



RDSA/MINES/2022-23/27

Dt. 17.11.2022

प्रस्ताव का नाम:- Diversion of 10.4162 Ha. Forest Land In Favour Of RDSA MINING LLP For Opencast Marble Mining (Plot no.2/2019) in Revenue Village – Kela Mela, Tehsil- Pipalkhunth, District - Pratapgarh, Rajasthan

यूजर एजेन्सी का नाम:- RDSA MINING LLP

प्रत्यावर्तित वन क्षेत्र:- 10.4162 है०

प्रभावित जिला एवं वनमंडल:- Pratapgarh & Pratapgarh Territorial

प्रस्ताव संख्या एवं पंजीकरण तिथि:- Territorial FP/RJ/MIN/142600/2021/ 29-06-2021

Reply of shortcomings found in the proposal

Query No.	Essential Details Sought by Forest Department, GOR	OSD	Reply of EDS dated 14 th November, 2022
1	Kindly check the cost benefit analysis again. It seems to be based on old rates of NPV. May be got corrected, if needed.		The cost benefit analysis was prepared as per the prevailing rates of NPV and CA at the time of submission of the proposal. Now as both the rates are revised the cost benefit analysis is revised and submitted again.
2	The attached mining plan indicates that the possible life of the mine is around 17 years, then why the diversion of forest land is needed for 50 years.		In the initial mining plan, the life of the mine is decided on the preliminary estimation basis but the area will be again explored in detail once sanctioned. After complete exploration resources are likely to be changed and will be probably increased resultantly life of mines will also escalate. Further due to some natural disaster or market conditions production may be slowed down and we may need more time than estimated to exploit the mineral. According to Rajasthan Minor Mineral Concession Rules, 2017 as per provisions of rule 9 (1) "On and from the date of commencement of the rules, all mining leases shall be granted for the period of fifty years." (Copy attached) More over as per the latest 2019 guidelines issued by MOEF and CC in the chapter 7.3 d – it is stated that "The general approval shall be valid for a period Co – terminus with the period of mining lease in accordance with provisions of MMDR Act, 1957 as amended and rules framed there under." (Copy attached) Therefore, as per above rules and guidelines we want to explore and exploit the mines for the maximum period of 50 years.

RDSA MINING LLP

(The LLP is Registered with Limited Liability)


(V.K. GHIYA)
Chief Executive Officer

Full Title of the Project: "Diversion of 10.4162 Ha. Forest Land in Favour of RDSA MINING LLP for Opencast Marble Mining in Revenue Village – Kela Mela, Tehsil- Pipalkhunth, District – Pratapgarh, Rajasthan".

Proposal No. : FP/RJ/MIN/142600/2021

Date of Proposal: 26/05/2021

Forest Area : 10.4162 Hectare

Cost benefit analysis of the project

TABLE- B :- ESTIMATION OF COST AS PER GUIDELINES			
S. NO.	PARAMETERS	Given Guideline	Evaluation
1	Ecosystem services losses due to proposed forest diversion	Economic Value of loss of ecosystem services shall be the net present value (NPV) of the forest land being diverted as prescribed by Govt. of India (MOEF & CC)	Net Present Value is @Rs.12.28590 Lacs per Hectare So , NPV for 10.4162 Hectare diversion will be = Rs 127.97239 lac
2	Loss of animal husbandary productivity including loss of fodder	To be quantified and expressed in monetary terms 10 % of NPV applicable, whichever is maximum	Considering 10 % of NPV as pe the guideline = Rs 12.79723 lac
3	Cost of human resettlement	To be quantified and expressed in monetary terms on actual terms as per approved R&R plan	NIL Since there is no displacement of peoples due to proposed project.
4	Loss of public facilities and administrative infra - structure (Road, Building, Schools, Dispensary electric line, Railway etc.) on forest land if these facilities are to be diverted due to project.	To be quantified and expressed in monetary terms on actual cost basis at the time of diversion.	NIL - Since no public facilities or administrative infrastructure i.e. roads, buildings, schools, dispensaries, electric lines, railways etc. are available inside the proposed area, there will not be any kind of loss of facilities due to diversion of forest land.
5	possession value of forest land diverted	30 % of environment cost (NPV) due to loss of forest or circle rate of adjoining area in the district should be added as a cost component as possession value of forest land whichever is less	Possession value of land will be (considering 30 % of NPV) = Rs. 38.39171 lac
6	cost of suffering to oustees	The social cost of rehabilitation of outsees (in addition to the cost likely to be incurred in providing residence, occupation and social services as per R&R plan) be worked out as 1.5 times of what outsees should have earned in two years had he not been shifted	Nil- Since there are no oustees, Hence no rehabilitation will be there

