



**JUSTIFICATION FOR REQUIREMENT OF FOREST LAND TO BE
ACQUIRED FOR INTEGRATED STEEL PLANT**

Amalgam Steel & Power Limited (ASPL), (formerly known as Adhunik Alloys & Power Limited (AAPL)) had entered into MoU with Jharkhand State Government for setting up of 2.6mtpa Integrated Steel Plant (copy attached as Appendix-30). And Inline of MoU, ASPL has planned to set-up the desired units in phased manner, accordingly in Phase-1 we had obtained Environmental Clearance of 0.5mtpa (copy attached as Appendix-17) from MoEF & CTO from Jharkhand State Pollution Control Board (copy attached as Appendix-18), but due to scarcity of land and raw material company could only set-up 0.221mtpa Steel Plant in 28.26Ha. Since, the set-up configuration was not economically feasible therefore the company suffered huge economic debits, and the debits kept on piling-up with every passing year and due to huge economic debits Promoters of the company were not in a position to operate the company any further. As a result insolvency case of AAPL was admitted to NCLT court under IBC 2016. Thereafter, Resolution Professional was appointed by the Hon'ble Court for preparation of Resolution Plan for the insolvent company. Further, in due course of proceeding in the NCLT court, M/s. Bhagwati Power & Steel Ltd. emerged as successful bidder and took the whole control of the insolvent company (AAPL) following the order vide dtd: 07.12.2018 of the Hon'ble Court. Thereafter, the new management has changed the name of the company from M/s. Adhunik Alloys & Power Limited (AAPL) to M/s. Amalgam Steel & Power Limited (ASPL) which has been updated in RoC of the company (copy attached as Appendix-29).

Further, with the new management in place and with positive approach to make the organization economically and commercially feasible, the management is desirous to go for Phase-2 expansion by installation of 1.0mtpa Integrated Steel Plant adjacent to the existing 0.221mtpa steel plant which is located in 28.26Ha land. However, for the proposed expansion we need a total of 122.28Ha, out of which 87.45Ha is Govt/Private land and the remaining 34.83Ha is forest land. The value addition of the existing Steel Plant is a must to adhere for the management to make the company commercially profitable, therefore we are desirous for the expansion of the existing Steel Plant by installation of value addition facilities.

Furthermore, in parallel to the above proposed expansion the company is also planning to setup remaining part/facilities of 2.6mtpa MoU in Phase-3, which shall be set-up on the acquisition land. Accordingly, the company has submitted a proposal in prescribed format (copy attached as Annexure-1) to the concerned department and after generation from-4 of the desired land adjacent to our existing plant facility we shall proceed with activity of Phase-3.

Notably, this is to draw your attention towards the fact that our existing plant has Railway Siding, thru which raw material is sourced from surrounding mines and Sister concerned Mines with



mining lease upto 2045 in Gurumasani and Narbheram Steel Pvt Ltd. (Roida-II) Tanto-Barbil which also has private Railway Siding. As a result movement of raw material and finished goods are also planned thru railway to reduces carbon foot print and traffic density on road which on the other hand will play a vital role in boosting revenue generation of Indian Railway and thus make this project a win-win proposal for both the parties i.e. Government and Company. Moreover, our company is committed in reducing carbon emission and with this ambition we have designed our plant in such a way to optimum utilize the energy to the maximum with minimum carbon emission.

The proposed site is strategically and financially suitable for the proposed Integrated Steel Plant as the acquisition of non-forest land available in the area can be made at reasonable rate. As such, the forest land comprising of 86.07 acres or 34.83 ha (approx. 21% of the total area) of land is barely required for this project because the project area is having forest as well as non-forest land in discontinuous patches. Systematic lay-out of the project cannot be confined to the non-forest area only.

Within the applied area (397.60 acres or 160.91 ha), forest land involves 34.83 ha. The applied forest land is land-lock from three (03) direction and is surrounded by plant boundary from 03-direction i.e. in the North we have Railway Siding Boundary and from South & West of applied area is surrounded by Plant boundary which can be referred from the layout attached as Plate-4 and thus makes the proposed diversion of forest land favorable and site specific for proposed expansion of existing Integrated Steel Plant.

