

Sub: Diversion of 29.41 ha of forest land (20.89 ha fresh forest land and 8.52 ha of forest land for re-diversion out of already diverted forest area of 227.89 ha for Kulda OCP of Mahanandi Coalfields Ltd.) in Sundargarh Forest Division of Sundargarh District, Odisha for construction of Basundhara Coal Washery (10 MTY) by M/s Mahanadi Coalfields Limited.

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1. The Regional Office, Bhubaneswar vide their letter no. 5.ORC291/2016-BHU dated 01.11.2016 has forwarded a proposal received from the State Government of Odisha vide their letter No. 10F (Cons) 91/2016/16137/F&E dated 29.08.2016 submitted the above mentioned proposal seeking prior approval of the Central Government under Sectin-2 of the Forest (Conservation) Act, 1980.
2. The facts related to the proposal as contained in the State Government's letter dated 29.08.2016 are given below in the form of fact sheet:

FACT SHEET

1.	Name of the Proposal	Diversion of 29.41 ha of forest land (20.89 ha fresh forest land and 8.52 ha of forest land for re-diversion out of already diverted forest area of 227.89 ha for Kulda OCP of Mahanandi Coalfields Ltd.) in Sundargarh Forest Division of Sundargarh District, Odisha for construction of Basundhara Coal Washery (10 MTY) by M/s Mahanadi Coalfields Limited.
2.	Location (i) State (ii) District	Odisha Sundargarh
3.	Particulars of Forests: (i) Name of Forest Division and Forest area involved. (ii) Legal status/Sy.No.	Sundargarh Forest Division Revenue Forest (Gramya jungle) 28.04 ha Reserved Forest 1.37 ha 29.41 ha Gramya Jungle and Reserved Forest
4.	Vulnerability to erosion	The terrain of the proposed area is slightly undulating and slightly susceptible to erosion.
5.	(i) Species	Tropical dry deciduous Forest in degraded condition. The comprises of (Sal) Shorea robusta (Asan) Terminalia tomentosa (Kendu) Diospyros melanoxylon (Char) Buchanania lanzan (Mahul) Madhuca indica (Bheru) Chloroxylon swietenia (Palas) Butea monosperma (Kurei) Holarrhena antidysenterica (Dhatki) Woodfordia fruticose (Khakada) Casearia elliptica/tomentosa (Sidha) Lagerstroemia parviflora (Amla) Emblica officinalis (Kochila) Strychnos nux-vomica (Dharua) Anogeissus Latifolia.

	(ii) Density (iii) No. of trees enumerated/to be actually felled	(Pg-131/c) 0.2 for both Reserve Forest & revenue Forest 958 nos of trees are involved to be felled for the project. This has some impact over the eco system which will compensated through compensatory afforestation and plantation in and around the project site (15 plots) (pg-132/c)
6.	Whether forms part of National park, Wildlife Sanctuary, Biosphere Reserve, Tiger Reserve, Elephant Corridor, etc. (if so, details of the area and comments of the Chief Wildlife Warden	The applied area does not fall within ambit of any National Park, Wildlife Sanctuary, Biosphere Reserve, Tiger Reserve, Elephant Corridor etc.
7.	Whether any RET species of flora and fauna are found in the area. If so details thereof	There is no such rare/endangered/unique species of flora and fauna noticed in the project area. Occasionally one or two elephants pass through the area during paddy harvesting season.
8.	Approximate distance of the proposed site for diversion from boundary of forest.	The project site for Basundhara Coal Washery is passing through the Gramya Jungle of 03 Villages covering 28.04 ha of Revenue Forests & 1.37 ha of Reserve Forest.
9.	Whether any protected archaeological/ heritage site/defence establishment or any other important monuments is located in the area.	No
10.	Whether any work of in violation of the Forest (Conservation) Act, 1980 has been carried out (Yes/No). If yes details of the same including period of work done, action taken on erring officials. Whether work in violation is still in progress.	No
11.	Whether the requirement of forest land as proposed by the user agency in col. 2 of Part-I is unavoidable and barest minimum for the project, if no recommended area item-wise with details of alternatives examined.	The requirement of forest land as proposed by the User Agency is unavoidable and barest minimum for the Mining purpose.
12.	Whether clearance under the Environment (protection) Act, 1986 is required?	Yes Not given
13.	Compensatory Afforestation	