7	Habitat fragmentation Cost	while the relationship between fragmentation and forest goods and services is complex, for the sake of simplicity the cost due to fragmentation has been pegged at 50% of NPV application as a thumb rule.	Habitat Fragmentation Cost @ 50 % of NPV = Rs. 63.98620 lacs
8	compensatory afforestation and soil & moisture conservation cost	The actual cost of CA and soil & moisture conservation and its maintenance in future at present discount value	Cost of compensatory afforestation Rs. 75.39403 lacs
9	Total Cost on Forest clearance	Sum of component 1 to 8	318.54156 lacs
10	Cost of other components of the project	As per Project report	Cost of the project is Rs. 792.6545 Lacs
Total Cost			1111.19606 Lacs

TABLE - C :-ESTIMATION OF BENEFITS AS PER GUIDELINES

S.NO.	PARAMETERS	Given Guideline	Evaluation
1	Increase in productivity attributable to the specific Project	To be quantified & Expressed in monetary terms avoiding double counting	Net benefit accrued to the economy due to the Proposed Activities in the Forest land proposed for diversion over 17 years shall be : Rs 3264 Lacs
2	Benefits of economy due to the specific project	The incremental economic benefit in monetary terms due to the activities attributed to the specified project	
3	Number of population benefited due to specific project	As per project report	A population of about 30,000 residing in rural areas shall be benefited due to this project and other ongoing CSR activities.
4	Employment benefits due to of direct and indirect employment due to the project	As per project report	In all employment for 77 persons will be generated in the form of 13 technical & administrative @ 6.5 lac average annual income ie 13x6.5 = 84.50 lacs + 64 skilled, semi skilled and unskilled workers @ 2.00 lac average annual income ie 64x2.00 = 128.00 lacs Therefore Total employment for a period of 17 years = Rs. 212.50 X 17 = Rs. 3612.5 Lacs
5	Economic benefits due to compensatory afforestation	benefit from such compensatory afforestation accruing over next 50 year monetized and discounted to the present value should be included as benefits of CA	-
Total Benefits			6876.50 lacs

Contd.....3

1. RDSA MINING LLP



(V.K. GHIYA)

Analysis

Cost			Benefit		
S.No	Parameter	Amount (in Lacs)	S.No.	Parameter	Amount (in Lacs)
1	Ecosystem services losses due to proposed forest diversion	127.97239	1	Benefits to economy	3264
2	Loss of animal husbandary productivity including loss of fodder	12.79723	2	Economic benefit due to employment	3612.50
3	possession value of forest land diverted	38.39171	-	-	-
4	Habitat fragmentation Cost	63.98620	-	-	-
5	compensatory afforestation and soil & moisture conservation cost	75.39403	-	-	-
6	Cost of the project	792.65450	-	-	-
	Total Cost	1111.19606		Total Benefit	6876.50

Cost Benefit Ratio: - Total Benefit/Total Cost = 6876.50/1111.19606 = **6.188**

The Benefit Cost ratio is > 1, therefore the project is found viable on given/above described criteria

RDSA MINING LLP

(V.K. GHIYA)
Chief Executive Officer

Place: Udaipur

Date: 17.11.2022

Signature of User Agency
Official Seal

(5) For the purpose of determining the total area referred to in sub-rule (4) the area held under mining lease by a person as a member of a Co-operative Society, Company or other Corporation or a Hindu Undivided Family or a partner of a Firm shall be deducted from the area referred to in sub-rule (4) above so that the total area held by such person under mining lease, whether as such member or partner or individually may not in any case exceed the total area specified in sub-rule (4).

