

**AGENDA ITEM NO.**

**F. No. 8-5/2015-FC**

**Sub: Diversion of 199.1720 ha of forest land, including 2.2001 ha for safety zone, in favor of M/s. Tata Steel Ltd. for iron ore mining and allied activities in Katamati Mines in Deojhar & Thakurani Reserved Forest under Keonjhar Forest Division in Keonjhar district in the State of Odisha – regarding.**

1. The State Government of Odisha vide their letter No. 10F (Cons)-136/2014/102/F&E dated 01.01.2015 submitted the above mentioned proposal seeking prior approval of the Central Government under Section-2 of the Forest (Conservation) Act, 1980.
2. The facts related to the proposal as contained in the State Government's letter dated 01.01.2015 are given below in the form of fact sheet:

**FACT SHEET**

1.	Name of the Proposal	<b>Diversion of 199.1720 ha of forest land, including 2.2001 ha for safety zone, in favor of M/s. Tata Steel Ltd. for iron ore mining and allied activities in Katamati Mines in Deojhar &amp; Thakurani Reserved Forest under Keonjhar Forest Division in Keonjhar district in the State of Odisha</b>
2.	Location (i) State (ii) District	Orissa. Keonjhar.
3.	Particulars of Forests: (i) Name of Forest Division and Forest area involved.  (ii) Legal status/Sy.No.  (iii)Map	Keonjhar Forest Division, 196.9719 ha  Thakurani R.F.-57.5520 Ha. K.F.-141.6200 Ha. D.L.C.-Nil  SOI Toposheet – Pg-478/c Digital DGPS map- Pg-479/c Forest Cover map- Not enclosed (may not be insisted in view of fact that DSS is in place) Land Use Plan – 470-477/c.
4.	Topography of the area	-
5.	(i) Geology (ii) Vulnerability to erosion	- Not Mentioned in the proposal
6.	(i) Vegetation (ii) Density  (iii) No. of trees to be felled	0.45 in virgin Forest & 0.05 in Broken up Forest area.  i. 986 trees of all girth classes in the broken up land of 31.1791 ha ii. 9686 trees of all girth classes unbroken area

		<p>of 165.7928 ha  Total - 10,672 trees of all girth classes.  However, the site inspection report of the Conservator of Forests mentions the number of trees to be felled as 49,648.  Abstract of tree enumeration is available at page pg 397-398/c.</p>
7.	Whether area is significant from wildlife point of view	Not Reported
8.	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 to be annexed)	The area does not form part of any National Park/Sanctuary/Biosphere reserve. It also does not come under any wild life 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 nearby area.
9.	Whether any RET species of flora and fauna are found in the area. If so details thereof	There is no rare and endangered species reported in the area and it is also not important from archeological point of view.
10.	Approximate distance of the proposed site for diversion from boundary of forest.	Not reported in the proposal.
11.	Whether any protected archaeological/ heritage site/defence establishment or any other important monuments is located in the area.	Not reported.
12.	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.	The lease area includes forest land as well as non-forest land. The lessee does not have forest clearance under F.C. Act, 1980 from Govt. of India, Ministry of Environment & Forests. As the area includes both forest and non-forest land and there was no F.C. Act clearance for forest land, closure notice was issued vide this office letter no. 6672 dated, 09.12.2009. The closure notice was issued, as the forest and non-forest land were not clearly demarcated in the field. Accordingly joint verification of Katamati Iron Mines of TATA Steel was taken up by the Tahasildar, Barbil, Range Officer, Barbil and Chief Surveyor of DDM, Joda. From the Joint verification report, it is ascertained that though the mining operation was confined to non-forest area other ancillary activities such as dumping of overburdens, creation of roads for transportation of minerals etc. have been done on Gramya Jungle plot No. 118 and other forest area.
13.	Whether the requirement of forest land as proposed by the user agency in col. 2 of Part-I is unavoidable and barest	Not Reported