	(i) Details of non-forest area/degraded forest area identified for CA, its distance from adjoining forest, number of patches, size of each patches.	58.82 ha of degraded forest land has been identified in Regedakhhol RF of Sundargarh Forest Division in Gopalpur Range.
	(ii) Detailed CA scheme including species to be planted, implementing agency, time schedule, cost structure, etc.	CA scheme has been submitted by the State Government. CA has been proposed over 58.82 ha in degraded forest land (Pg-139-158/c)
	(iii) Total financial outlay for CA	Rs. 67,92,000.00 (pg-149/-)
	(iv) Certificate from the competent authority regarding suitability of the area identified for CA and from management point of view.	DFO, Sundargarh Forest Division has certified that degraded forest land identified at Regedakhhol RF of Gopalpur Range, Sundargarh Forest Division is suitable for Compensatory afforestation. (pg-148/c)
14.	Catchment Area Treatment	NA
15.	Rehabilitation of Ousteas a) No of families involved b) Category of families c) Details of rehabilitation plan	83 families SC- 16, ST- 28, others- 39 (Copy of R&R plan is not provided by the State Government)
16.	Employment likely to be generated a) Whether the project is likely to generate employment b) Permanent/ Regular Employment (Number of person) c) Temporary Employment (Number of person-days)	Yes (pg-63/c) 700 0
17.	Compliance of Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006	Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 certificate for an area of 29.41 ha alongwith the copy pallisabha meeting resolution has been submitted. (Pg-14-51/c). However, the FRA is not given in original.
18.	Site Inspection Report by DFO	Site inspection Report Pg-131-132/c
19.	Cost Benefit Ratio	1:120 (pg-95-96/c)
20.	Total Cost of the Project	Rs 33472 (Rupees in lacs) (Pg-59/c)
21.	Recommendation	
	DCF	Recommended (Pg-127/c)
	RCCF	May be considered for approval under section -2 for Forest (Conservation) Act, 1980 on its own merit. (Pg-128/c)
	PCCF	Recommended (Pg-129/c)

	SG	Recommended (Pg-130/c)
22.	District Profile	
	(i) Total Geographical area of the district	3576.39 Sq. Km
	(ii) Total Forest area/ Divisional Forest area	1720.13 Sq. Km
	(iii) Total area diverted since 1980	752.049 ha (23 nos cases)
	(iv) Total CA stipulated since 1980 (Forest land)	
	a. Forest land including penal CA	1265.386 ha
	b. Non Forest Land	301.980 ha
	(v) Progress of Compensatory Afforestation	
	a. Forest land	966.896 ha
	b. Non Forest land	241.532 ha (pg-134/c)