(6) Applied area under mining lease shall be as far as possible rectangular in shape and the length ordinarily shall not exceed four times of its width.

(7) Boundaries of the area covered by a mining lease shall run vertically downwards below the surface towards the center of the earth except where Government specifically provides.

(8) No person shall acquire in respect of any mineral, any mining lease of any area which is not compact and contiguous i.e. close polygon:

Provided that above provisions shall not be applicable for grant of mining leases of mineral bajri in river bed.

8. Area of quarry licence.- (1) Size of plots in all existing boundary notified before commencement of these rules shall remain unchanged.

(2) On and after the commencement of these rules, the size of plots shall be fixed by the Director, which shall not be less than 0.18 hectare.

(3) The area surrounded by two or more quarry licence or by forest boundary or any other reserved land shall be treated as gap area and such gap area shall be granted as a quarry licence by way of e-auction:

Provided that where gap area is 0.10 hectare or less, such gap area shall be granted by way of e-auction among surrounding licensee and the area shall be added in the licence of successful bidder.

¹[Provided further that reserve price for such area shall be ten times of annual licence fee. The premium amount offered in e-auction shall be paid in advance and shall not be adjusted against annual licence fee.]

Provided also that where gap area is owned by private persons, registered consent deed from the khatedar shall be submitted by the successful bidder before grant of such gap area.

²[(4) The area adjoining to any quarry licence which is not a gap area and less than 0.18 hectare shall be granted as strip of land and shall be added in the adjoining existing quarry licence on an application submitted by the licensee to the concerned Mining Engineer or Assistant Mining Engineer. The existing licensee in whose licence area, strip of land is added shall pay one time premium equivalent to fifteen times of annual licence fee, for the area to be added, which shall not be adjusted against annual licence fee or royalty. The strip of land shall be granted by the concerned Mining Engineer or Assistant Mining Engineer:

Provided that where such area is owned by private person, registered consent of the khatedar shall have to be submitted by the licensee before grant of such area.]

9. Period of mining lease.- (1) On and from the date of commencement of these rules, all mining leases shall be granted for the period of fifty years:

Provided that period of mining leases for mineral bajri ¹[except in paleo-channel sand deposit of Bikaner district] shall be five years.

(2) All mining leases except for mineral bajri (river sand) granted before the commencement of these rules, shall be deemed to have been granted for a period of fifty years.

(3) Notwithstanding anything contained in sub-rule (1) and (2), the period of leases of mineral other than bajri (river sand), granted before the commencement of these rules, shall be extended and be deemed to have been extended upto a period ending on the 31st March, 2025 with effect from the date of expiry of the period of renewal/extension last made or till the completion of renewal/extension period, if any, or a period of fifty years from the date of initial grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

1. Substituted vide Notification dated 14.03.2018

2. Added vide Notification dated 16.08.2022

Chapter 7

Mining Projects

7.1 Extraction of minerals from/beneath the Earth's surface is an important site-specific activity regulated under various acts viz. Mines and Mineral (Development and Regulation) Act through grant of mining leases, or allocation of areas acquired under Coal Bearing Area Act, Petroleum & Natural Gas Rules under the Oil Field (Regulation and Development) Act 1954. Mining, including open cast and underground mining as also for removal of boulders, bajri, stones, sand etc. from/in the river beds, is a non-forestry activity and if any mining lease/project involves forest land as defined by the Apex court in its order of 12.12.1996, prior approval of the Central Government is required under the FCA 1980 and rules made there under.

7.2 The Supreme Court of India in its order of 6th July 2011 issued guidelines so as to not create *fait accompli* situation in the matter of diversion of forest land under the FCA, 1980. Therefore, in the case of new mining leases/projects having forest land in part or in full, approval under FCA for diversion of entire forest land located within the mining lease/project is to be obtained before execution/renewal of mining lease/project.