	minimum for the project, if no recommended area item-wise with details of alternatives examined.	
14.	Whether clearance under the Environment (protection) Act, 1986 is required?	Yes Details in Annexure-XI (pg326/c)
15.	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.	The Non-forest land to the extent of 165.7930 ha has been identified in the village Kaliapal of Barbil Tahasil within limit of Champua range of Keonjhar Forest division for raising Compensatory afforestation. RDF Plantation is proposed to be taken up over total area of 165.7930 ha. (pg376/c)
	(ii) Map showing non-forest/degraded forest area identified for CA and adjoining forest boundaries.	Not submitted. DGPS map of the area identified for CA is also required to be submitted.
	(iii) Detailed CA scheme including species to be planted, implementing agency, time schedule, cost structure, etc.	Detail CA Scheme has been attached at Annexure IV. However Scheme is submitted for 4 year only despite of 10 years. (pg 376-391/c)
	(iv) Total financial outlay for CA	The Compensatory Afforestation Scheme has been prepared by DFO, Keonjhar over 165.7928 ha in RDF Plantation with a total financial forecast of Rs 1,44,52,000/- @ current wage rate of Rs. 150/- per manday with maintenance cost of 10 years. However, the State Government in their forwarding report has reported that Compensatory Afforestation Scheme has been prepared by DFO, Keonjhar over 165.7928ha. in RDF Plantation with a total financial forecast of R.s.1,44,52,000/- @ current wage rate of Rs. 150/- per manday with maintenance cost of 10 years.
	(v) Certificate from the competent authority regarding suitability of the area identified for CA and from management point of view.	Not enclosed.
16.	Catchment Area Treatment	NA
17.	Rehabilitation of Oustees a) No of families involved b) Category of families c) Details of rehabilitation plan	Nil Nil NA
18.	Compliance of Scheduled Tribe and Other Traditional Forest	Compliance of Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest

	Dwellers (Recognition of Forest Rights) Act, 2006	<p>Rights) Act, 2006 have been submitted in accordance with the MoEF&amp;CC's advisory dated 3.08.2009.</p> <p>The District Collector, Keojhar, vide his certificate dated 8.06.2010 (pg 441/c), in the format prescribed by MoEF&amp;CC, in respect of 196.9719 ha of forest land stating that complete process for identification and settlement of rights has been carried out. The District Collector has also certified the information in respect of all clauses of the MoEF's advisory dated 3.08.2009 i.e. diversion of forest land for facilities managed by the Government and safeguarding the rights of Primitive Tribal Group and Pre-Agricultural Communities as required under the Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, discussion on the proposal in meeting of concerned Gram Sabha maintaining the prescribed quorum, etc. The concerned Gram Sabha (Deoghar) has recorded their consent for the proposal in its resolution (Pg 446, 455/c). Documentary evidences in support of settlements of rights under the Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 may kindly be seen at Pg 441-455/c.</p> <p>However, certified copy of the English version of the resolution of concerned Gram Sabha has not been submitted along with the compliance of the FRA, 2006.</p>
19.	Total Cost of the Project	Total cost of expansion of Katamati Iron Mine project is Rs. 45 Crores upto the Production level of 5 million tonnes per annum.
20.	Employment Potential	Total 175 (115 direct employment and 60 indirect employment)
21.	Cost benefit Analysis	1:12.54 (Pg- 249/c) Cost benefits analysis appears to be incomplete as the parameters for evaluation of benefits of the projects have not been provided in the proposal.
22.	Details of Mining lease	
	i. Name of the Mine	Katamati Iron ore Mine
	ii. Nature of Mine	Open Cast
	iii. Name of the User Agency	M/s Tata Steel Limited
	iv. Nature of User Agency	Private Sector Undertaking
	v. Total lease area	40.3.3238 ha
	vi. Forest Area	199.172 ha
	vii. Non-forest area	204.1518 ha
	viii. Date of Grant of original mining lease	17.01.1933 to 16.01.1963 over an area of 12.17 Sq Km

	ix. 1 <sup>st</sup> and subsequent renewals	<p>i. 17.01.1963 to 16.01.193 over 12.17 Sq miles</p> <p>ii. 17.01.1983 to 16.01.2003</p> <p>During second renewal the lease blocks were separated forming three separate leases. The details of the three leases are as follows:</p> <p>a) Katamati:403.3238 ha.</p> <p>b) Jodawest :1437.719ha.</p> <p>c) Khondbond:1293.433 ha</p> <p>iii. 3<sup>rd</sup> renewal of the lease was applied on 5.9.2001 for 20 years over 403.3238 ha w.e.f. 17.1.2003. The 3<sup>rd</sup> renewal application, in light of provisions contained in the Mines and Minerals (Development and Regulation) Amendment Act, 2015 is not required. The relevant provisions of the said Act are reproduced as below:</p> <p><i>“Section 8A (3) All mining leases granted before the Commencement of the Mines and Minerals (Development and regulation) Amendment Ordinance, 2015 shall be deemed to have been granted for a period of 50 years.”</i></p> <p><i>“Section 8A (6) Notwithstanding anything contained Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended upto a period ending on 31<sup>st</sup> March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.”</i></p>
	Detail of forest area approved under the Forest (Conservation) Act, 1980 earlier	Nil.
23.	<p>Recommendation</p> <p>i. DFO</p> <p>ii. CCF</p> <p>iii. Nodal Officer</p> <p>iv SG</p>	<p>Recommended (pg-239/c)</p> <p>Recommended (pg-240/c)</p> <p>Recommended (pg-244/c)</p> <p>Recommended (pg-245/c)</p>
24.	<p>District Profile</p> <p>(i) Total Geographical area of the district</p> <p>(ii) Total Forest area/Divisional Forest area</p>	<p>830300.000 Ha.</p> <p>336615.6293 Ha.</p>

