

Agenda No- 3**File No. 8-30/ 2014- FC**

1. Government of Odisha vide their letter dated 10th April 2014 submitted a proposal to obtain prior approval of Central Government under Section 2 of the Forest (Conservation) Act, 1980 for diversion of 43.091 hectares of forest land (including Safety Zone area of 2.080 ha.) in village Kundaposi of Barbil Tahasil in Keonjhar District for mining of Iron Ore in mining lease area over 45.131 hectares by M/s. OCL Iron and Steel Ltd.
2. Details indicated in the proposal submitted by the Forest & Environment Department, Government of Odisha are as below:

FACT SHEET

1.	Name of the Proposal	Diversion of 43.091 hectares of forest land (including Safety Zone area of 2.080 ha.) in village Kundaposi of Barbil Tahasil in Keonjhar District for mining of Iron Ore in mining lease area over 45.131 hectares by M/s. OCL Iron and Steel Ltd.
2	Location:	
	State	Odisha.
	District	Keonjhar
3.	Particular of Forests	
(i)	Name of Forest Division	Keonjhar Forest Division.
(ii)	Area of Forest land for Diversion	41.011 hectares
(iii)	Legal Status of Forest land	Revenue Forest: 11.954 hectares DLC Forest: 29.057 hectares Total: 41.011 hectares
(iv)	Density of Vegetation	0.40

(v)	Species-wise and diameter class wise enumeration of trees	Area proposed for diversion exceeds 10 hectares and in accordance with provision in para. 2.2 (ii) of the guidelines of Forest (Conservation) Act, 1980, sample enumeration has been carried out over 13 sample plots of 1.0 hectare each in the applied virgin forest area of 41.011 ha proposed to be used for mining purpose. In all, 2150 nos. sound of tree 94 nos. of defective trees have been enumerated in the 13 no of sample plots. Besides, 334 nos. of trees below 30 cm girth have also been enumerated in the sample plots or virgin area. Thus as per enumeration report, 13 sample plots having 13.00 hectares area are having 244(2156+94) no. of trees. Considering the data of availability 172 no. of sound` trees (2244/13= 172) and 26 no. of poles (334/13=26) below 30 cm girth in one hectare of forest area, proposed for diversion. Total no. of 7079 trees of above 30cm girth and 1054 no. of poles below 30cm girth is estimated to be present over the total 41.011 hectares of forest land proposed for diversion and may be required to be felled in course of operation of mines.
4.	Vulnerability of area to vegetation	Nil
5	Approximate distance of proposed site for diversion from boundary of forest	The proposed site for diversion is about 5 Kms. distance from the Baitarani Reserve Forest.
6.	Whether forms part of National Park, Wildlife Sanctuary, Biosphere Reserve, Tiger Reserve, Elephant Corridor etc. (if so, the details of the area the comments of the Chief Wildlife Warden to be annexed)	The area does not form part of any National Park/ Wildlife Sanctuary/ Biosphere Reserve. It also does not come under any wildlife corridor. But the area is coming under Elephant Habitat zone-2 as per report of ORSAC. There is movement of wild elephants often noticed in the area.
7.	Whether any rare/ endangered/ unique species of flora and fauna found in the area if so, details thereof.	There is movement of wild elephants often noticed in and around the applied area.
8.	Whether any protected archaeological/ heritage site/ defence establishment or any other important monument	No monuments of any archaeological significance are found in the area.

