

**F. No. 8-55/2018-FC**  
Government of India  
Ministry of Environment, Forest and Climate Change  
(FC Division)

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Indira Paryavaran Bhawan,  
Jor bagh Aliganj Road,  
New Delhi – 110003.

Dated: 6 January, 2019.  
6 March.

To,

The Principal Secretary (Forests),  
Government of Odisha,  
Bhubaneswar.

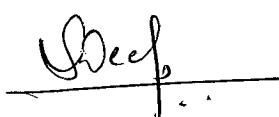
**Subject :Proposal for diversion of 120.838 ha of forest land for iron ore mining under Section 2 (ii) and for according permission under Section 2 (iii) of the Forest (Conservation) Act, 1980 for entire forest land 126.401 ha including safety zone area of 5.563 ha in favour of M/s Essar Steel India Ltd within their allotted Ghoraburhani-Sagasahi Iron Ore Block of 139.165 ha located in village Sagasahi, Kalmang, Ghoraburhani and Mendhamaruni PRF-I in Koirala Tehsil and Koirala Range under Bonai Forest Division of Sundargarh District, Odisha.**

Sir,

I am directed to refer to the State Government's letter No. 10F(Cons)-26/2018-17489/F&E dated 08.08.2018 on above mentioned subject seeking prior approval of the Central Government under Section-2 of the Forest (Conservation) Act, 1980 and to say that the proposal has been examined by the Forest Advisory Committee constituted by the Central Government under Section-3 of the said Act.

After careful examination of the proposal of the State Government and on the basis of the recommendations of the Forest Advisory Committee, the Central Government hereby conveys its 'in-principle' approval for diversion of 120.838 ha of forest land for iron ore mining under Section 2 (ii) and for according permission under Section 2 (iii) of the Forest (Conservation) Act, 1980 for entire forest land 126.401 ha including safety zone area of 5.563 ha in favour of M/s Essar Steel India Ltd within their allotted Ghoraburhani-Sagasahi Iron Ore Block of 139.165 ha located in village Sagasahi, Kalmang, Ghoraburhani and Mendhamaruni PRF-I in Koirala Tehsil and Koirala Range under Bonai Forest Division of Sundargarh District, Odisha subject to fulfilment of the following conditions: -

- (i) Legal status of the diverted forest land shall remain unchanged;
- (ii) Compensatory afforestation shall be raised over the non-forest land equal in extent to the forest land being diverted within three years of Stage –II Clearance and maintained thereafter by the State Forest Department at the cost of the User Agency and at least 1000 plants per hectare (120.838 ha x 1000 = 120838 plants) shall be planted over identified non- forest land. If it is not possible to plant so many saplings in the area identified for CA, the balance saplings will be planted in any other forests as per prescriptions of approved working plan with provision for ten years on subsequent maintenance;
- (iii) 25% of CA cost will be deposited extra by the user agency for soil and moisture conservation (SMC) activities on the CA land;
- (iv) **The 5.563 ha of proposed safety zone shall be maintained as tree cover and should be enriched with indigenous species.**



- (v) The admissible identified non-forest land for raising compensatory afforestation shall be transferred and mutated in favour of the State Forest Department before issue of the Stage-II clearance and the same shall be notified by the State Government as RF under Section-4 or PF under Section-20 of the Indian Forest Act, 1927 or under the relevant Section(s) of the local Forest Act, as the case may be, within a period of six months. The Nodal Officer (Forest Conservation) shall report compliance in this regard;
- (vi) Following activities shall be undertaken by the user agency at the project cost:
- Mitigative measures to minimize soil erosion and choking of stream shall be implemented within a period of three years with effect from the issue of Stage-II clearance in accordance with the approved Plan in consultation with the State Forest Department.
  - Planting of adequate drought hardy plant species and sowing of seeds, in the appropriate area within the mining lease to arrest soil erosion in accordance with the approved scheme;
  - Construction of check dams, retention /toe walls to arrest sliding down of the excavated material along the contour in accordance with the approved scheme;
  - Stabilize the overburden dumps by appropriate grading/benching, in accordance with the approved scheme, so as to ensure that angles of repose at any given place is less than 28° and
  - No damage shall be caused to the top-soil and the user agency will follow the top soil management plan.
- (vii) The land identified for the purpose of CA shall be clearly depicted on a Survey of India topo sheet of 1:50,000 scale;
- (viii) The User Agency shall transfer the cost of raising and maintaining the **compensatory afforestation** at the current wage rate in consultation with State Forest Department in the account of CAMPA of the concerned State **through online portal**. The scheme may include appropriate provision for anticipated cost increase for works scheduled for subsequent years;
- (ix) The User Agency shall transfer the funds for **the Net Present Value (NPV)** of the forest land being diverted under this proposal from the User Agency as per the orders of the Hon'ble Supreme Court of India dated 28.03.2008, 24.04.2008 and 09.05.2008 in Writ Petition (Civil) No. 202/1995 and the guidelines issued by this Ministry vide its letter No. 5-3/2007-FC dated 05.02.2009 **through online portal** of CAMPA account of the State Concerned;
- (x) At the time of payment of the Net Present Value (NPV) at the present rate, the user agency shall furnish an undertaking to pay the additional amount of NPV, if so determined, as per the final decision of the Hon'ble Supreme Court of India;
- (xi) Fencing, protection and regeneration of the safety zone area [7.5 meters' strip shall be kept within the mining lease boundary and area of the safety zone shall be part of the total area of mining lease as per the Ministry's guidelines dated 27.05.2015] shall be done within three year at the project cost from the issue of Stage-II Clearance. Besides this afforestation on degraded forest land to be selected elsewhere measuring one & a half times the area under safety zone shall also be done at the project cost; The degraded forest land (DFL) so selected will be informed to the MoEF & CC with shape files and afforestation will be done within three years from the date of Stage-II clearance and maintained thereafter in accordance with the approved Plan in consultation with the State Forest Department;