(iii) Total area diverted since 1980	8657.9307 Ha. (60 Nos)
(iv) Total CA stipulated since 1980	
a. Forest land including penal CA	C.A. = 615.2734 Ha.
b. Non Forest Land	P.C.A. = 2588.1020 Ha.
(v) Progress of Compensatory Afforestation	=7561.1988 Ha.
a. Forest land	C.A. =610.2734 Ha.
b. Non Forest land	P.C.A. = 2588.1020 Ha.
	= 4559.5591 Ha.

## 5. Specific recommendations of the authorities in the State Government

- (i) **Recommendation of the DCF** – The user agency has submitted diversion of 196.9719 ha. (virgin Forest land of 165.7928 ha. & Broken up forest land of 31.1791 ha.) of forest land (excluding 2.2001 ha. Of Safety zone) for the mining project. It is recommended that, the proposal may be forwarded for approval a sper provision under section 2 of Forest (Conservation) Act, 1980 (Amended) with the following stipulations.

The user agency shall bear the expenses for preservation and protection of Forests and wildlife @ two 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. Hence recommended for diversion (Pg /c)

- (ii) **Chief Conservator of Forests** – The diversion proposal for 196.9719 ha. of forest land (Village Forest -165.7928 ha+ Broken up land-31.1791 ha.) within the Mining lease area over 403.3238 ha. In Katamati Iron Mines by M/s TATA Steel Ltd may be considered for approval under Forest (Conservation) Act, 1980 (Amended), subject to standard stipulations.

- (iii) **Nodal Officer-Cum Addl. PCCF** – Recommended for approval.

- (iv) **State Government** – Recommended.

6. The project proponent has submitted an undertaking to bear the cost of compensatory afforestation. (Pg-252/c)
7. The project proponent has submitted an undertaking to bear the cost of Net Present Value. (Pg-252/c).
8. In addition to the above the State Government has submitted following additional facts related to the proposal:

### i. **Wildlife Management**

Though the area does not form a part of any National Park/Wildlife Sanctuary/ Elephant Corridor, yet due care is to be taken for conservation of wildlife available, especially the wild elephant in the area and improvement of their habitat. Hence, the user agency has to pay @ Rs.43,000/- per hectare for the total mining leasehold area at revised rate fixed by the State Government. Further, the

lessee has to bear the cost of site-specific Wildlife Management Plan as per approval of CWLW, Odisha. The user agency has furnished an undertaking to bear the cost of Wildlife Management which is enclosed as Page -22/DP .

## **ii. Tree Enumeration**

As the area proposed for diversion exceeds 10 ha, in accordance with provision of Para 2.2 (ii) of the guidelines of Forest (Conservation) Act, 1980, sample enumeration has been carried out over 33 sample plots of 1.0 ha each in the applied virgin forest area of 165.7928 ha. In all, 5593 nos. of normal trees, 4093 nos. of defective trees above 30 cm girth have been enumerated in 33 nos of sample plots of virgin area. By extrapolating this figure over 165.7928ha. of virgin area, the total no. of trees above 30 cm girth comes to 48662 no. Similarly, 986 no. of trees above 30 cm girth have been enumerated over the broken up forest land of 31.179 lha. The abstract of tree enumeration over broken up forest land and virgin forest land applied for diversion are at page 152 and 153 of DP respectively. Therefore in all, 49648 no. of trees have been enumerated over forest land applied for diversion which may be required to be felled for mining purpose. The density of vegetation over the broken up forest land is reportedly is 0.05 and in virgin forest land is 0.45. The user agency is required to fell the trees in phases strictly as per requirement with prior permission of Divisional Forest Officer after forest clearance is accorded under FC Act, 1980.

## **iii. Safety Zone**

An area of 5.3349ha. including 2.2001 ha ( R.F.-0.9147 ha & K.F. — 1.2854 ha) of forest land has been earmarked to be maintained as safety zone within the mining lease . The user agency has furnished an undertaking to bear the cost for afforestation of degraded forest area over 1.5 times the safety zone area( P-22/DP).

