

Agenda-15

F. No. 8-6/2014-FC

1. Addl. Principal Chief Conservator of Forests (Land Management) and Nodal Officer, Forest (Conservation) Act, 1980, Government of Madhya Pradesh vide his letter dated 1st February 2007 submitted a proposal to obtain prior approval of the Central Government, in terms of the Section-2 of the Forest (Conservation) Act, 1980 for diversion of 1,283.570 hectares of forest land in favour of Madhya Pradesh State Mining Corporation Ltd. for coal mining in Amelia Coal Block located in Singrauli District, Madhya Pradesh.
2. Details indicated in the proposal submitted by the Government of Madhya Pradesh are as below:

FACT SHEET

1.	Name of the Proposal	Diversion of 1283.570 ha. of forest land (Reserved Forests 1063.00 ha., Protected Forest 119.21 ha, Private Revenue forest 2.00 ha. and Government Revenue Forest 99.36 ha) for Coal Mining in Amelia Coal Block by M.P. State Mining Corporation in Sidhi District of Madhya Pradesh.
2.	<u>Location :</u> (i) State (ii) District	Madhya Pradesh Sidhi
3	<u>Particulars of Forests :</u> (i) Name of Forest Division (ii) Forest area involved (iii) Legal Status/Sy. No. (iv) Map	East Sidhi Forest Division Range: Baidhan , East Sarayi 1283.570 ha. Reserved Forest: 1063 ha. Protected Forest: 119.21 ha. Private Revenue Forest: 2.00 ha Government Revenue Forest:99.36 Total : 1283.570 ha Map enclosed
4.	(i) Vegetation	Mixed sal forest of Type IV B. A high forest with vegetation density varying from 0.2 to 0.6. The main species are Sal (<i>Shorea robusta</i>), <i>Terminalia tomentosa</i> , , <i>Anogeissus latifolia</i> , , <i>Madhuca indica</i> , <i>Butea monosperma</i> , <i>Dalbergia paniculata</i> , <i>Lagerstroemia spp.</i> Tendu, Jamun Kusum etc. The number of trees are reported as 10, 87,347

		with an estimated cost of Rs. 36,11,27,494. 0.2 to 0.6
	(ii) Density	
5.	Whether area is significant from wildlife point of view	It has been reported that the wildlife in the area includes spotted deer, jackal, wild boar, hyena, monkeys, bear, and jungle cat etc. An estimation of animals is given at Pg. 105 .
6	Compensatory Afforestation	CA scheme enclosed. CA has been proposed over double degraded forest area of the area i.e. 2600.00 ha. in RF, scattered in 17 patches. Total financial outlay is Rs. 48,83,63,588.00/- Certificate from Chief Secretary for non-availability of non-forest land is enclosed.
7	Rehabilitation of Oustees	-
8	Survey Report	Enclosed
9	Mining Plan	Enclosed
10	Reclamation Plan	Enclosed
11	Cost Benefit Ratio	Enclosed
12	Recommendation : DFO PCCF State Government	Recommended. Not Available Recommended

Other details:-

3. The forest land proposed for diversion consists of Reserve Forests - 1063.00 ha. and Protected Forests - 119.21 ha. in Compartment Nos. 289, 290, 291(part), 296, (part), 297(part), 304 (part), 305(part), 388 (part), 389 (part), P-317 (part), and P-318. Government Revenue Forest land is 99.36 ha. and Private Revenue Forest is 2.00 ha. In addition to the above **1283.57 ha forest land**, 335.53 ha Revenue land is also included in the Mining lease area. Thus the total Mining lease area is 1619.10 ha.
4. The entire forest land proposed for diversion is for Mining purposes only.
5. Ministry of Coal has allotted the Coal Block to M.P. State Mining Corporation Ltd. vide their letter No. 13016/3/2003-CA/CA-1 dated 12.01.2006.
6. The total cost of the Project is Rs. 1166.60 Crores.
7. The forest land is a mixed Sal forest with Site Quality IV B. It is said to be a high forest area with a vegetation density varying from 0.2 to 0.6. The main species are Sal (*Shorea robusta*),

Terminalia tomentosa, , *Anogeissus latifolia*, , *Madhuca indica*, *Butea monosperma*, *Dalbergia paniculata*, *Lagerstroemia spp.* Tendu, Jamun Kusum etc.