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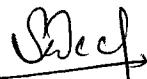
- (xii) User Agency should ensure that the Compensatory levies (CA cost, NPV, etc.) are deposited through challan generated online on web portal and deposited in appropriate bank online only. Amount deposited through other mode will not be accepted as compliance of the Stage-I clearance;
- (xiii) State Government shall complete settlement of rights, in term of the Scheduled Tribes and Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, if any, on the forest land to be diverted and submit the documentary evidence as prescribed by this Ministry's letter No. 11-9/1998-FC (Pt.) dated 03.08.2009 read with 05.07.2013, in support thereof;
- (xiv) Period of diversion of the said forest land under this approval shall be for a period co-terminus with the period of the mining lease proposed to be granted under the Mines and Minerals (Development and Regulation) Act, 1957, as amended and the Rules framed there-under;
- (xv) The User Agency shall obtain the Environment Clearance as per the provisions of the Environmental (Protection) Act, 1986, if required;
- (xvi) No labour camp shall be established on the forest land and the User Agency shall provide fuels preferably alternate fuels to the labourers and the staff working at the site so as to avoid any damage and pressure on the nearby forest areas;
- (xvii) The boundary of the diverted forest land, mining lease and safety zone, as applicable, shall be demarcated on ground at the project cost, by erecting four feet high reinforced cement concrete pillars, each inscribed with its serial number, distance from pillar to pillar and GPS co-ordinates;
- (xviii) The layout plan of the mining plan/ proposal shall not be changed without the prior approval of the Central Government and the forest land shall not be used for any purpose other than that specified in the proposal;
- (xix) The forest land proposed to be diverted shall under no circumstances be transferred to any other agency, department or person without prior approval of the Central Government;
- (xx) No damage to the flora and fauna of the adjoining area shall be caused;
- (xxi) The user agency shall explore the possibility of translocation of maximum number of trees identified to be felled and shall ensure that any tree felling shall be done only when it is unavoidable and that too under strict supervision of the State Forest Department.
- (xxii) User agency either himself or through the State Forest Department shall undertake gap planting and soil & moisture conservation activities to restock and rejuvenate the degraded open forests (having crown density less than 0.40), if any, located in the area within 100 m. from outer perimeter of the mining lease. The plan for plantation and SMC activities will be prepared and submitted to MoEF &CC before Stage-II Clearance;
- (xxiii) The User Agency shall undertake mining in a phased manner after taking due care for reclamation of the mined over area. The concurrent reclamation plan as per the approved mining plan shall be executed by the User Agency from the very first year, and an annual report on implementation thereof shall be submitted to the Nodal Officer, Forest (Conservation) Act, 1980, in the concerned State Government and the concerned Regional Office of the Ministry. If it is found from the annual report that the activities indicated in the concurrent reclamation plan are not being executed by the User Agency, the Nodal Officer or the concern Addl. Principle Chief Conservator of Forests (Central) may direct that the mining activities shall remain suspended till such time, such reclamation activities area satisfactorily executed.

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- (xxiv) The User Agency shall prepare a list of existing village tanks and other water bodies with GPS co-ordinates located within five km. from the mine lease boundary. This list is to be duly verified by the concerned Divisional Forest Officer. The User Agency shall regularly undertake desilting of these village tanks and other water bodies so as to mitigate the impact of siltation of such tanks/water bodies. A detailed approved plan for desilting of identified ponds and water bodies to be prepared in consultation with forest department and shall be submitted to MoEF & CC before Stage-II approval;
- (xxv) The User Agency shall submit the annual self -compliance report in respect of the above stated conditions to the State Government, concerned Regional Office and to this Ministry by the end of March every year regularly;
- (xxvi) Any other condition that the concerned Regional Office of this Ministry may stipulate with the approval of competent authority in the interest of conservation, protection and development of forests & wildlife; and
- (xxvii) The user agency shall comply all the provisions of the all Acts, Rules, Regulations, Guidelines, Hon'ble Court Order (s) and NGT Order (s) pertaining to this project, if any, for the time being in force, as applicable to the project.

After receipt of the compliance report on fulfilment of the above conditions from the State Government, formal approval will be considered under Section-2 of the Forest (Conservation) Act, 1980. The transfer of forest land to the User Agency shall not be affected by the State Government till formal orders approving the diversion of forest land are issued by the Central Government.

Yours faithfully,

  
(Sandeep Sharma)  
Asstt. Inspector General of Forests

**Copy to:**

1. The Principal Chief Conservator of Forests, Government of Odisha, Bhubaneshwar.
2. The Nodal Officer, O/o the PCCF, Government of Odisha, Bhubaneshwar.
3. The Addl. PCCF (Central), Regional Office, Bhubaneshwar
4. Monitoring Cell, FC Divisions, MoEF&CC
5. Guard File

  
(Sandeep Sharma)  
Asstt. Inspector General of Forests (FC)