regional office for <b>1476.81 ha</b> whereas state government has now recommended the proposal for total <b>1576.81 ha</b>, which include 100 ha of <i>Acacia nilotica</i> patch, with condition that the same may be diverted by allowing user agency to pay five times of NPV of forest area. This patch is a part of 394 ha of forest of Sircha village which CF Kutch had recommended to be excluded. <b>Regional office may inspect the area again and give specific comments on exclusion/inclusion of 100 ha or 394 ha into the proposal.</b></p>	<p>In this regard, the State Govt. reported that at one point of time in 2009, <b>the then Conservator of Forest, Kutch has directed to exclude an area of 394 ha in Village Siracha stating that 100 ha patch possess good vegetation and presence of wild animals. The State Govt. accordingly recommended final proposal with deduction of 100 ha land out of this 394 h in Jan, 2016.</b></p> <p>However, User agency requested State Govt. for the re-survey of the Siracha land stating that the Wild life report is quite old i.e. of 2009 and at present no wildlife and exotic vegetation is available in that area. The survey was carried out by CCF, Kutch office and founded that there was negligible movement of wildlife as per report and <i>Acacia Nilotica</i> is present only in one corner of the land parcel. Further, the area of 100 ha of Siracha is in close proximity to existing power plant and as represented by user agency this Forest land of Siracha is necessary for their expansion of Power Plant, due to integration with existing power plant. <b>User agency has also represented and agreed to pay 5 times NPV in line with FCA provision of addressing the situation of diversion of Wild life protected area.</b> User agency feels that there is no other alternative for 100 ha land and for that DCF Kutch East has recommended not to exclude 100 ha land.</p>

		<p>But, as per reference of Minutes of Meeting of Forest Advisory Committee held on 20.07.2017, APCCF, Regional Office, Bhopal has conducted the site inspection once again on 26.09.2017 to decide for 100 ha Siracha forest land. Previously, it was done on 06.05.2016. So now this aspect pertains to Regional Office Bhopal and its further report on latest site inspection report.</p>
<p>v.</p>	<p>State Government may kindly give justification for notifying the forest area as part of SEZ (special economic Zone) without seeking prior permission under the provision of Forest conservation act 1980.</p>	<p><b>In this regard, the State Govt. reported that Ministry of Commerce and Industry, Govt of India has granted in principle permission for total 10000 ha of Special Economic Zone (SEZ) to User Agency in 2001 under State Govt's Exim Policy 2000. <u>In the meantime, user agency has acquired 6456 ha land in piece meal through private land, direct allotted Govt land and Govt land allotment through Gujarat Maritime Board.</u> As and when user agency got the possession of land, it was further notified as SEZ Area after getting approval from Ministry of Commerce and Industry, GoI.</b> Further, the area of 1840 ha and 168 ha forest land has been diverted to APSEZL by Forest Department in Nov-2009 has also been notified for SEZ area in April-2015 and March-2012 respectively.</p> <p>Thus, as of now total 8464 ha of area has been declared as SEZ Area.</p> <p>The area declared as SEZ area earlier is adjacent to various pockets of this 1576 ha forest land, which is proposed for diversion by User Agency. The area of 1576 ha as proposed for allotment by User Agency has not been declared as SEZ Area as it is not in their possession. As informed by user agency, they will approach Ministry of Commerce and Industry, Govt of India to declare this area as SEZ area only after the area is diverted to User Agency.</p> <p>Ministry of Commerce and Industry, Govt. of India has granted in principle permission for establishing SEZ in total 10,000 ha. of Special Economic Zone (SEZ) to User Agency in 2001 under State Govt.'s Exim Policy 2000.</p> <p>That the forest land, is required to complete the SEZ land requirement for establishing SEZ has been mentioned in the original proposal and has been provided in various comments, offered by user agency and this office.</p> <p>Thus, as of now total 8464 ha of area, acquired in piece meal through Private land, Direct Govt. allotted</p>