	is located in the area. If so, the details thereof with NOC from competent authority, if required.	
9.	Whether the requirement of forest land as proposed by the User Agency in col.2 of Part-I is unavoidable and bare minimum for the project. If no, recommended area item-wise with details of alternatives examined.	The forest land of 41.011 hectares (VF -11.954 hectares + DLC 29.057 hectares) proposed for diversion is the minimum requirement for the project.
10.	Whether any work in violation of the Act 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 under progress.	No.
11.	Details of Compensatory Afforestation Scheme:	<p>An area of 41.279 ha. of non-forest Govt. land has been identified in village, Chkradharpur under Harichandanpur Tahasil of Keonjhar district of Odisha in lieu of 41.0114 of forest land proposed to be used for non-forest purpose in Kundaposi Iron Ore Mine of M/s OCL Iron & Steel Ltd. in Keonjhar Forest Division. Land schedule for the identified non-forest land is placed at page 194/DP. As reported by the Pr. CCF, Odisha the Compensatory Afforestation area has been jointly verified by Forest and Revenue Department and the area is found suitable for Compensatory Afforestation. The land suitability certificate of DFQ, Keonjhar, non-encroachment, and non-encumbrance certificate issued by the Tahasildar, Harichandanpur. Keonjhar District have been furnished.</p> <p>The Compensatory Afforestation Scheme has been prepared for RDF plantation for planting 300 nos. of plants per hectare over the entire</p>

		<p>identified area with a total financial—forecast of Rs. 86,08,000/-@ current wage rate of Rs. 150/- per manday with maintenance cost of 10 years. The Scheme has also provision for Soil and Moisture Conservation measures over the entire area.</p> <p>The species selected to be planted under the scheme are Bamboo (<i>Bambusa arundinaceae</i>), Sisoo (<i>Dalbergia latifolia</i>), Amla (<i>Emblica officinalis</i>), Acacia (<i>Acacia auriculiformis</i>), Chakunda (<i>Cassia-fiorida</i>), Neem (<i>Azadirachta indica</i>), Gambhar (<i>Gmelina arborea</i>), Assan (<i>Terminalis tomentosa</i>) & Arjun (<i>Terminalia arjuna</i>) etc. The Addl. Pr. CCF (Forest Diversion) & Nodal Officer, FC Act has accorded technical approval to the CA scheme. A copy of duly approved CA scheme is appended to the- DP The user agency has furnished an undertaking to pay cost of compensatory, afforestation and differential cost on this count. if any.</p>
12.	Recommendation	
	DFO	<p>User agency has applied for diversion of forest land of 41.011 hectares (Village Forest -11.954 hectares + DLC Forest 29.057 hectares) within the applied mining hold area of 45.131 hectares. It is recommended for seeking approval from Government of India, MoEF under section 2 of the Forest (Conservation) Act, 1980 (Amended).</p> <p>The user agency shall bear the expenses for preservation and protection of forests and Wildlife @ one man-day daily for the entire lease period and share the hire charges of vehicle engaged in protection duty with other mine owners as would be decided by the Divisional Forest Officer during the total lease period.</p>
	Regional CCF	<p>Proposal for diversion of 43.091 hectares (including safety zone – 2.080 hectares) of forest land (VF area – 12.594 hectares + DLC -30.497 hectares = 43.091 hectares) is</p>

	recommended in favour of Kundaposi Iron Ore Mines by M/s. OCL Iron & Steel Limited for approval under Forest (Conservation Act, 1980 (Amended) subject to standard stipulations.
PCCF	Recommended for diversion of 43.091 hectares of forest land including Safety Zone area over 2.080 hectares for Iron ore mining in village Kundaposi under Barbil Tahasil of Keonjhar District under Keonjhar Forest Division in favour of M/s. OCL Iron and Steel Ltd.
State Govt.	Recommended for diversion of 43.091 hectares of forest land (including Safety Zone area of 2.080 hectares) in village Kundaposi under Barbil Tahasil in Keonjhar District, Odisha for mining of Iron Ore in mining lease area over 45.131 hectares by M/s. OCL Iron & Steel Ltd.