3. The other information indicated in the forwarding letter by the Govt. of Odisha is as under:-

It is reported by the State Government that Coal based Power Plants continue to play a major role in power generation in our country. About 70% of country's power requirement is generated from coal-based Power Plants. The quality of the coal to be used for generation of power is an important aspect in this context. Till recently all non-coking coal produced in the country was consumed as such for power generation. High ash content in the coal supplied to the Power Plants not only causes environmental hazards but also leads to poor performance of Power Plants. It also involves high cost for operation & maintenance of Plants and problems in disposal of ash. **Based on review made by MoEF, use of beneficiated/blended coal containing ash not more than 34 percent in Power Plants was stipulated vide GSR 560 (E) & GSR 378 (E) dated 19th September 1997 and 30th June 1998.** Coal beneficiation is a process by which the quality of raw coal is improved by either reducing the extraneous matter that gets extracted along with the mined coal or reducing the associated ash or both. Demand for appropriate quality of coking coal is also on the rise in steel making. This has also prompted the coking coal producers in India to go for washing of extracted coal. **Ministry of Coal has also identified coal washing as an important value addition to boost the economy as well as for improving environment.** Accordingly the comprehensive Action Plan prepared for MCL envisaged augmentation of washed non-coking coal production and suggested to install new non-coking coal washeries. Basundhara Coal Washery is one such coal Washery decided to be set up on Build, Operate and Maintain (BOM) basis with raw coal throughput capacity of 10 MTY at Kulda OCP of Basundhara Area in the Ib-Valley Coalfields of Mahanadi Coalfields Ltd in Sundargarh district of Odisha to supply clean coal of consistent quality and size to Thermal Power Plants. The Board of Directors of MCL in their 102nd meeting held on 14.12.2008 at New Delhi, had approved the Techno Economical Feasibility Report(TEFR) of Basundhara Coal Washery (10MTY) on Build, Operate and Maintain(BOM) basis at a capital investment of Rs. 16579.73 lakhs).

This proposed Basundhara Coal Washery and clean coal corridor project of MCL requires total area of 43.90 ha, that includes 29.41 ha is forest land 14.49 ha is non-forest land 29.41ha. of forest land required for the project is comprising of 28.04 ha. of revenue forest land and 1.37ha. of Pandripani Reserved Forests. 28.04 ha. of revenue forest land is spread over three villages of Bankibahal, Balinga and Kushara of Hemgiri Tahasil of Sundargarh district. Similarly 14.49 ha. of non-forest land required for the project includes 4.33ha of Govt. non forest land and 10.16 ha of tenancy land existing in above mentioned three villages.

It has been reported that administrative approval has been accorded for acquisition of private land in village Kuisira for Basundhara Coal Washery of MCL by Ministry of Coal, GoI vide their Notification No. 43026/201/2016-RRW dt. 18.1.2016. As reported by the PCCF, Odisha in his forwarding letter as well as in Part-IV of the application, 29.41 ha. of forest land required for the proposed coal washery project requires diversion of 20.89 ha. of fresh forest land (1.37 ha. RF + 19.52 ha. of Revenue forest land) and re-diversion of 8.52ha. of already diverted forest land in village Bankibahal located within the diverted forest land of 227.89 ha of forest land of Kulda OCP of Mahanadi Coalfields Ltd vide Ministry 's letter no. F.No.8-176/1997-FC dated 08.08.2007. The land schedule of forest land proposed diversion/re-diversion duly authenticated by the Tahasildar, Hemgiri and DFO, Sundargarh. Similarly land schedule of non-forest/tenanted land required for the project authenticated by the Tahasildar, Hemgiri. Tehsildar, Hemgiri has also certified the status of land required for the project as on 25.10.1980.

4. Justification for locating the project on forest land

In view of this project being **non-site specific in nature**, feasibility and viability of three number of alternative sites for construction of Basundhara coal Washery should have been explored as per provisions of para 2.1 (3) of the FC Act guidelines to ensure avoiding/least use of forest land. The user agency justifying location of the project at the instant site, has indicated that there is no alternative site for the proposed project. The proposed washery is linked to Kulda OCP and lies adjacent to the mine. Proposal site for washery is due to its locational advantage, availability of railway network, water.

Further the PCCF, Odisha in his letter No. 15147 dt. 5.8.2016 has informed that Basundhara Washery is planned for the washing of coal from the mines at pit head to avoid dust pollution during the transportation of coal to washery. Present site is therefore considered as suitable place in the vicinity of Basundhara OCP.

Since it is an infrastructure project being installed to produce washed coal at pit head for feeding the Thermal Power Plants in order to improve the Power crunch situation in the State/country, MoEF&CC, ERO may consider the present site for the project without insisting for alternative sites.