7.3 Mining in respect of minerals (other than coal, lignite, and atomic minerals) regulated under MMDR Act:

- (i) In case of mining projects, having forest land in part or in full, approval of Central Government under Section 2(iii) of the FC Act, for the entire forest land located within a mining lease shall be obtained before execution of a mining lease in accordance with the provisions of the Mines and Minerals (Development and Regulation) Act, 1957 and the rules framed there under. Mining in the forest land within the ML area, including government can be done only after diversion of the forest area under section 2(ii) of the FC Act, 1980.
- (ii) In case of existing mining leases having forest land in part or in full for which mining lease has already been executed at least once before 1st April, 2015 but approval under the FC Act for even a part of forest land falling in such mining leases has not been obtained no mining shall be allowed in such mining leases after 31.03.2017 till approval under Section 2(iii) of the FC Act for the entire forest land falling in such mining lease is obtained and NPV of forest land falling in such mining leases as stipulated in such approval is realized from the user agency and provisions of the Scheduled Tribes and other Traditional Forest Dwellers (Recognition of Rights) Act 2006 are complied with. Any mining in the forest land within the ML area can be done only after diversion of the forest area under section 2(ii) of the FC Act, 1980.
- (iii) In case of existing mining leases, where approval under section 2 (ii) of the FC Act for the entire forest land in the mining lease has been obtained before 1.4.2015 the FC validity is deemed to have been extended co-terminus with ML in accordance of the provision of the MMDR Act. The extension of validity of FC is subject to realization of NPV before 31.3.2017, if not already realized earlier, failing which the Forest Clearance shall remain in abeyance till NPV is realized. Moreover, this deemed extension shall not apply to forest land falling in a Mining Lease for which renewal has been rejected, or which has been determined or lapsed before 1.4.2015.
- (iv) In case of existing mining leases having forest land in part or in full where approval under section 2 (ii) of the FC Act for a part of the forest land has only been obtained, the

Central Government accorded General Approval on 1st April 2015 under section 2(iii) of the FC Act for the remaining area of the forest land falling within such mining leases subject to the following conditions for execution of Mining Lease.

- a. State Government shall realize from the user agency NPV of the entire forest land falling in the mining lease, in case NPV of such forest land has not already been realized and deposit of NPV is confirmed by the concerned authority under CAMPA/Ad-hoc CAPMA.
- b. The provisions of the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 are complied with for the entire forest area. However, mining may not be stopped in the forest area for which FC has already been obtained before grant of General Approval with compliance to the provisions of the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006.
- c. No mining activities in such mines shall be allowed till such time after 01-04-2016 up till full realization of NPV.
- d. The General Approval shall be valid for a period co-terminus with the period of mining lease in accordance with provisions of the Mines and Minerals (Development and Regulation) Act, 1957, as amended, and the rules framed thereunder;
- e. Grant of the General Approval under Section 2(iii) does not in any manner create any right or equity in favour of the user agency for grant of approval under Section 2(ii) of the FC Act and decision on the proposals under Section 2 (ii) will be taken purely on the merit of each case.
- f. However, mining in the forest land within the ML area can be done only after diversion of the forest area under section 2(ii) of the FCA Act, 1980 obtained following the procedure prescribed under the Rules made under the FC Act 1980.
- g. Grant of this General Approval does not in any manner exonerate the concerned authorities in the State Government or any other authority from the proceedings under Section 3A and 3B of the FC Act liable to be initiated for violation, if any, of the FC Act committed by them by assigning such forest land for mining lease without obtaining prior approval of the Central Government under Section 2 of the FC Act.
- h. State Government shall submit the report every quarter (as on 1st January, 1st April, 1st July and 1st October every year) for all such cases for which permission has been granted by the State Government for signing mining lease agreement under general approval under section 2(iii) of FC Act to the Central Government (MoEF&CC) in the following proforma:

Report for the quarter										
S. No.	Detail of FC Clearance under section 2(ii)						Permission for mining lease (ML) by State Government under			
	Case/ File no.	Date of FC	Total Forest Area (FL)	Total Non-forest area (NFL)	Total Lease area (FL+ NFL)	FC granted for FL area	Date	Forest area for which lease granted	NPV Deposited (In Rs)	FRA 2006 complied or not (Y/N)

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