3. Government of Odisha in their said letter dated 11th April 2014 submitted following additional information pertaining to the above proposal:

- (i) M/s OCL Iron & Steel Ltd. is a Company incorporated under the provisions of the companies Act, 1956 on 20.02.2006. The certificate of Incorporation issued by the Register of Companies, Orissa, Cuttack and Memorandum of Association of the Company are enclosed. The Company has DRI (Direct Reduce Iron) method manufacturing unit at village Lamloi of Rajgangpur in Sundargarh district. M/s OCL Iron and Steel Ltd. had filed an application for grant of a Iron ore mining lease from the State Government of their captive use in the above mentioned Plant with an area of 45.131 ha. in village Kundaposi of Barbil Tahasil in Keonjhar District, Odisha.
- (ii) The Govt. of Odisha in Department of Steel & Mines vide their letter No. III (A) SM -46/02-8556 /SM dated 23.12.2008 and No. 896 dt. 4.02.2009 have granted the conditional mining lease over 45.131 ha for a period of 20 years. As per condition No. (iv) of the conditional grant order, the user agency is required to submit forest clearance under forest Conservation Act, 1980 and Environmental clearance under the Environment (Protection) Act, 1986. Details of boundary description of the proposed lease as confirmed by the Director of Mines, Odisha are enclosed.
- (iii) The proposed mining lease area Kundaposi Iron ore mines of 45.131 ha. Conditionally granted in favour of the user agency is comprised 12.594 ha. of Revenue Forest land, 30.497 ha. of DLC Forest land (total forest land 43.091 ha) and 2.040 ha. of non-forest land. The land schedule of the total ML area indicating

forest kism land specifically duly singed by the Revenue and Forest authorities is furnished in the proposal. In order to get the lease assigned in its favour, the user agency has filed proposal for diversion of entire 43.091 hectares of forest land coming within the proposed lease area.

- (iv) According to the approved Mining Plan, mineable iron ore reserve in this mine has been estimated to be 6.227 MT. The production of iron ore as envisaged in the Mining Plan for first five years is 1.997 MT and for the next 8 years to be 4.23MT. Thus life is of mines would be around 13 years.
- (v) The proposed Mining leas area has been delineated in Survey of India Top sheet No. 73 G/5 and finds place within latitude 21° 52' 47" to 21° 53' 40" (North) and longitude 85° 25' 00" to 85° 25' 03" (East). The applied area does not form part of any National park/Wildlife Sanctuary/Biosphere reserve /Tiger Reserve. There is no archaeological monument within the applied area. The total cost of this project is Rs. 19.00 Crores.
- (vi) This project will generate direct employment for 215 nos. of persons and indirect employment for 2000 persons.
- (vii) The proposed mining lease area Kundaposi Iron ore mines of 45.131 hectares conditionally granted in favour of the user agency is comprised 12.594 hectares of Revenue Forest land, 30.497 hectares of DLC Forest land (total forest land 43.091 ha.) and 2.040 hectares of non-forest land.
- (viii) The purpose – wise break –up of the total land required for the project is as under:

Sl. No.	Pattern of Utilization	Forest land (in ha)			Non – forest (In ha.)		Grand Total
		Village for (Revenue Forest)	DLC for land	Total Forest	Private	Govt.	
1.	Mining	11.104	20.404	31.508	0.291	1.561	33.360
2.	Top soil	0.100		0.100	---	---	0.100
3.	Dumping overburden	0.600	2.500	3.100	---	---	3.100
4.	Sub-grade Ore	---	2.500	2.500	---	---	2.500
5.	Storing of minerals	---	1.000	1.000	---	---	1.000
6.	Processing Plant	---	1.000	1.000	---	---	1.000

7.	Infrastructure	---	1.000	1.000	---	---	1.000
8.	Construction of railway siding etc.	0.150	0.653	0.803	---	---	0.803
9.	Sub – Total	11.954	29.057	41.011	0.291	1.561	42.863
10.	Safety Zone	0.640	1.440	2.080	0.024	0.164	2.268
	Grand Total	12.594	30.497	43.091	0.315	1.725	45.131