5. Forest land

This proposed Basundhara Coal Washery of MCL requires total area of 43.90 ha, that includes 29.41 ha is forest land 14.49 ha is non-forest land. 29.41ha. of forest land required for the project is comprising of 28.04 ha. Of revenue forest land and 1.37ha. of Pandripani Reserved Forests. 28.04ha. of revenue forest land is spread over three villages of Bankibahal,

Balinga and Kushara of Hemgiri Tahsil of Sundargarh district. 29.41ha. of forest land required for the proposed coal washery project requires diversion of 20.89 ha. of fresh forest land (1.37ha. RF + 19.52

ha. of Revenue forest land) and re-diversion of 8.52 ha. of already diverted forest land in village Bankibahal located within the earlier diverted forest land of 227.89 ha. of forest land of Kulda OCP of Mahanadi Coalfields Ltd for the purpose of infrastructure. **The break -up of forest land required for the project is furnished below:**

1	Reserved Forest	Pandirpani	1.37	-	1.37
2.	Revenue Forest	ankibahal	16.17	8.52	24.69
		Kushara	1.53	-	1.53
		Balinga	1.82	-	1.82
		Total	20.89	8.52	29.41

Purpose wise break up of land for the project is furnished below:

SI.no.	Component	Forest Land ha	Non-Forest Land in ha	Total land in ha.
1	Coal Washery	18.07	1.25	19.32
2	Clean Coal Conider	10.81	10.21	21.02
3	Reject conveying Road	0.53	0.32	0.85
4	Reject Storage Site	0	2.71	2.71
	TOTAL	29.41	14.49	43.90

6. Tree enumeration

Tree enumeration has been carried out over the entire area. In all, 958 nos. of trees comprising of 749 nos. from forest area (575 trees in Revenue forest and 74 trees from Reserved Forests) and 209 nos. trees have been enumerated in the non-forest area.

7. Wildlife Management Plan:

Though the proposed area does not form a part of any National Park / Wildlife/ Sanctuary/ Biosphere Reserve/ Tiger Reserve/ Elephant Corridor etc. due care is to be taken for conservation of Wildlife available in the area. As reported by DFO, Sundargarh, the terrain of the proposed site of Basundhara washery is slightly undulating and slightly susceptible to erosion. Moreover, occasional movement of elephants is also noticed in the area during paddy harvesting season. In order to address all the above aspects, **the user agency shall prepare the site-specific Wildlife Conservation Plan as per guidelines of CWL W, Odisha to be approved by PCCF(WL)&CWL W, Odisha for its execution at project cost. The lessee has furnished undertakings to bear the cost of SSWLCP.**

8. Compensatory Afforestation:

As per para 3.2 (vii) of guidelines under Forest Conservation Act, 1980, degraded forest land twice in extent i.e. 58.82 ha has been identified in Regedakhhol Reserved Forest of Gopalpur Range under Sundargarh Forest Division in lieu of 29.41 ha. of forest land proposed for diversion for this project. The Divisional Forest Officer, Sundargarh has furnished land suitability certificate pertaining to

identified degraded forest land for raising compensatory afforestation. The DFO, Sundargarh has also certified that identified land for CA to be free from encroachment. The DOPS map of land identified for CA verified by ORSAC and authenticated by DFO, Sundargarh. The Divisional Forest Officer, Sundargarh has prepared a site specific compensatory afforestation scheme in ANR plantation mode of 200 plant per hectare for identified degraded forest land under his jurisdiction with a financial outlay of Rs. 67,92,000/- including the cost of maintenance of Compensatory afforestation of 10 years as per government of India, MoEF guidelines F. No. 11-168/2009-FC(Pt) dt. 14.2.2002 as per latest wage rate of Rs. 200/- per day. Besides plantation, the scheme has provisions for barbed wire fencing and soil conservation measures. The species selected for plantation under the scheme are Am la, Bahada, Harida, Neem, Simaruba, Teak, Bamboo, Karanja etc. This scheme has got technical approval of Addl. Principal Chief Conservator of Forests(Forest Diversion)& Nodal Officer, FC Act. The User Agency has furnished an undertaking to bear the cost of the Compensatory Afforestation Scheme.