## **iv. Environmental Clearance**

The Public hearing for this project was conducted on 2.2.20013. The copy of the proceedings of public hearing is at page 126-131/DP. Environmental clearance for the project has been accorded by Got, MoEF vide letter No. J- 11015/120/2003- 1A.11 (M) dated 06.5.2005 for enhancement of production from 2477 TPA to 2.0 MTPA ( Page-103-107/ DP). The State Pollution Control Board, Odisha has granted Consent to Operate in favour of this project vide their letter dated 4.4.2011, which is valid till 31.3.2016 (Page 94-1022/DP).

## **v. Mining Plan**

The Mining Plan of Katamati Lease for the period from 2001-02 to 2007-08 was approved by the Controller of Mines(Central Zone) vide letter No. 314(3)/2000-MCCMOMP-14 dated 6.7.2001. The Modification of Mining Plan with Progressive Mines Closure Plan for this mine was approved by the Control of Mines(Central Zone) for the period from 2006-07 to 2007-08 vide letter No. 314(3)/2007-MCCM©/MP-2 dated 19.7.2007. The First Review of Mining Plan and Scheme of Mining was approved by Controller of Mines(Central Zone) vide letter No. 314(3)/2009-MCCM(CZ)/MP-19 dated 29.9.2009 for the period from 1.4.2008 to 31.3.2013. The 2<sup>nd</sup> Review of Mining Plan and Scheme of Mining for the year 2013-14 to 2017-18 of this lease by the Controller of Mines, IBM vide his letter dated 15.4.2013. It has been indicated at page 16/DP that total mineable reserve in this lease is to the order of 81.96Million tonnes out of which approximately 55.78million tonnes

occurs in the forest land. The copy of approved Scheme on mining with Progressive Mining Closure Plan (PMCP) is enclosed in a separate volume.

**vi. NPV**

NPV is applicable to this project. It has been reported that the user agency has deposited Rs. 18,70,22,508.00 @ Rs.9,39,000.00 per ha for the total forest land over 199.1720 ha involved in the mining lease. The copy of the demand notice and payment details intimated by DFO Keonjhar Division is enclosed at Page- 210-213/DP. The user agency has also submitted undertaking to pay NPV which is enclosed at Page- 22/DP. The Basic Information in respect of Keonjhar Forest Division, Keonjhar district and the State of Odisha are enclosed to DP 214-216/DP respectively. The Site Inspection report of the Divisional Forest Officer, Keonjhar and Regional Chief Conservator of Forests, Rourkela are at page 149-151/DP and 14-16/DP respectively.

8. In view of the above position, the Government of India, MoEF&CC may kindly examine the proposal for diversion of 199.1720 ha of forest land including 2.2001 ha for safety zone for mining and allied activities in Katamati Iron Ore Mines of M/s. Tata Steel Ltd. located in village- Deojhar & Thakurani Reserved Forest under Keonjhar Forest Division of Keonjhar district, Odisha during 3<sup>rd</sup> renewal of mining lease period 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 data and latitude and longitude of each; pillar to the Divisional Forest Officer, Keonjhar for his reference before commencement of work on 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. User Agency has to execute Phased Reclamation Plan at their cost.
  - vi. Penal measures as would be imposed by MoEF, shall be complied with by the lessee.
  - vii. Required compliance of FRA guidelines of MoEF regarding 2.2001 ha of forest land coming within the safety zone is to be furnished by the Collector, Keonjhar.

**SITE INSPECTION REPORT, REGIONAL OFFICE, BHUBANESWAR**

**Date of Inspection:** 24<sup>th</sup> February, 2015 to 27<sup>th</sup> February, 2015



## Name & Designation of Inspecting Officer

- i. Shri Suman Mohapatra, CF (Central)
- ii. Shri P. N. Rout, Range Officer, Barbil,
- iii. Shri P. R. Satpathy, Chief Joda east,
- iv. Shri Debashis Jena, Chief Noamundi
- v. Shri R.P. Mali, Head Planning, OMQ, Noamundi
- vi. Shri A. P. Mohanty, Resident Executive, Bhubaneswar

The CF (Central) vide his letter no. 5-ORA234/2015-BHU dated 10.04.2015 submitted the site inspection report to this Ministry. Facts reported by the Regional Office in its site inspection report are given as under:

1. As reported by the DFO, Kenjhar Division, the legal status of the forest land consisted of 57.5520 ha of Thakurani RF, 141.6200 ha of K. F.
2. Purpose wise break-up of the land requirement is as under –