8. **The number of trees to be affected has been reported as 10, 87,347 with an estimated value of Rs. 36, 11, 27,494.**
9. The area is not part of any National Park/ Wildlife sanctuary. The wild animals reported from the area are spotted deer, jackals, wild boars, hyenas, langurs, macaques etc. Bears and jungle cat are also reported from the area.. The estimate of animals in Baidhan and East Sarayi Forest Ranges in which the proposed forest land is located is given at Pg. 105 of the proposal.
10. Compensatory Afforestation has been proposed over double degraded forest area i.e. $1283.570 \times 2 = 2600.00$ ha. of Reserved Forest land, scattered in 17 patches, at a total financial outlay of Rs. 48,83,63,588.00/. Stock maps and treatment maps for each patch are enclosed. Though, a certificate from Chief Secretary of the State for non-availability of non-forest land is enclosed (Pg. 92), as per Regional Office, Bhopal, CA for this proposal should have been prepared on non-forest land or on revenue forest land.
11. Mining Plan has been enclosed along with the proposal.
12. About 120 families shall be displaced due to the project. The User Agency has given an undertaking to meet the expenses as per the provisions of the State scheme. The Rehabilitation of these people is not proposed on forest land.
13. Reclamation Plan with progressive mine closure is enclosed with the proposal. The external dumping of the Overburden is planned over 135.99 ha. non-forest land.
14. The land being diverted has no socio-cultural/ religious value and neither is it a part of any sacred grove or vary old growth of trees.
15. The User Agency has submitted undertakings to pay the cost of Compensatory Afforestation, Net Present Value, Reclamation Plan, Cost Benefit analysis, undertaking to fulfill all conditions stipulated by the State and Central Government.
16. Environmental Clearance under the Environmental (Protection) Act, 1986 is required; however it has not been obtained so far.
17. Cost Benefit Ratio has been worked out as 1:4.50
18. There is no violation of the Forest (Conservation) Act, 1980.

Site Inspection Report:

19. The forest land proposed for diversion consists of 1063.00 Reserve Forests, 119.21 ha. Protected Forests, 2.00 ha. Private Revenue Forest and 99.36 ha. Government Revenue Forest. In addition to the above 1283.57 ha. forest land, 335.53 ha. Revenue land is also included in the mining lease area. Thus total mining lease area is 1619.10 ha. The project includes 259.7 ha. non-forest land outside the mining lease area.
20. Construction of buildings is not involved on the forest land. The colony, workshop store and other infrastructures are planned outside the M.L. area.
21. Total cost of the project is Rs.1166.60 crores.
22. The concerned Divisional Forest Officer (T) who was present on the spot at the time of site inspection informed that spotted deer, jackals, wild pigs, hyenas, langoors, rhesus macaques, bears and jungle cats are spotted in the area.
23. This is a mixed sal forest. The area is a High Forest with vegetation density varying from 0.2 to 0.6. Main species are Sal , *Terminalia tomentosa*. Tendu, Jamun, *Anogeissus latifolia*, Kusum, Mahua, *Butea monosperma*, *Dalbergia Paniculata*, *Lagerstroemia parviflora* etc.

24. Enumeration has been carried out by sampling method. Grid consisting of horizontal and parallel lines at 300 mt. interval had been drawn. The sample plots of 100 mt x 100 mt had been laid on the crossing points. A total 11,80,884 trees have been estimated by this method to be existing on the forest land proposed for diversion. Out of this 2,19,469 trees are having girth more than 60 cm. and 9,61,420 trees have girth less than 60 cm.
25. It is a fresh proposal for lease. No work has been done so far.
26. Compensatory afforestation has been proposed over 2600.00 ha. Reserve forest land. It is scattered in 17 patches in the same Forest Division in which the forest land proposed for diversion is located. Compensatory afforestation areas are located in compartments allotted to RDF working circle. Suitability certificates by the concerned DFO(T) are enclosed with the proposal. However, the existing vegetation density of these patches varies from 0.2 to 0.4. Stock maps and treatment maps for each patch are enclosed. Total financial outlay for Compensatory afforestation has been estimated as Rs. 48, 83, 63,588.00.
27. The policy guideline issued under Forest (Conservation) Act stipulates that Compensatory afforestation for this proposal should have been prepared on non-forest land or on revenue forest land.
28. There is no violation of Forest (Conservation) Act, 1980 in the proposal.
29. There is no displacement of people involved from the proposed forest land. However, 120 families shall be displaced from the revenue land due to project. The rehabilitation of these people is not proposed on forest land.
30. Reclamation plan with progressive mine closure is enclosed with the proposal. The external dumping of the overburden is planned over 135.99 ha non-forest land. In addition the following is proposed:- i) To reclaim the land technically and biologically by backfilling the overburden and leveling by graders and dozers, ii) the land will be restored to economic utilization value, and iii) plantation over the backfilled areas will be carried out systematically.
31. Cost benefit ratio has been worked out as 1:4.50.
32. The extraction of coal is site specific. Hence there is no question of alternative site.
33. The project is for mining of coal. It aims at production of 8.4 MMT coal annually.
34. This proposed forest land is not part of any National Park/Wildlife Sanctuary etc. The nearest Protected Area is Sanjai National Park which is around 50 km. away from the proposed forest land.
35. The Nodal Officer and the State Government have recommended the proposal for approval with certain conditions mentioned in the proposal.
36. Recommendation of Regional Office: The proposal is recommended for approval.
37. The Forest Advisory Committee after examination of the proposal in its meeting convened on 9th August 2007 recommended diversion of said forest land.
38. In pursuance to Hon'ble Supreme Court's order dated 27.04.2007, in IA No. 1413, 1414 etc. in WP (C) No. 202/1995, wherein inter-alia it was directed that "...fresh cases may be cleared Project-wise by the FAC and thereafter such clearances shall be placed before this Court for approval....", these proposals along with FAC recommendations were placed before the Central Empowered Committee (CEC) for its examination and suitable recommendation to the Hon'ble Supreme Court.