9. Environment Clearance :

User Agency has taken steps for obtaining environmental clearance for the project.

It has been informed by Member Secretary, SPCB, Odisha that MCL has applied for public hearing on 29.2.2016. Collector, Sundargarh has been requested by SPCB to fix the schedule/venue for public hearing. Proposal for CTE was placed before the Consent Committee of SPCB on 31.3.2016. The Committee recommended for grant of CTE after submission of certain documents/information. MCL has complied partly so far. They have been reminded to furnish the balance information. Since the project has not obtained CTE and EC yet, they have not applied for CTO of SPCB. **Therefore operation of the Basundhara coal washery will be subject to availability of environmental clearance of MoEF&CC and CTE/CTO of SPCB, Odisha.**

10. Resettlement and Rehabilitation

This project involves displacement of human habitation. 83 nos. of families including 16 nos. of SC category, 28 nos. of ST category and 39 nos. belonging to other category are to be displaced for the project. The User Agency has submitted the copy of the draft Rehabilitation and Resettlement Action Plan. The R&R Plan has been reportedly submitted to Ministry of Tribal Affairs, Government of India for approval. The User Agency has also furnished an undertaking to submit the approval letter of MoTA, GOI. Therefore operation of the project shall be subject to proper resettlement and rehabilitation of project affected families as per approved R&R Policy.

It is noted that the copy of R&R Plan has not been given to this Ministry.

11. Cost Benefit analysis.

The cost benefit analysis of this project has been assessed. The loss on account of forest including environmental loss and other mandatory payments comes to Rs. 3.1686 crore whereas benefit to economy owing to this project comes to Rs. 382.04 Crore. Therefore cost benefit ratio comes to 1:120.

12. Violation:

No violation of Forest (Conservation) Act, 1980 in this project has been reported

13. Forest Right Act, 2006

It is reported by the State Govt. that as per the Ministry's circular vide F.No.11-9/1998-FC(Pt.) dt. 3.8.2009/5.2.2013/5.7.2013, the State Government has to ensure the compliance to the provisions of the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 while processing a forest diversion proposal. State Government upon receipt of this communication of MoEF&CC vide their communication dt. 29.4.2016 have also asked to PCCF, Odisha to process the relevant forest diversion proposal pending FRA compliance and simultaneously asked the Collector, Sundargarh for required compliance of FRA guidelines pertaining to diversion of forest land for this project. such this FDP is processed without compliance of FRA guidelines of MoEF &CC.

But it is observed that the FRAa certificate for an area of 29.41 ha along-with the copy gramsabha resolution is given and placed in file at **Pg-14-51/c. However, the FRA in original is not given.**

In view of the above position, the State Govt. recommended this proposal subject to the following conditions.

- (i) The Collector, Sundargarh shall furnish detailed compliance of FRA guidelines of MoEF&CC pertaining to forest land proposed for diversion.
- (ii) Operation of the project shall be subject to proper resettlement and rehabilitation of project affected families as per approved R&R Policy.
- (iii) Operation of the Basundhara coal washery will be subject to availability of valid environmental clearance of MoEF&CC and CTE/CTO of SPCB, Odisha
- (iv) User agency shall prepare the site-specific Wildlife Conservation Plan as per guidelines of CWLW, Odisha to be approved pCCF (WL) & CWLW, odisha for its execution at project cost.
- (v) Updated State profile for this project duly signed by Add. PCCF (Forest Diversion) & Nodal officer, FC Act shall be furnished.

The facts related to the above proposal may be placed before FAC in its forthcoming meeting to be held on 28th February, 2017 for their examination and appropriate recommendation.