S.No	Forest area required for diversion (in ha)							Non forest land				
	Pattern of utilization	Broken up prior to 25.10.1980			Forest land proposed for diversion			Total forest land	Non Forest land utilized (in ha)	Non Forest land to be utilized	Total non forest land (in ha)	Grand Total
		R.F	K.F	Total	R.F	K.F	Total					
1.	Mining	3.5160	14.0862	17.6022	48.3539	105.6619	154.018	171.6180	18.7789	107.4866	126.2655	297.883
2	Storing of Mineral/Ore	-	-	-	-	-	-	-	1.000	0.9000	2.0000	2.0000
3	Dumping O.B./Slime disposal	-	5.1434	5.1434	-	6.0000	6.0000	11.1434	29.3141	18.2000	47.5141	58.6575
4	Storing Tools & Machineries	-	-	-	-	-	-	-	-	-	-	-
5	Constriction of Building Power Station Workshop etc	-	-	-	-	5.7770	5.7770	5.7770	7.3299	9.7076	17.0.75	22.8145
6	Township/Housing Colony	-	-	-	-	-	-	-	-	-	-	-
7.	Constriction of Road, Rope way, Rly line etc.	4.7674	3.6661	8.4335	-	-	-	8.4335	3.000	5.1999	8.1999	16.6334
	Total	8.2834	22.8957	31.1791	483539	117.4389	165.7928	196.9719	59.229	141.4941	201.071	397.988
	Safety Zone	-	-	-	0.9147	1.2854	2.2001	-	3.1348	3.1348	5.3349	
	Grand Total	8.2834	22.8957	31.1791	49.2686	118.7243	167.9929	199.1720.	59.229	144.6289	204.1581	403.323

3. With regards to construction of buildings (including residential) in the project area, the Regional Office has referred the purpose wise breakup of the land as indicated above.
4. Total cost of the project at present rates is 45 crores.
5. Total cost of this project is about Rs. 45.00 Crores.

6. With regards to the **Wildlife in the area the Regional Office has reported that** the wild animals noticed in the area are mostly spotted deer, Wild boar, Barking deer, Monkey, Python, Rabbit and Elephant. 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.

With regards to importance of the area from the **wildlife point of view or not, it is reported that though** the area does not form a part of any National Park/Wildlife Sanctuary/Elephant Corridor, due care is to be taken for conservation of wildlife available, especially the wild elephant in the area and important of their habitat. Hence, the user agency has to pay @ Rs. 43.000/- per hectare for the total mining leasehold area at revised rate fixed by the State Government. IT is informed that DFO. Keonjhar has not yet raised the demand for payment of the balance amount. However, the user agency has furnished an undertaking to bear the cost of Wildlife Management Plan as per approval of CWLW, Odisha, when the demand is raised by DFO, Keonjhar for payment.

7. The Regional Office has further reported that **density of vegetation appears to be about 0.5 in virgin forest area.**

**Regarding felling of trees, the Regional Office has reported that** since the area proposed for diversion exceeds 10 ha, in accordance with provision of Para 2.2 (ii) of the guidelines of Forest (Conservation) Act 1980, sample enumeration has been carried out over 33 sample plots of 1.0 ha each in the applied virgin forest area of 165.7928 ha. In all, 5593 nos. of normal trees, 4093 nons. Of defective trees above 30 cm girth have been enumerated in 33 nons. Of sample plots of virgin area. By extrapolating this figure over 165.7928 ha of virgin area, the total no. of trees above 30 cm girth comes to 48662 no. Similarly, 986 no. of trees above 30 cm girth have been enumerated over the broken up forest land of 31.1791 ha. Therefore in all, 49648 no. of trees have been enumerated over forest land applied for diversion which may be required to be felled for mining purpose. The user agency is required to fell the trees in phases strictly as per requirement with prior permission of Divisional Forest Officer after forest clearance is accorded under FC Act, 1980.

**Regarding effect of removal of trees on the general ecosystem in the area, it is indicated in the report that** as there is large number of trees to be felled, it will naturally adversely affect the general eco-system in the area. **Important tree species in the area** are Sal, Sisoo, Kurum, Gambhar, Dhala, Kendu, Jamun, Asan, Char, Mahul, Neem, etc.

- i. **Number of trees of girth below 60 cm is** 31179 (virgin area) and 526 (broken up forest area)
- ii. **Number of trees of girth above 60 cm is** 17483 (virgin area) and 460 (broken up forest area).

