

ಕರ್ನಾಟಕ ಸರ್ಕಾರ

GOVERNMENT OF KARNATAKA

ಪ್ರಧಾನ ಮುಖ್ಯ ಅರಣ್ಯ ಸಂರಕ್ಷಣಾಧಿಕಾರಿ  
(ಅರಣ್ಯ ಪಡೆ ಮುಖ್ಯಸ್ಥರು) ರವರ ಕಛೇರಿ  
Office of the  
Principal Chief Conservator of Forests  
(Head of Forest Force)



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E-office File No. KFD/HOFF/A5-1(MNG)/4/2020-FC

E-232115

Encl.: 3 sets of proposals

Date 23-12-2020

12-01-2021

To,

The Additional Chief Secretary to Government  
Department of Forest, Ecology and Environment  
M. S. Building, Bengaluru

Sir,

**Sub** : Diversion of 100.282 hectare of forest land in Bedara Bommanahalli Village Sy No. 5, Hirekandavadi Village Sy No. 107, Megalahalli Village Sy No. 21, Hireguntanuru Hobli, Chitradurga Taluk and Marijogihalli Village Sy No. 9 and Dindadahalli Village Sy No. 18, B.Durga Hobli, Holalakere Taluk in Chitradurga District for mining, Approach Roads and other ancillary purposes in existing BBH Iron Ore Mine (expired ML No. 2346 of M/s Mineral Enterprises Limited) in favour of M/s JSW Steel Limited (new ML No.0014), Vidyanagara, Sandur Taluk, Ballari District (Successful Bidder in e-auction)

**Proposal No. FP/KA/MIN/44773/2020 [FORM-A]**

**Ref:** 1. Online proposal [FORM-A PART-I] dated 20-05-2020 (resubmitted) of M/s JSW Steel Limited, Vidyanagara, Sandur Taluk, Ballari District r/w uploading of Acknowledgement on 02-06-2020 for having delivered hard copies of proposal to jurisdictional Deputy Conservator of Forests and Deputy Commissioner

2. This office's online communication dated 04-06-2020 to Deputy Conservator of Forests, Chitradurga Division for further processing of proposal

3. Online submission of PART-II on 19-11-2020 by Deputy Conservator of Forests, Chitradurga Division [letter No. A6/FC/JSW/CR-01/2020-21 dated 11-11-2020]

4. Online submission of PART-III on 04-12-2020 by Chief Conservator of Forests, Ballari Circle [letter No. M1/MNG/TRF/MEL/CR-20/2020-21 dated 04-12-2020]

1. M/s JSW Steel Limited, Vidyanagara, Sandur Taluk, Ballari District [Successful Bidder in e-auction; **USER AGENCY**] vide Ref (1) has (re)submitted on 20-05-2020 an online proposal [FORM-A (PART-I)] seeking approval under Section 2 of the Forest (Conservation) Act, 1980 for diversion of 100.282 hectare of forest land



in Bedara Bommanahalli Village Sy No. 5, Hirekandavadi Village Sy No. 107, Megalahalli Village Sy No. 21, Hireguntanuru Hobli, Chitradurga Taluk and Marijogihalli Village Sy No. 9 and Dindadahalli Village Sy No. 18, B.Durga Hobli, Holalakere Taluk in Chitradurga District for mining, Approach Roads and other ancillary purposes in existing BBH Iron Ore Mine (*expired ML No. 2346 of M/s Mineral Enterprises Limited*). The same was accepted by Nodal Officer (FCA) on 21-05-2020 for further processing. After receiving the Acknowledgement online from the User Agency on 02-06-2020 for having delivered the hard copies to the Deputy Conservator of Forests, Chitradurga Division and Deputy Commissioner, Chitradurga District, the FC web portal link was forwarded to the Deputy Conservator of Forests, Chitradurga Division on 04-06-2020 for field verification and further processing under Section 2 of the FC Act.

2. **Location and component wise details of the project:** The location details of the forest land proposed for diversion are given below.

District	Taluk	Hobli	Village		Sy No.	Forest extent proposed for diversion (ha)	Legal status of land
Chitradurga	Chitradurga	Hireguntanur	1	Bedara Bommanahalli	5	69.46	Nirthadi Reserved Forest
			2	Megalahalli	21	1.75	
			3	Marijogihalli	9	1.47	
			4	Dindadahalli	18	15.002	
	Holalakere	B.Durga	5	Hirekandavadi	107	12.6	
<b>Total</b>						<b>100.282</b>	

Component-wise requirement of forest land is given below.