39. The CEC in after examination of the above proposal and another proposal seeking prior approval of Central government under Section-2 of the Forest (Conservation) Act, 1980 for diversion of **728.750 hectares** of forest land in favour of Madhya Pradesh State Mining Corporation for coal mining at Amelia (North) coal block, made following observation/recommendation in their fourth report:
- (i) These projects involve felling of about 1.5 million trees - perhaps one of the few cases cleared so far under the FC Act involving such a large number of trees;
 - (ii) Both the coal blocks have been allotted to MPSMCL vide letter dated 12.1.2006 by Ministry of Coal under the revised coal policy dated 12.12.2005. The Amelia Coal Block has a reserve of about 393 million tones whereas Amelia North has coal reserve of 120 million tones. The Amelia Coal Block is proposed to be worked on open cast method as well as below ground method simultaneously whereas Amelia North is proposed to be worked on open cast method. From Amelia Block and Amelia North Block extraction of 8.4 million tones and 2.8 million tones of coal respectively is planned to be mined annually. In both the cases environmental clearance is awaited;
 - (iii) As per the information downloaded by the CEC from the internet, Sainik Mining & Allied Services Ltd. (a company of Sainik Aryan Group) has entered into a joint-venture agreement with the MPSMCL for development of the Amelia Coal Block. This vital information has not been divulged in the proposal sent under the FC Act. The ultimate beneficiary of the diversion of the forest land will be Sainik Aryan Group. As stated in CEC's earlier report dated 16.8.2007, the Sainik Mining & Allied Services Ltd. has also entered into a joint-venture agreement with the Orissa Mining Corporation for development of a coal block allotted to M/s Orissa Mining Corporation. The CEC has also filed a report dated 11.5.2005 in the Maruti matter, listed as IA No. 1311/1335 regarding the large scale organized theft of coal from the SECL mines by Sainik Aryan Group;
 - (iv) It would be appropriate that before taking a decision on the proposal for the diversion of forest land, the legality, validity and the public interest involved in development and operation of the coal block through a joint-venture company wherein the Government is a minority shareholder and the day-to-day operation are to be done by the private sector company, are carefully examined; and
 - (v) The FAC has made recommendation for diversion of forest land without examining the relevant issues such as a likely adverse impact of the project on flora and fauna, whether mitigative measures are adequate to contain the adverse impact of the projects, number of labourers involved in the project and their energy needs, location of the mine vis-à-vis the forest boundary, details of approach road, number of trucks required to carry the mineral, details of the approved mining plan, necessity of the diversion of such a large block of forest area, advantage and disadvantage of opening both the mines at a time, production from existing mine vis-à-vis requirement of the existing/ proposed plants, public interest involved in the present case, checks and balances required to be put in place and other relevant factors. It is also seen that the compensatory afforestation is proposed to be done over degraded forest and not on non-forest land. Considering that about 1.5 million naturally grown trees are required to be felled - perhaps one of the biggest so far approved under the FC Act - a very detailed and careful examination of the proposal should have been carried out and the **non-forest use of forest land**

should have been considered only if found absolutely necessary, in public interest and no other alternative was found feasible.

40. As per a copy of note entitled "submissions agreed to by the CEC & the MOEF' duly signed by the then IGF (FC) and Member-Secretary, CEC, (placed at page 141^c in the file pertaining to Amelia Coal Block i.e. the File No. 8-6/2007-FC) it was agreed to by the CEC and the MoEF that the recommendations of the FAC (pertaining to diversion of 1283.57 ha. of forest land for coal mining in Sidhi District, Madhya Pradesh) may not be accepted. The State of Madhya Pradesh/Madhya Pradesh State Mining Corporation Ltd. may be asked to cancel the MOU entered into with M/s Sainik Mining and Allied Services Ltd. and to invite fresh applications after giving wide publicity and laying transparent guidelines.
41. After examination of the said proposal along with observation/recommendations of the CEC, the Hon'ble Supreme Court in their order dated 20.02.2009 in I.A. No. 2167 in the W.P. (C) No. 202 of 1995 directed as below in respect of Amelia Coal Blocks :
- "CEC had made certain observations and objections regarding diversion of 1283.57 ha of forest land for coal mining Sidhi District , M.P., diversion of 125 ha of forest land for iron ore mining in favour of M/s. Tungbhadra Minerals Pvt. Ltd, District Bellary, Karnataka and diversion of 109.27 ha. of forest land for iron ore mining in favour of M/s. Narayan Mines (P) Ltd, District Bellary, Karnataka. They have been considered and now the MoEF has expressed his inability to accept the FAC report in all the above three projects. Union of India may take appropriate decision and communicate the same to the parties."*
42. The MoEF vide letter dated 2nd March 2009 inability of the Central Government to grant approval under section-2 of the Forest (Conservation) Act, 1980 for diversion of the said forest land.
43. Madhya Pradesh Mineral Development Corporation Limited (MPSMDCL) vide their letter dated 25.07.2011 requested the MoEF to reconsider its decision to decline approval under section-2 of the Forest (Conservation) Act, 1980 for diversion of the said forest land.
44. This Ministry vide letter dated 04.01.2012 sent a copy of the said representation to the to the State Government of Madhya Pradesh for their comments
45. Government of Madhya Pradesh vide their letter dated 6.9.2012 sent para-wise comments of the State Government on the submission made by the MPSMDCL in their representation dated 25.07.2011.
46. Details of the submissions made by the MPSMDCL and the comments of the State Government of Madhya Pradesh thereon are as below:

Sl. No.	Issues raised in the MSMDCD	Comments of State Government of MP
1	The Principal Chief Conservator of Forests, Bhopal had vide letter No. F-1/1437/06/10-11/280 dated 1.2.07 applied to Asstt. Inspector General of Forests, Govt. of India, New Delhi for diversion of subject forest land comprised	Agreed. The contents of para is facts on record.

	in the Amelia Coal Block in terms of Section 2 of the Forest (Conservation) Act, 1980.	
2	<p>The Hon'ble Supreme Court passed an order dated 27.04.2007 in IA no. 1414, 1414 wherein inter-alia it was directed that "...fresh cases may be cleared by the FAC and thereafter such clearances shall be placed before this court for approval..." Accordingly, the application was considered on merits by the Forest Advisory Committee ("FAC") constituted by Central Government which examined the said proposal in its meeting held on 09.08.2007 and recommended diversion of said forest land subject to certain conditions. The FAC report was approved by then Minister of Environment and Forest. The said proposal along with FAC recommendations were then placed before the Hon'ble Supreme Court for approval. On receipt, the Hon'ble Supreme Court referred the said proposal and the FAC recommendations to the Central Empowered Committee ("CEC") for examination and appropriate recommendations.</p>	Agreed. The contents of para is facts on record.
3	<p>The matter was examined by CEC and its report was filed with Hon'ble Supreme Court. Initially, Ministry of Environment and Forest ("MoEF") opposed the stand taken by CEC, however on the advice of Hon'ble Supreme Court, the entire matter was jointly re-considered by the CEC and MoEF. Thereafter, joint submission was made by the CEC and MoEF which provided as under:</p> <p>a) That the recommendations of FAC may not be accepted;</p> <p>b) That the State of Madhya Pradesh/ Madhya Pradesh State Mining Corporation Limited ("MPSMCL") may</p>	Agreed. The contents of para is facts on record..

	be asked to cancel the MOU entered into with M/s Sainik Mining and Allied Service Limited (“SMASL”) and to invite fresh applications after giving wide publicity and laying transparent guidelines.	
4	The joint submission made by CEC and MoEF was accepted by the Hon’ble Supreme Court vide order dated 20.02.2009 which is reproduced below: <i>“CEC had made certain observations and objections regarding diversion of 1283.57 Ha of forest land for coal mining in Sidhi District, M.P. They have been considered and now the MoEF has expressed his inability to accept the FAC report. The Union of India may take appropriate decision and communicate the same to the parties”.</i>	Agreed. The content of para is facts on record.
5	In pursuance of the Hon’ble Supreme Court order dated 20.02.2009, the MoEF vide its letter no. F.No. 8-6/2007-FC dated 2.3.2009 communicated the inability of the Central Government to grant approval under section 2 of the Forest (Conservation) Act, 1980 for diversion of the said forest land to the State Government of Madhya Pradesh. The MoEF vide its letter dated 3.3.2009 also advised to cancel the MOU entered between State Mining Corporation and SMASL.	Agreed. The contents of para is facts on record.
6	MPSMCL had requested MoEF through MP State Forest Department vide its letter dated April 30, 2009 to kindly re-examine the proposal in the terms of provisions of the Para 4.14 (ii) of the FC Act.	Agreed. The contents of para is facts on record.
7	The State Government reviewed the observations made by the joint report of CEC and MoEF and found that the Selection of Joint Venture Partner was done transparently after giving wide publicity. The Notice Inviting Tender	The selection of Joint venture partner for Development and Mining of Amelia Coal Block was done through a transparent bidding process after giving wide publicity in leading newspapers. A total of 16