8. **In the background note relating to the proposal, the Regional Office has reported that** originally the Katamati Iron mining lease was granted by Ruling Chief of Keonjhar Estate in favour of M/s Tata Iron and Steel Company Ltd.(TISCO) over an area 12.17 Sq. Miles for a period of 30 years w.e.f. 17.01.1933 to 16.01.1963. the lease deed was executed on 20.11.1933. The lease was consisting of three blocks i.e. Block-A (Katamati), Block-B (Joda West) & Block D (Khondbondh). 1<sup>ST</sup> Renewal of Mining Lease was granted in favour of the TISCO for a period of 20 years w.e.f. 17.01.1963 to 16.01.1983 over the same area (i.e. 12.17 Sq. miles) consisting of above three blocks by Mining & Geology Department, Govt. of Orissa vide letter No. III(A)MG-87/73-11510, dt. 21.11.1973. The lease deed was executed between TISCO & THE State GOVT. ON 10.01.1978. The 2<sup>ND</sup> Renewal of Mining Lease was granted for a period of 20 years w.e.f.

17.01.1983 to 16.01.2003 by the Mining & Geology Deptt., Govt. of Orissa vide Proceedings bearing No. III(A)MG-58/83-14879MG dt. 24.12.1983 over the same area of 12.17 sq Miles. During 2<sup>nd</sup> Renewal of Mining Lease, Government of Orissa in Mining and Geology Department allowed the lease to execute 2<sup>nd</sup> RML separately for three blocks of its subsisting lease of 12.17 sq. miles i.e. separate leases for three blocks having areas of Khondbondh (1293.433 ha), Joda West (1437.719 ha) and Katamati (403.3238 ha) was executed between TISCO and State GOVT ON 27.10.1984 DURING 2<sup>ND</sup> RML ON 5.9.2001 (which is prior to more than one year of the date of expiry of the 2<sup>ND</sup> RML period) over the total area of 403.3237 ha of Katamati Iron Ore Mines w.e.f. 17.1.2003 to 16.01.2003 M/s TISCO applied for 3<sup>rd</sup> RML on 5.9.2001 (which is prior to more than one year of the date of expiry of the 2<sup>nd</sup> RML period) over the total area of 403.3238 ha of Katamati Iron ore Mines w.ef. 17.01.2003 for 20 years. During the year 2005, name of M/s TISCO Ltd. Was changed to M/s Tata Steel Ltd. THE Steel & Mines Department of the State Government vide their letter dt 17.11.2008 communicated their acceptance of the change of name of the Company. The State Government in Steel & Mines Department vide their order No 4064 dt 31.5.20154, in the interest of mineral development, has decided to consider the 3<sup>rd</sup> RML over an area of 403.3238 ha under the provisions of Section 8(3) of MMDR Act, 1957 and Rule 24A(3) of MC Rules 1960 subject to conditions prescribed therein.

The total mining lease area of Katamati Iron Mines of M/s Tata Steel Ltd. During 3<sup>rd</sup> RML period is having 403.3238 ha comprising of 57.552 ha of Thakurani Reserved Forests, 141.6200 ha of Khesra Forest (total forest land of 199.1720 ha) and 204.1518 ha non forest land. It has been reported by PCCF, Odisha that the extent of forest land inside the ml AREA IS 188.3586 HA according to SABAK record as on 25.10.1980. However, the extent of forest land in this lease increased to 199.1720 ha as per HAL Settlement. Accordingly the instant proposal for diversion of forest land is for 199.1720. ha of forestland including 2.2001 ha of forest land coming within the safety zone. As indicated. Surface rights is available for 392.942 ha of this lease.

The mining lease area has been delineated in Survey of India TOPO Sheet No 73 F/12 AND No. 73 F/8 and finds place within latitude 22° 05' to 22° 10' (North) and longitude 85° 25' to 85° 30' (East). The mining Plan of Katamati Lease for the period from 2001-02 to 2007-08 was approved by the Controller of Mines (Central Zone) vide letter No 314(3)/2000-MCCM© /MP-2 dated 6.7.2001. the modification of Mining Plan with Progressive Mines Closure Plan for this mine was approved by the Control of Mines (Central Zone) for the period from 2006-2007. To 2007-08 vide letter No 314(3)/2009-MCCM (CZ)/MP-19 dt 29.09.2009 for the period from 1.4.2008 to 31.03.2013. The 2<sup>nd</sup> Review of Mining Plan and Scheme of Mining Plan and Scheme of Mining for the year 2013- 14 to 2017-18 of this lease by the Controller of Mines, IBM vide his letter dt. 15.4.2013. it has been indicated that total mineable reserve in this lease is to the order of 81.96 Million tones out of which approximately 55.78 million tones occur in the forest land.