- (ix) Tree species which are commonly noticed in this area are *Sal (Shorea robusta)*, *Kurum (Mitragyna parviflora)*, *Asan (Terminalis tomentosa)*, *Kendu (Diospyros malabarica)*, *Jamu (Syzygium cumini)*, *Kusum (Sleichera oleosa)*, *Mahul (Madhuca longifolia)*, *Bara (Ficus bengalensis)* and other Misellanceus species. Sal is the predominant species.
- (x) The wild animals such as Monkey (*Macaca mulatta*), Fox (*Valpes bengalensis*), Jackal (*Canis aurius*), Rabbit (*Oryctolagus cuniculus*) and snake are noticed in the area. This area is coming under Elephant habitat Zone -2 as per report of the ORSAC. However movement of wild elephant is often noticed in and around the applied area. No rare or endangered flora or fauna is however, noticed in this area as per site inspection report of DFO, Keonjhar Division and RCCF, Rourkela.
- (xi) The area does not form a part of National Park/Wildlife Sanctuary/Elephant corridor. However, due care has to be taken for conservation of Wildlife available in the area. For this purpose, a comprehensive wildlife Management Plan covering the entire mining belt of Bonai & Keonjhar Division has been prepared. Hence, the User Agency is required to contribute @ Rs.43,000/- per hectare for the total mining leasehold area as per revised norm approved by Govt. of Odisha for implementation of the approved Plan. Further, Site Specific Wild Life Conservation Plan for the leasehold area as well as its impact area is to be prepared by the user agency. This Plan shall be approved by the Principal Chief Conservator of Forests (Wildlife) CWLW, Odisha for its implementation as project cost. The user agency furnished undertaking to deposit the proportionate cost of Regional Wildlife management Plan for Keonjhar-Bonai region and cost of Site Specific Wildlife Conservation.

- (xii) The total benefit of this proposal comes to Rs.117.02 crores. The loss on account of the project including environmental loss N.P.V. cost and other mandatory payments comes to Rs.5.9994 Crores. Hence, the cost benefit-ratio comes to 1: 19.50.
- (xiii) An area of 2.268 ha. comprising 2.080 ha. Forest Land (DLC forest 1.44ha + forest 0.64) and 0.188 ha. of non-forest land (Private-0.024 + Govt. non-forest 0.164) has been earmarked to be maintained as Safety Zone within the Mining lease area The safety zone area is to be maintained as Safety Zone area is to be maintained as a green Belt with width of 7.5mts. around the ML area. Besides this, the user agency is also required to take up afforestation over an area of 1.5 times of forest area coming within the safety zone elsewhere. The User Agency has furnished an undertaking to bear the cost of maintenance of Safety Zone and cost of Afforestation over 1.5 times the safety zone area in, degraded forest land.
- (xiv) The project requires prior environment clearance as per EIA Notification, 2006 under Environment Protection Act, 1986. Also the Consent to Establish/Operate order of State Pollution Control Board is also required for this project. The user agency has applied for Environment Clearance. The user agency has taken steps for obtaining environmental clearance for the project. The State Level Expert Appraisal Committee of the State of Odisha vide letter No.218/SEAC-68 dt.22.01.2010 has prescribed Terms of References (ToR) for this project seeking ETA report The State Environment Impact Assessment Authority (SEIAA) has also recommended this project for grant of environmental clearance subject to Stage-I forest clearance.
- (xv) The User Agency has furnished a Phased Reclamation Plan with Afforestation Scheme. The user agency has furnished the Map of reclamation plan (. An undertaking by the User Agency for execution of the Plan is also enclosed.
- (xvi) The Mining Scheme with progressive Mine Closure Plan has been approved by the Indian Bureau of Mines vide their letter No.MP/OTF.MECH/10-ORI/BHU/2009-10 dt.24.08.2009. According to the approved Mining Plan, mineable iron ore reserve in this mine has been estimated to be 6.227MT. The production of iron ore as envisaged in the Mining 'Plan for first five years is 1.997MT and for the next 8 years to be 4.23MT. Thus life of mines would be around 13 years. The copy of approved Mining Plan with progressive Mine closure Plane is enclosed with the DP in a

separate volume.

(xvii) No violation of F.C. Act has been reported by Divisional Forest Officer, Keonjhar Forest, Division and RCCF, Angul in their Site Inspection Report.

(xviii) The project does not involve displacement of any human habitation.