	<p>(NIT) for selection of JV partner was published in leading newspapers like The Economic Times, The Financial Express, The Statesman and The Hindustan Times. Total 16 tender forms were purchased by India's leading companies. SMASL was selected as successful bidder as per tender conditions, after obtaining the approval of Government of Madhya Pradesh. The State Government however observed that in order to make the Joint Venture complaint with the provisions of allocation letter and the CMN Act, a revised JV agreement be entered into with SMASL. On receipt of necessary approvals from the Government of Madhya Pradesh, a revised Joint Venture Agreement has been entered into between MPSMCL and SMASL on 19.4.2011 substituting the agreement entered earlier in this regard. The revised JV Agreement mitigated the observations made by the CEC and MoEF and provides adequate safeguards such that the benefits from the block are retained largely by the State and not with a private party. The key features of revised JV Agreement are as under:</p>	<p>tender forms were purchased by leading companies. SMASL emerged as successful bidder as per the tender conditions. A Joint venture company namely M.P. Sainik Coal Mining Private Ltd was formed in which the share holding pattern of SMASL, M.P. State Mining Corporation Ltd., (MPSMCL) & M.P. Power Generating Company Ltd (MPPGCL) was 70:26:4 respectively. The State Govt. however observed that in order to make this joint Venture Company a Government Company as per the provisions of the allocation letter of Ministry of Coal and Coal Mines Nationalization Act, 1973 the shareholding pattern has been changed to MPSMCL 51% and SMASL 49%.</p>
7(a)	<p>51% equity shall be held by MPSMCL and 49% equity shall held by SMASL such that the JV Company will be a Government Company. He Chairman of the BOARD OF JV Company shall be appointed from the director nominated by MPSMCL and will have a casting vote.</p>	<p>On receipt of the approval from Govt. of Madhya Pradesh, the revised Joint Venture Agreement has been signed on 19.04.2011 in which MPSMCL holds 51% and SMASL 49%. Thus the company has become a Govt. Company. The Managing Director of MPSMCL is the Chairman of the Board of JV Company out of total Ten Directors, MPSMCL has nominate four Director and MPPGCL has nominated one Director.</p>
7(b)	<p>The 51% equity of MPSCL shall be free and 100% investment shall be made by SMASL for the project.</p>	<p>AS per the Joint venture agreement Article 5.2, MPSMCL'S Share in the Joint Venture company shall be 51%</p>

		of the issued and paid-up Equity share capital and the same shall be offered to MPSMCL free of cost (no cash contribution) and the said 51% equity shares shall be treated as fully paid up and shall rank <i>pari passu</i> in all respect with the equity shares of the Company MPSMCL shall not be required to pay any amount in cash or otherwise a any time for the 51% equity shares in the joint venture company.
7(c)	The JV Company shall be a Government Company and shall be in compliance of terms and conditions of allocation letter and the provisions of Coal Mine (Nationalization) Act 1973.	As per the joint venture agreement MPSMCL being the 51% of share holder the joint venture company has become a Gov Company as per the section 617 of the Companies Act 1956 and accordingly Memorandum & Article of Association has been revised. As per the clause 5 of Article of Association. The MPSMCL's share in the Joint venture Company is 51% and same has been offered to MPSMCL free of cost (no cash contribution)
7(d)	60% of the production has been earmarked for MP Power Generation Company Limited, a State Government Undertaking and that too at a discount of 20% from notified price of CIL. Therefore the main beneficiary of the project is the State Government. At present rates, it amounts to a discount of Rs 148 per MT for E grade coal and Rs 116 per MT for F grade coal. The annualized value of discount is approximately Rs. 72 crores.	As per the Article 8.1 (xiv), 60% of the coal produced from this coal block has been earmarked for MP Power Generation Company, State Govt. Undertaking with a firm discount of 20% on the prevailing price of CIL applicable to Northern Coalfield from time to time. Thus the main beneficiary of this project is the State Govt. The total annual discounted price has been calculated on the basis of the notified price of the NCL for E & F grade coal, which shall keep on changing depending on the notified price of NCL from time to time.

7(e)	40% production has been earmarked for sale by JV company in accordance with the policy of Government of Madhya Pradesh.	Provision has been made in the Article 8.1 (xiv) of the Joint venture agreement for sale of the remaining 40% of coal. The same shall be sold as per the policy/guideline of Government of Madhya Pradesh.
7(f)	MPSMCL shall be entitled to facilitation fees ranging from 0.25% to 10%.	As per the Article 12.2 there has been a provision for payment of the facilitation fee to MPSCL which ranges from 0.25% to 10% depending upon the grade of the coal.
7(g)	MPSMCL shall be entitled to 51% dividend in the JV Company.	As MPSMCL hold 51% share in the JVC, it is entitled to received 51% of the dividend, when it is declared as per the Companies Act, 1956.
8	The Memorandum of Articles ("MOA") of the JV Company have also been amended pursuant to the revised JV Agreement.	A revised Joint Venture Agreement has been signed on 19.04.2011 in which toe provision has been made that MPSMCL shall hold 51% shareholding in the JV Company and accordingly Memorandum & Articles of Association has been changed.
9	The revised JV Agreement and the amended MOA of the JV Company has also been examined by the Ministry of Coal in detail and the same have been found to be in conformity with the terms and conditions of the allocation letter and CMN Act 1973 The copy OF LETTE RNO 38039/40/2007 CA-I dated July 5 2011 issued by Ministry of Cola in this regard is attached as per Annexure C.	Ministry of Coal, Govt. of India in its office memorandum dated 5 th July 2011 issued to PMO has explicitly expressed its opinion that pursuant to amendment in Joint Venture Agreement and change in the shareholding pattern the JV Company Qualities as Government Company.
10(a)	As per the proposal submitted by the State Govt. under the FOREST(Conservation) Act 1980 the total area under the Amelia coal block is 1619.10 Ha This includes 1182.21 Ha. Classified Forest and 101.36 Ha Revenue Forest.	Agreed