		<p>land and Govt. land allotment through Gujarat Maritime Board has been declared as SEZ area.</p> <p>As informed by user agency, they will approach Ministry of Commerce and Industry, Govt. of India to declare this area as SEZ area only after the area is diverted to User Agency.</p>
<b>vi.</b>	<p>It is reported that the part of non- forest area is being utilized as SEZ and now the proposal is for the balance patches of forest area which are required to be included in SEZ to make the total area as 10000 ha. From the review of the map and justification of the state it is learnt that it is statutory requirement of custom department that for processing zone of SEZ it should be located on contiguous pieces of land and that there should be over all contiguity in the various components of SEZ. State Government had further justified that there is no option than to opt for the diversion of forest land to be included in the SEZ. The State Government may be asked why this matter was not brought to the notice of FAC earlier</p>	<p><b>In this regard, the State Govt. reported that the</b> proposal of User Agency for area under consideration is adjoining to already declare as SEZ of 8464 ha land. There is no other land except Forest Land. Hence, User agency has proposed for diversion of Forest Land.</p> <p>Ministry of Commerce and Industries, Govt. of India has granted In-principle permission for establishing SEZ in total 10000 ha of Special Economic Zone (SEZ) to User Agency in 2001 under State Government's Exim Policy, 2000.</p> <p>That the land is required to complete the SEZ land requirement for establishing SEZ has been mentioned in the original proposal and has been provided in various comments, offered by user agency and his office.</p> <p>It is statutory requirement of customs department that for processing zone of SEZ, it should be located on contiguous pieces of land and that there should be over all contiguity in the various components of SEZ. This aspect has been submitted by the State Government earlier, in its project justification and other clarifications provided.</p>
<b>vii.</b>	<p>State Government shall give very specific recommendation regarding suitability of Compensatory afforestation land.</p>	<p>The State Govt. stated that the detailed scheme for Compensatory Afforestation and land suitability was already prepared in Sept-2008 while processing the proposal. But, as per the opinion of then Conservator of Forests, Kutch that Non-forest Land of Junachy and Amara area offered as CA land by User Agency is not adjacent to existing forest land and therefore not suitable for afforestation.</p> <p>However, as per the latest resolution of State Government dated 15.05.2017 whenever the Non-forest land being offered as Compensatory Afforestation land is not possible to be contiguous to existing forest land and if the area of diversion is 100 ha or more area the CA land should not be less than a patch of 25 ha. Considering this guideline the CA offered land at Junachy and Amara was found suitable.</p>

		<p>State Government vide its GR dated 15.05.2017 has provided guidelines for suitability of private land for compensatory land. Considering this guideline, the CA offered land at Junachy and Amara was found suitable.</p> <p>Suitability Certificates along with scheme of Compensatory Afforestation and land suitability for land area of 503.01 ha of Village Murachban, Ta. Lakhpat, 283.80 ha of Village Junachy, Ta.Lakhpat and 790 ha of Village Amara, Ta.Nakhatrana have been provided by DCF accordingly.</p> <p><b>However, User Agency has given undertaking if forest department is not ready to accept proposed CA land as mentioned above, it will be changed and new CA areas will be provided before the issuance of final approval.</b></p>
viii.	State Government shall submit complete compliance of FRA.	The State Govt. stated that an Undertaking has been given by the User Agency that all formalities as per the Guidelines of Forest Rights Rules-2006 of Government of India will be completed before final approval. So, Undertaking of User Agency may be provided.

6. **The Ministry** vide its letter dated 24-08-2017 requested the Regional Office, Bhopal to **inspect the area again** and give specific recommendations on the exclusion / inclusion of 100 hectares or 394 hectares of forest area in the proposal Accordingly, Accordingly, the SIR (**Pg.1009-1015/c**) has been carried out by the APCCF, RO, Bhopal and the same is reproduced below:

The Government of Gujarat, vide its letter dated 21-01-2016 applied for diversion of 1576.81 ha of Reserved Forest for the development of Special Economic Zone and Industrial park at village Siracha and other adjoining villages of District Kutch in favour of Adani Group, Mundra Port and Special Economic Zone Ltd, Ahmedabad. However, the same proposal also contained a recommendation to exclude 100 ha of forest area of Siracha village which was considered important for wild life conservation thus in effect asking diversion for only 1476.81 ha only. Accordingly, Ministry vide its letter dated 07-03-2016 directed the Regional Office to inspect the forest and submit Site Inspection Report. The same was conducted by the Regional Office on 06.05.2016 and final Site Inspection Report was submitted to the Ministry vide Regional Office letter dated 02.06.2016. As per the request of the State Government, the Regional Office also recommended diversion of only 1476.81 ha and while recommending stipulated that 100 ha of forest area which is to be excluded from 1576.81 ha shall be demarcated by the State Forest Department as it was not possible to make any suggestion to this effect during the brief field visit.