Further, the required forest land is bifurcated in two parts which is as stated below:

For Main Plant Area : While arriving at the space requirement for steel plant for construction of Rolling Mill (of 0.212mtpa Capacity), Steel Melting Shop (of 0.767mtpa Capacity), Direct Reduced Iron (of 0.396mtpa Capacity), Captive Power Plant (of 80MW Capacity), Pellet Plant (of 3.2mtpa Capacity), Mini-Blast Furnace (of 0.429mtpa Capacity), Oxygen Plant (of 320TPD Capacity), Coke Oven (of 0.24mtpa Capacity), Sinter Plant (of 0.429mtpa Capacity) & Producer Gas Plant (of 30,000 Nm³/Hr Capacity) with Shop/Unit area and all supporting facilities like pump house, compressor room, cooling towers, water reservoir, De-Mineralization Plant and etc. has to be considered. It has been calculated that about 302.16 acres or 122.28ha area will be required for the installation of Integrated Steel Plant. Out of this, 86.07 acres or 34.83 ha area comes under forest. So, plant with different facilities total 87.45Ha of Non-Forest Land & 34.83ha of forest land is required for the proposed diversion.

Out of the above, 34.83 ha of forest land, an area of 0.34 ha shall be developed as safety zone which shall be developed in such a way that safety zone does not divide the plant area or become obstruction in designing the plant layout. Therefore, Safety zone shall be developed along the proposed outer plant boundary of applied forest land. Hence, for plant 34.83 ha of forest land (inclusive of safety zone) or $(34.49 + 0.34)$ ha = 34.83 ha of virgin forest land within the proposed

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diverted forest area. Moreover, the freezed plant layout (attached as Plate-4) is justified scientifically and systematically organised.

For operational requirement of water we had executed an agreement with Water Resources Dept. (copy attached as Appendix-26) and subsequently has route plan which is duly approved by Water Resources Dept. (copy attached as Annexure-2) for laying water pipeline from Intake-well to our plant. The proposed water pipe line will be laid along the Kandra-Chowka road and permission of which has been obtained from PWD dept. (copy attached as Annexure-3). We had also submitted demanded amount to PWD dept against the above permission (copy attached as Annexure-4).

The important facts which are strengthening our proposal is as laid down.

- a. The government policy promotes and focuses on ATMA NIRBHAR BHARAT (SELF RELIANT INDIA). Company expansion plan has been designed accordingly to make us SELF RELIANT and SUSTAINABLE.
- b. We need 35.03 Ha forest land diverted in favour of company for Expansion to take place. The proposed forest land for diversion is only 21% (35.03 Ha) of total land (161.11 Ha) required for expansion. Many a key facilities of the proposed expansion plan fall in forest land. No alternate land is available nearby that can fit into scheme of company expansion plan.
- c. The forest land is located in continuation of battery limit to our existing plant facility at Kandra on Kandra Chandil highway flanked by our Railway siding and Railway line on NNE side and by plant boundary on EES side.
- d. The forest land proposed for diversion is fragmented, standalone and has very low canopy (10-20%).
- e. Capacity expansion plan will make enterprise SUSTAINBLE by producing major raw materials at plant site only by harvesting following benefits-
 - i. Reduce input cost
 - ii. Improve quality of raw material
 - iii. Better control on availability and supply
 - iv. Improve environmental performance for low logistic support
- f. Further, raw material for feeding our steel plant are located nearby such as-
 - I. Iron ore and coal are sourced from nearby mines
 - II. Water is available from R Subarnarekha located only at < 5km distance from plant
 - III. Steel demand from domestic and neighboring country market increasing exponentially with the opening of world economy and
 - IV. Easy availability of technical and skilled personnel locally

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- g. The company owns Railway siding both at Mine head of key raw material, the Iron ore located at Gurumasani, Mayurbhanj, Orissa and at Factory site at Kandra, Jamshedpur, Jharkhand. This will have following multiplier benefits to Environment, society and economy-
- i. Reduced Carbon footprint for transport of raw material by train compared to road transport for less energy required per tonne of material transport.
 - ii. Negligible fugitive emission that may take place all through route in case we go for transport of raw material by road
 - iii. Reduced traffic density on road and the resultant road accidents. Reduced input cost
 - iv. There will be hefty addition to state exchequer in form of taxes
 - h. We are located next door to existing Rail and road running parallel to project site only.
 - i. The company is situated only in industrial hub along Kandra- Chandil state highway (15km) and at stone throw distance from Adityapur industrial area (AIADA) at Kandra in block Gamharia, one of the largest industrial estate in Asia. Other major industries located in area are Adhunik power and natural resources limited, Nilachal Iron and power ltd, Divine Power ltd, JMT ltd and many more.
 - j. Project expansion will positively improve economic activity and employment generation of the area in particular and the state and nation at large.


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