10(b)	The forest in the project area is classified as Tropical Dry Deciduous Forest and contain mixed species. The important being Sal which is about 30% of the total crop. The remaining 70% trees belong to species like Tendu, Khair and other thorny species etc.	Agreed
10(c)	The calculation using satellite imaginary reveals the number of trees above 60 cms girth in the area is about 2,19,464. The actual no. of such trees would be less than this figure as the calculation include more than 1 coppice shoot per CUT Back Stump.	Agreed, this is based on the report of Regional, CCF, Ministry of Environment & Forest Bhopal.
10(d)	The crown density of the crop in the project area varies from 0.2 to 0.4 and the number of trees (Girth 60 cms and up) works out to be about 171 trees per ha.	Nodal Officer, (FCA), Bhopal while forwarding the diversion proposal to GOI, MOEF in his letter dated 01.02.2007 has categorically mentioned that the density of the area range from 0.2 to 0.6. This has also been mentioned by Regional CCF, Bhopal in his inspection report. As the area contain 2,19,469 trees having girth 60 cms and above thus the number of trees having girth of 60 cms. And above work out to be 171 trees per Ha.
10(e)	The requirement of forest land per unit of coal production is smaller in the proposed project than the other coal mines already approved. This factor is due to rich coal seams available underneath the forest proposed for diversion.	The total geological reserve of the block is 393.59 Million tone and the net mineable reserve as per the approved mining plan is 287.96 Million Tonne and the land proposed for the diversion is 1283.570 Ha
10(f)	The wildlife conservation plan prepared by the project proponent and approved by the MOEF, entails an expenditure of Rs 130.84 Lacs to be incurred by the proponent. Further the proponent has given an undertaking to provide additional funds for the implantation of	The Project Proponent has prepared a Conservation Plan of the endangered fauna found in the area. The detailed presentation was made before the FAC meeting held on 28/29 November 2007. Govt. of India Ministry of Environment &

	REGIONAL Action Plan for conservation of endangered fauna in the area.	<p>Forest has given in principle approval to this while granting Environmental clearance of this project. (Copy of the letter no 11015/310/2006-IA.II(M) dated 11th Dec 20007 OF MoEF is enclosed.</p> <p>The project proponent also undertakes to contribute for implementation of Regional Action Plan for conservation of endangered fauna found in the area as stipulated in the condition No XXI of Environmental Clearance approval of the project by MoEF GOI's letter no 11015/310/2006-IA.II(m) dated 27th Dec. 2008 (Copy enclosed.)</p>
10(g)	The area required for mining will be divided in two phases. The Phase I would be for first five years of mining and would cover an area of approx. 413.80 Ha. The Phase II would be for balance 869.77 Ha of area and would be worked upon after 5 years of commencement of mining operations.	As per the approved Mining Plan to ultimate capacity of the mine is 8.4 Million Tonne per annum which will be achieved on 6 th year onwards. Thus for the Phase-I i.e., for first five years the mining would cover 413.80 Ha.
10(h)	The number of such trees to be felled in Phase I covering first five years of operations as per Mine Plan is approx. 73, 155. the number of trees to be felled in phase II would be approx. 1,46, 309 which would be felled as per Mine Plan between 6-30 years.	As the project area contains 171 tree per ha measuring 60 cms and above girth hence, approx. 71000 trees will be felled during the first five years covering an area of 413.80 Ha.
10(i)	The number of trees to be planted in the ML area in Phase I is approx. 1.11 lacs. It would be pertinent to bring to your kind attention the fact that Compensatory afforestation is proposed over 2600 Ha of land around the mine area. The areas selected for afforestation are under-stocked to blank. The Chief Secretary of Madhya Pradesh has recommended	Agreed. The total forest land required for the project being 1283.570 ha. the project proponent proposes to carry out compensatory afforestation in double the degraded forest area <i>i.e.</i> , 2600 ha. as envisaged in FCA proposal. A detailed CA proposal has been submitted to this effect.

	compensatory afforestation to be taken up in double the degraded forest area of 2600 Ha of the district due to paucity of land. The number of trees to be planted in the CA area in Phase I is approx. 41.60 lacs. Hence the total number of trees to be planted in the ML area and CA area in Phase I is approx. 42.71 lacs.	
10(j)	The felling of trees in Phase II which will start after first five years of operations, will be allowed to be undertaken only after at least twice the number of trees to be felled in Phase I as well as Phase II are physically planted and the success of plantation is verified through independent monitoring and evaluation.	Agreed
10(k)	A far as feasible, the selection of species for compensatory afforestation would be with the consent of the local people keeping in view the native species of the area.	Agreed.

47. It has also been indicated in the enclosures to the State Government of Madhya Pradesh's said letter dated 6.9.2012 containing comments on the submissions made by the MPSCML that for the foregoing reasons the project is in the public interest on the following grounds:
- (i) The coal mined from the block will be mainly used by M.P. Power Generating Company Ltd., for power production. As per Clause 8.1 (xiv) of the JV Agreement 60% of the coal produced from the block will be supplied to MPPGCL at a firm discount of 20% on the notified price of coal in Northern Coalfields Ltd. The remaining 40% of the coal will be sold as per the guideline/policy of the State Government. Hence the principle beneficiary is the State Govt. and the Mining Corporation.
 - (ii) The project would generate about 3000 skilled and unskilled employment opportunities in the area. Apart from this, a huge number of persons will be employed for other ancillary activities on opening of the mining project.
48. Later on the State Government of Madhya Pradesh in the Forest Department vide their letter dated 19.02.2013 (copy along with annexures placed at page 290c to 293c) sent a copy of Energy Department in the State Government of Madhya Pradesh's letter dated 26.12.2012 (copy placed at page 291c) and informed this Ministry that in view of facts that the project being implemented by the MP State Mining Cooperation Ltd. as a lead partner in Joint Venture Government Company and keeping in view the fact that the coal produced from the Amelia coal block would be used largely by State Government Power Plants, the application seeking forest clearance to the project may be processed at the earliest.