(xix) The proposed mining lease area Kundaposi Iron ore mines of 45.131 ha has total forest land 43.091 ha which includes 41.01 ha. of forest land for mining and allied activities and 2.080 ha forest land coming within the safety zone. The collector, Keonjhar has furnished detailed compliance required under the FRA circulars mentioned above in two phases. Collector has certified compliance regarding 41.011 ha of forest land as per FRA circular dt. 3.8.2009 on 24.11.2010 (page 125/DP). Other documents like Gram Sabha resolution dt 6.6.2010 of Kundaposi village and its English version are enclosed at page 126-136/DP. Similarly, the Collector, Keonjhar has furnished required compliance of FRA circular dt. 5.7.2013 vide his certificate dt. 5.9.2013 pertaining to 2.080 ha of forest land located within the safety zone. Gram Sabha resolution dt. 5.12.2012 of Kundaposi village along with English version of Gram Sabha resolution proceedings of DLC and SDLC which are appended to the DP.

(xx) As per the certificates issued by the collector, Keonjhar and chairman DLC, it is revealed that no primitive Tribal Groups and Pre-Agricultural-Communities are occupying forest land and further no such facilities managed by Government requiring diversion of forest land under section-3(2) if FRA-2006 exist over the forest area of 43.091 ha proposed for diversion.

(xxi) In compliance to the circular No.F.No-11-9/98-FC dated 08.07.2011 of Ministry of Environment and forest, government of India to ensure accurate delineation of the forest area proposed for diversion under Section-2 of forest (Conservation) Act, 1980, the user agency has submitted the required digital geo-referenced boundary map duly verified by ORSAC and authenticated Divisional forest officer, Keonjhar forest division along with the soft copy.

(xxii) Net Present value for forest land is payable in this project. The user Agency has also furnished an undertaking to pay the NPV for the area proposed for diversion

4. Government of Odisha in their letter dated 11th April 2014 informed that In view of the above position the government of India MoEF may kindly examine the proposal for diversion of 43.091 ha of forest land (including safety zone area of 2.080 ha) in village Kundaposi of Barbil Tahasil in Keonjhar district for mining of iron ore in mining lease area over 45.131 ha by M/s OCL Iron & Steel Ltd. and convey their approval in favour of the project to this department under section 2 of the forest conservation Act, 1980 subject to the following conditions:

- (i) The user agency shall pay the evaluated royalty of trees enumerated before commencement of work on Stage-II approval and tree felling should be taken up in phases strictly as per requirement under the supervision of the divisional forest officer Keonjhar forest Division.
 - (ii) Forest area earmarked as safety zone around the ML area shall be demarcated by posting of pillars of appropriate length, protected, fenced, afforested at project cost. In no circumstances, the area earmarked as 'safety zone, shall be utilized for any other purpose
 - (iii) The user agency shall undertake demarcation of the lease area on the ground posting six feet high cement concrete pillars embedded two feet inside the soil and 4 feet above the ground with serial number, forward and backward bearings, and distance from Pillar to pillar. The user agency shall also submit the map of lease area showing different kinds of forest land using DGPS survey datas and latitude and longitude of each pillar to the Divisional Forest Officer, Keonjhar for his reference before commencement of work on to, final forest clearance.
 - (iv) The user agency shall pay the proportionate cost of implementation of Regional wildlife Management Plan. They shall also pay towards cost of implementation of Site Specific Conservation Plan duly approved by the CWLW, Odisha.
 - (v) Project proponent needs to have environmental clearance of MoEF and Consent to Establish/Operate from State Pollution Control Board, Odisha for operationalising the project with all other statutory clearances.
 - (vi) User Agency has to execute Phased Reclamation Plan at their cost.
 - (vii) The user agency shall take up plantation over 1/3 of its Industrial area. The DFO, Rourkela shall supervise the plantation work and furnish certificate regarding coverage of plantation over 1/3 area of industrial area of project proponent.
4. The proposal is placed before the Forest Advisory Committee for their examination and appropriate recommendations.