- 9. Regarding land identified for Compensatory afforestation, it is reported that** 199.1720 ha of forest lands proposed for diversion during 3<sup>rd</sup> RML period in this lease that included 2.2001 ha of forest land to be maintained as safety zone and 31.1791 ha of forest land broken up prior to 1980. Hence 165.7928 ha (199.1720 ha -2.2001 ha-31.1791 ha) of virgin forest land is proposed to be used for mining activities. In lieu of 165.7928 ha of non-forest Government land has been identified by the district Administration of Keonjhar for the purpose of raising Compensatory Afforestation in one village of Kaliapal of Barbil Tahsil in Keonjhar district. The Compensatory area has been

jointly verified by Forest land Revenue Department Officials and the site maps of non-forest land identified for Compensatory Afforestation are enclosed. The land Schedule for the Non-forest land identified in village Kaliapal is indicated below:

Tahasil	Village	Khata No.	Plot. No	Area (In Ac)	Kissam	Remark
Barbil	Kaliapal	28	555 (P)	41.30	Parbat-II	Part
			Kaliapal	28	-do-	Full
			557	40.00	Parbat-I	Full
			558	35.00	-do-	Full
			559	27.42	-do-	Full
			560	26.35	-do-	Full
			561	30.00	-do-	Full
			562	20.00	-do-	Full
			563	11.95	-do-	Full
			564	34.05	-do-	Full
			565	32.30	-do-	Full
			566	11.50	-do-	Full
			567	9.70	-do-	Full
			568	52.25	Parbat-II	Full
			569(P)	7.863	-do-	Part
			Total	409683 Ac. Or 165.7928 ha		

The Compensatory Afforestation Scheme has been prepared by DFO, Keonjhar over 165.7928 ha in RDF Plantation with a total financial forecast of Rs. 1,44,52,000/- @current wage rebate of Rs. 150/- per manday with maintenance cost of 10 years. The Scheme has provision for barbed wire fencing over the entire area. The species selected to be planted under the scheme are Sisoo (Dalbergia Latifolia), Amla (Emblia officinalis), Neem (Azardirachta indica), Gambhar (Gmelina arborea), Karanja (Pongamia pinnaa), Asan (Terminalia tomentosa) etc. The Addl. PCCF (Forest Diverison) & Nodal Officer, FC Act has accorded technical approval to the CA Scheme. The user agency has furnished an undertaking to pay cost of compensatory afforestation. The Regional Office has following additional details about the land identified for CA:

- a) **With regards to suitability of the non-forest land identified for compensatory afforestation from plantation and management point of view, the Regional Office has reported that** Divisional Forest Officer, Keonjhar has certified that the land is suitable for plantation from Management point of view (Annexure-III).
- b) **The Regional Office has also reported that** the Tahasildar, Barbil has certified that the land found suitable for plantation is free from encroachment and encumbrances (Annexure-III).
- c) **The Regional Office has not reported any Religious/Archaeological importance of the area identified for compensatory afforestation.**

- d) **It is also reported that land identified for raising compensatory afforestation is in one single compact patch.**
- e) **Map of the area identified for CA has been submitted and is enclosed as as Annexure III.**
- f) **Total financial outlay of the CA is Rs. 1,44,52,000/- @ current wage rate of Rs. 150/- per manday with maintenance cost of 10 years**

10. **With regards to the violation of Forest (Conservation) Act 1980, the Regional Office has reported that** violation committed by the user agency in this lease has been reported by the DFO, Keonjhar vide his memo no. 588 dated 20.01.11 to RCCF, Rourkela and Addl. PCCF (Forest Diversion). Such activity in violations has also been reported in Site Inspection Report of RCCF, Rourkela Circle and in the site inspection report of DFO, Keonjhar. As per the report submitted by the DFO, Keonjhar, since the lease area includes forest land as well as non-forest land and forest land non forest land were not clearly demarcated in field, closure notice was issued vide his letter No 6672 dated 09.12.2009. Joint verification of Katamati Iron Mines of the lease was taken up by the Tahsildar, Barbil, Range Officer, Barbil and Chief Surveyor of DDM, Joda on 9.1.2010. From the Joint verification report, it is **ascertained that though the mining operation was confided to non-forest area, other ancillary activities such as dumping of overburdens, construction of roads for transportation of minerals etc. were undertaken on Gramya Jungle kism land over Plot No. 118 in Deojhar vilagee with an average width of 15 meters for a length of 250 meters inside broken up pillar No 7,7A,8,9,10,11,12,13 and 14 involving forest land of 0.375 ha.** During my inspection, it was observed that the overburden dump has been removed and the road is closed and not in use at present.