49. The following has been indicated in the Energy Department in the State Government of Madhya Pradesh's said letter dated 26.12.2012:
- (i) The Madhya Pradesh Power Generating Company is setting up 2 x 5660 MW capacity Shri Singhaji Thermal Power Plant (second phase). The State Government has decided to provide 60 percent coal produced from the Amelia Coal Block allocated under the Government dispensation. The forest department has submitted application for grant of stage-I approval under the Forest (Conservation) Act, 1980 for diversion of forest land for Amelia Coal block, stage-I forest clearance has not been accorded, so far.
 - (ii) The requisite water and land is already available with the Singhaji Coal Block and the financial closure has also been obtained for the project. Due to non-availability of forest clearance to the Amelia Coal Block, grant of Environment clearance to the project is not being considered by the Ministry of Environment and Forests, which is affecting future progress in implementation of the project. Hence, stage-I forest clearance to the Amelia Coal Block is urgently required.
50. Later on, the General Manger (Operations), the Madhya Pradesh State Mining Corporation Limited vide his letter dated 11.03.2013 informed this Ministry as below:
- (i) They are very grateful that their application for grant of Stage-II Forest Clearance in respect of Amelia (North) Coal Block in Singrauli Basin has been accorded approval by the MoEF, New Delhi.
 - (ii) They have been given to understand that Stage-I Forest Clearances have also been accorded to Chhatrasal and Mahan Coal Blocks which are located on the south side of the Amelia Coal Block. In the changed scenario, the coal blocks both in the north and south of Amelia Coal Block have thus already been cleared by the MoEF New Delhi for undertaking coal mining operations. The Amelia Coal Block is sandwiched between the said coal blocks and therefore, is already a fragmented block from a forest perspective.
 - (iii) The Amelia Coal Block therefore does not serve any purpose from a perspective of wildlife conservation or as a corridor since the entire basin comprising of various coal blocks has been cleared for non-forest activities. Further due to the disturbance on account of such non-forest activities in the vicinity of Amelia Coal Block, the Amelia Coal Block will not help in contributing towards wildlife conservation and hence deserves reconsideration for diversion for undertaking mining operations. This is more so considering the fact that an integrated wildlife conservation plan for all the nine coal blocks in the Singrauli Basin has already been approved by MoEF New Delhi.
51. The General Manger (Operations), the Madhya Pradesh State Mining Corporation Limited in his said letter dated 11.03.2013 requested that in view of the foregoing, we once again request you that our application for diversion of 1283.57 ha. of forest land for coal mining in Amelia Coal Block be cleared at the earliest.

52. Later on the State Government of Madhya Pradesh in their letter dated 20.03.2012 referred to their said letters dated 06.09.2011 and 19.2.2011 and informed this Ministry as below:

- (i) As per the decision taken by the State Government 60 percent of the coal produced from this project will be utilised by the M.P. Power Generating Company.
- (ii) The Government India, Ministry of Environment and Forests in the past has already approved the Comprehensive Indicative Plan for nine coal blocks and Wildlife Comprehensive Plan for the Amelia North Coal Block. Government of India has also accorded approval for Chhatarsal and the Mahan coal blocks. However, in this proposal, stage-I approval has not been accorded so far. It is worth mention that 9 coal blocks included in the Comprehensive Indicative Plan include the Amelia Coal Block.

53. The MoEF after examination of the matter requested the Government of Madhya Pradesh vide letter dated 21st October 2013 to submit the following information:

- (i) Project-wise area of forest land diverted for coal mining in Madhya Pradesh;
- (ii) The projected annual coal production from each coal mine for which approval under the Forest (Conservation) Act, 1980 has already been accorded.
- (iii) Actual annual coal production during last three years from each coal mine for which approval under the Forest (Conservation) Act, 1980 has already been accorded.
- (iv) Details of coal mines for which approval under the Forest (Conservation) Act, 1980 has already been accorded but coal production has not been started so far.