After examining the proposal, MOEF&CC asked for the certain clarifications from the State Government vide its letter dated 02.08.2016 which inter alia included the issue of forest land of Siracha village also. The State Government in its reply dated 16.06.2017 not only reiterated its request for diversion of 1476.81 ha earlier recommended for diversion but in addition, on the request of the User Agency, further recommended the diversion of 100 ha of Siracha village also. As per the State Government letter, the revised recommendations were made after it instructed APCCF (Land) to conduct a fresh survey in the area

to assess the present situation and the same was done by forest staff of Kutch. **The recommendation was made subject to the following two conditions:**

- (a) The User Agency will be required to pay the five time the NPV for the 100 ha of forest area coming under diversion non-forest use for the project ;
- (b) **While giving regard to the technical layout planning of critically important facilities, the User Agency – unless unavoidable and as far as possible – will try to retain the bigger, mature and old trees of *Acacianilotica*, *Prosopis cineraria*, *Azadirechtaindica*, *Phoenix dactylifa* in 100 ha of forest land in Siracha village which is recommended for diversion under FCA, 1980.**

As per the direction of MOEF&CC, the undersigned inspected the project area on 26.09.2017 with the specific and the only objective of evaluating the recommendation of the State Government of Gujarat to include 100 ha of 394.10 ha of Siracha village into the project after its diversion under Forest Conservation Act, 1980. I was accompanied by Shri U.D. Singh, APCCF (Land), GOG, Shri P.S. Randhava, CCF, Kutch and the senior officers from the User Agency. Based on my field observations during inspection, the discussions held at the time of inspection with User Agency officers as well as officers of State Forest Department, I recommend the consideration of diversion of 394.10 hectares of forest area of Siracha village for the following reasons:

- I. The forest land of Siracha village is adjoining the existing power plant of the User Agency. During field inspection the User Agency representatives informed that the forest land of Siracha village is required for the expansion of the existing power plant which was initially developed keeping in view the future expansion. Therefore, for the expansion of existing power plant, the User Agency has no option for alternative site and its requirement are integral for implementation, operation and expansion of future component. In this connection, the enclosed map may kindly be perused (pg.1014-1015/c) .
- II. The Siracha forest land is an isolated patch of forest measuring 394.10 (Map prepared by BISAG enclosed). Though, it is good forest, however, since it is surrounded from all sides by habitation and various kinds of infrastructure it does not, therefore, possess high conservation value. During inspection, I found no major signs of wild life. The last Inspection Report of Regional Office, Bhopal dated 06.05.2016 also under paragraph 19 mentions that during site visit, no significant wild life was seen. With the full development of SEZ, its conservation value would be further undermined. If the CA area is developed contiguous to an existing large forest area with good potential for conservation the loss on account of 394.10 ha of forest area would be adequately compensated.
- III. Generation of power is one of the key requirements for the development of the country. The 3000 MW proposed to be generated, as informed by the User Agency, through the said expansion of adjoining power plant near Siracha, in my well-considered opinion, would be far less detrimental to the overall environment as compared to another standalone thermal power plant established elsewhere to produce same amount of power. The main reason for this is that such a standalone power plant in the hinterland would be supplied huge quantity of required coal transported through railway or road whereas the proposed expanded thermal power plant would be fed coal by a conveyor system (as informed by User Agency during inspection) from Mundraport to the power plant. Secondly the expansion would use the existing sea water facility for cooling and consumptive purpose thus avoiding use of huge quantity of fresh water if the new plant were to come up elsewhere (copy of relevant portion of EC enclosed). Thirdly, the expansion would use the existing infrastructure facilities for evacuation of power.

**IV.** The State Government has recommended payment of five times the NPV for the 100 hectares of forest area coming under diversion for non-forest use for the project.

In view of above, it is proposed that the facts of the above proposal may be placed before the FAC in its forthcoming meeting scheduled to be held on 25.01.2018 for its examination and appropriate recommendations.

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