**The mining lease deed for Katamati Iron Ore Mines was executed on 24.12.1983 for a period of 20 years with effect from 17.01.1983 to 16.01.2003 without the prior approval of Forest (Conservation) Act 1980, although the ML area has 199.1720 ha of forest land it, which amounts to violation under Forest (Conservation) Act, 1980.**

Referring to the above, the Regional Office has indicated that Government of India, MoEF & CC may take into account of the above violations and impose appropriate penal measures on the user agency for compliance.

- 11. The Regional Office has also reported that proposal does not involve displacement of human habitation.
- 12. **With regards to the Reclamation plan, it is reported that** the Phased Reclamation Plan and Afforestation Scheme including Afforestation Programme has been furnished. This plan includes reclamation of exhausted pits by back filling with mine waste materials, taking up block plantation over the stabilized dumps as well as vacant areas. The user agency has furnished an undertaking to execute the work.
- 13. **Cost benefit ratio of the project has been reported to be 1:12:54.** As reported by the State Government, the total benefit of this proposal comes to Rs. 300 Crores. The loss on forests including environmental loss, N.P.V. cost and other mandatory payments comes to Rs. 23.93 Crores. Hence, the cost benefit ration comes to 1:12:54.
- 14. **With regards to the recommendation of the Principal Chief Conservator of Forest/State Government, it is indicated that proposal has been recommended by the PCCF.**

15. **With regards to utility of the project, it is reported that the** proposed project has a potential of directly providing employment to 115 persons and for 60 persons indirectly which will increase gradually.
16. **In his specific recommendation the Conservator of Forests (Central) has reported that mining is** site specific; hence alternative alignment is not possible.
17. It is also reported that nearest protected area is Simlipal Tiger Reserve which is 70 Km away from the project site.
18. No. of Scheduled Caste/Scheduled Tribes to be benefited by the project: Not reported. Any other information relating to the project:
19. In addition to above, the Regional Office has also informed that project proponent has submitted following:
- . FRA certificate has been issued in respect of 196.9716 ha of forest land. However it has not yet been issued in respect of safety zone of 2.2001 ha. The Collector, Keonjhar is required to furnish the relevant certificate for 2.2001 ha of forest land of the lease coming within the safety zone.
  - . Copies of DGPS & Topo-sheet, submitted by the User agency, are enclosed as Annexure-I, II & II(A).
  - . F.R.A. Certificate issued by Collector, Keonjhar is enclosed as Annexure-IV.
  - . The user agency is working on the non-forest land on the strength of Para 15 (b) & (d) of CEC interim report dated 26.04.2010 submitted to Hon'ble Supreme Court which is read as under:
    - 15(b): *“Even otherwise the Rule 24A(6), Mineral Concession Rules, 1960 does not authorize the lease to operate a mines without the statutory clearances/approvals. Therefore, in respect of a mine converted under the ‘deemed extension’ clause. The mining operation should be permitted to be undertaken in the non-forest area of mining lease only if (a) it has the consent to operate from the State Pollution Control Board under the Air (PCP) Act and Water (PCP) Act, (c) the mining plan is duly approved by the Competent authority and (d) the Net Present Value for the entire forest falling within the mining lease deposited in the Compensatory afforestation Fund. The mining in forest land included in the mining lease should be permitted only if in addition to the above, the approval under the Forest Conservation Act/The Temporary Working Permission has been obtained.”*
    - 15(d): *“In Orissa, substantial areas included in the mining leases as non-forest land have subsequently been identified as DLC forest (deemed forest/forest like areas) by the Expert Committee constituted by the State Government pursuant to this Hon'ble Court's order dated 12.12.1996. While processing and/or approving the proposals under FC Act in many cases, such area have been treated as non-forest land. It is recommended that (i) NPV for entire DLC area included in the mining lease after deducting the NPV already paid, should be deposited by the concerned lease holder and (ii) the mining appertains in the unbroken DLC land (virgin land) should be permissible only if the permission under the FC Act has been obtained/is obtained for such area. Keeping in view the peculiar circumstances as was existing in Orissa and Subject to the above, the mining operations in the broken DLC*

*land may be allowed to be continued provided the other statutory requirements and Rules are otherwise being complied with.”*

*However, the mining was continued in non-forest land from 1983 onwards. This should amount to violation of F(C ) Act.*

*The status of 204.1518 ha of non-forest land as on 25.10.1980 has not been provided.*

20. The Additional Principal Chief Conservator of Forests (Central), his recommendation has endorsed the site inspection report and recommended the proposal for consideration

In view of the above facts related to the proposal, the proposal is submitted for further directions to place the proposal before the FAC in its forthcoming meeting scheduled to be held on 29.07.2015.

C. J. Singh  
TO-FC  
21.07.2015

AIGF(NS)