54. Addl. Principal Chief Conservator of Forests (Land Management) and Nodal Officer, Forest (Conservation) Act, 1980 vide his letter dated 28th January 2014 submitted the information sought by this Ministry vide the said letter dated 21st October 2013 as below:

Sl. No.	Name of Project	Area of project (in ha)			Estimated total production (Mill. Tonne)	Yearly approved production (Mill. Tonne)	Year wise Productivity quantity			For case of non production reasons thereof
		Revenue	Forest land	Total			2010-11	2011-12	2012-13	
1	2	3	4	5	7	8	9	10	11	12
1	Jayant	1542	1162	2704	348.90	15.5	15.5	14.11	12.7	Not Applicable
2	Dudhichua	1002	MP-195 UP-555	1752	177.81	15.5	10.5	11.73	12.22 9	Not Applicable
3	Khadiya	293	180	473	297.00	10				Not Applicable
4	Bina Vistar	45	404	449	123.00	6	6	6	6.5	Not Applicable
5	Gorbi Block B	892	447	1339	87.00	3.5	3.545	4	4.375	Not Applicable
6	Nigahi	1776.4	1260	3036.4	483.01	14	12.02	10.858	13.51 5	Not Applicable
7	Amroli	980	1195	2175	314.46	10	5.365	6.581	7.501	Not Applicable

8	Sasan power	72.21	991.81	1064.02	476.00		0	0	0.225	Not Applicable
9.	Amelia North Coal Mine	0	728.75	728.75	70.28	2.8	0	0	0	Mines has Commended on 19.04.2013

55. Comments on feasibility to allow only underground mining in the said mine are as below:

(i) The total Geological Coal Reserve in Amelia Coal Block is 393.59 Million Tones, out of which the Open Castable coal reserve is 214.45 Million Tones in 2 Seams viz. VIII & VII. The Underground mineable coal reserve in 6 coal Seams is 179.14 Million Tones.

(ii) The Seam-wise Geological Coal Reserves is as below:

Seam	Non coking Grade							Total	Category
	A	B	C	D	E	F	G		
VIII	--	--	--	--	0.17	9.20	11.14	20.51	Proved, Opencast mine
VII	--	--	--	28.82	154.55	10.57	--	193.94	
For Opencast Mine								214.45	
VI	--	--	11.88	21.37	0.86	--	--	34.11	UG mine
V(Top)	0.17	7.14	16.49	3.86	--	--	--	27.66	UG mine
V(Bottom)	--	0.19	4.67	3.60	1.11	--	--	9.57	UG mine
IV	--	3.20	14.79	5.13	1.18	0.43	--	24.73	UG mine
III (Top)	--	--	10.68	24.95	7.38	2.43	--	45.44	UG mine
III (Bottom)	--	3.14	27.93	6.56	--	--	--	37.63	UG mine
For Underground Mine								179.14	
Total	0.17	13.67	86.44	94.29	165.25	22.63	11.14	393.59	

(iii) The top 2 Seams viz., VIII & VII are open castable seams. The coal mining activity is to be undertaken in these seams initially. The Underground coal mining operation should be carried out in the 6 Seams to be worked by Underground coal mining method below Seam VIII & VII once these seams have been worked out by Open cast method. If the top two seams are not worked then because of the Underground coal mining working there will be subsidence of all the coal lying above Underground minable coal seams, because of working of Underground coal mining. Due to subsidence the coal of Seam VIII & VII will be subjected to spontaneous combustion and we shall be losing all coal and there shall be environmental problem in the area due to fire. This point was discussed in environmental clearance, meeting in MOEF and committee agreed for mining top seams by open cast method and then bottom seam by underground method.

(iv) Keeping in view the above, it is essential that the top two Seams viz., VIII & VII should be worked out first by open cast method and then only extraction of coal by Underground method should be undertaken. Details of seam-wise geological reserves and net extractable reserves in Amelia Coal Block are as below:

(Figure in million Tones)

Seam	Net Geological	Net Extractable
A. Opencast Working		
VIII	20.51	19.22
VII	193.94	171.54
Sub Total	214.45	190.76
B. Below Ground Workings		
VI	34.11	20.46
V (TOP)	27.66	16.60
V (Bottom)	9.57	--
IV	24.73	14.84
III (TOP)	45.44	27.26
III (Bottom)	37.63	18.04
Sub-Total	179.14	97.20
Grand Total	393.59	287.96

- (v) From the details given in paragraph (iv) above, it will be clear that 88.95% coal is extractable by open cast method and only 54.25% coal is extractable by underground coal mining method. The overall combined (Open cast + Underground) percentage of extraction of coal in Amelia Coal Block will come out to 73.16%.
- (vi) From the details given in paragraph (iv) above, it will be seen that 190.76 Million Tones coal is extractable by open cast method and 97.20 Million Tones is extractable by Underground method. The major chunk of coal extraction is coming from the open cast method and if the coal mining operation is not taken up in the open castable patch then apart from losing open castable coal as explained above the mining operation will not be economical.
- (vii) The sequence of seam-wise mining operation has already been approved in Mining plan by Ministry of Coal New Delhi for working all seams by Opencast & Underground method as detailed above.
- (viii) The basic objective of operating Amelia Coal Block is for supply of coal to meet the requirement of existing Thermal Power Plants of M/s. M.P. Power Generating Company to meet the short fall against supplies from Coal India Subsidiaries for better capacity utilization of Thermal power plants.
- (ix) The coal produced from Amelia Coal Block shall also be supplied to New Thermal Power Plants. Keeping above in view, operation of both opencast mining and underground coal mining is very important.

56. The matter is placed before the Forest Advisory Committee for examination and appropriate recommendations.