Project component				Component wise requirement of forest land (ha)	Forest extent proposed for diversion (ha)
A	Mining Lease Area	1	Area under Mining	52.180	93.600
		2	Area under Dumps	16.800	
		3	Back filling Area	10.440	
		4	Biodiversity Zone	4.840	
		5	Haul Roads	2.000	
		6	Safety Zone	2.950	
		7	Statutory Buildings and Engineering Measures	3.420	
		8	Untouched Area	0.970	
B	Approach Roads	1	Existing Approach Road R-1	1.728	4.395
		2	Existing Approach Road R-2	0.827	
		3	Existing Approach Road R-3	0.935	
		4	Existing Approach Road R-4	0.519	
		5	Existing Approach Road R-5	0.386	
C	Buildings Outside	1	Existing Statutory Building - 1 (outside lease)	1.281	2.29



	Mining Lease Area	2	Existing Statutory Building - 2 (outside lease)	1.005	
<b>Total</b>				<b>100.282</b>	<b>100.282</b>

3. **DCF, Chitradurga Division Report:** The Deputy Conservator of Forests, Chitradurga Division has inspected the site personally on 10-11-2020 and vide Ref (3) has submitted the Site Inspection Report along with other details and recommendation in PART-II to the Chief Conservator of Forests, Ballari Circle. Main features of the proposal as reported by the Deputy Conservator of Forests, Chitradurga Division r/w the report of Chief Conservator of Forests, Ballari Circle and also that of the ICT Centre of Forest Department are as follows.

- a. The forest land proposed for diversion is an open forest and is prone to soil erosion.
- b. The forest land proposed for diversion is in general landscape of Eco-class -III (Tropical Dry Deciduous Forests) with Open Forest (<0.4 canopy density).
- c. As per Item 4(ii) of PART-II, there are no trees to be felled in the forest land proposed for diversion.
- d. Major wild animals found in and around the area include the Sloth bear, Leopard, Wild pig, Hare etc.
- e. There are no other rare/endangered/unique species of flora and fauna reported in the area.
- f. The forest land proposed for diversion does not form part of any National Park/ Wildlife Sanctuary/ Biosphere Reserve/ Tiger Reserve/ Elephant Corridor/ Wildlife Migration Corridor, etc.
- g. There is no National Park/ Wildlife Sanctuary/ Biosphere Reserve/ Tiger Reserve/ Elephant Corridor/ Wildlife Migration Corridor within one kilometer from the boundary of the forest land proposed for diversion.
- h. The forest land proposed for diversion is not located within Eco-Sensitive Zone (ESZ) of any Protected Area notified under Wildlife (Protection) Act, 1972.
- i. There are no Protected/ Archaeological/ Heritage Sites/ Defence/ establishments located in the area.
- j. The forest area proposed for diversion is the bare minimum and unavoidable for the project.
- k. There is no violation reported under Forest (Conservation) Act, 1980.

4. **CCF Ballari Circle Report:** The Chief Conservator of Forests, Ballari Circle has inspected the site personally on 12-11-2020. Agreeing with the recommendation of the Deputy Conservator of Forests, Chitradurga Division, the Chief Conservator of Forests, Ballari Circle has also recommended the proposal while submitting the report in PART-III vide Ref (4).

5. **Connected issues :**



**a. Mining Lease:**

- a.i. The original mining lease under the MMDR Act was accorded for a period of 20 years with effect from 06-10-1952 for an area of 103.81 ha (comprising of 100.17 ha forest land + 3.64 ha revenue land).
- a.ii. Later on, the Government of Karnataka (Commerce and Industries Department) accorded sanction for first renewal of mining lease (ML No. 1074) for a period of 20 years with effect from 06-10-1972 and again the second renewal vide notification No. CI.102.MMM.2000 dated 18-04-2001 for a period of 20 years with effect from 07-10-1992 in favour of M/s Mineral Enterprises Limited. Thus, the mining lease expired on 06-10-2012.
- a.iii. Subsequently, in accordance with the MMDR Amendment Act 2015, the Government of Karnataka (Commerce and Industries Department) vide letter No. CI 22 MMM 2015 dated 28-03-2015 extended the mining lease period under Section 8A(6) of MMDR Act up to 30-03-2020 with effect from 06-10-2012. The mining lease period was to expire on 31-03-2020.
- a.iv. Meanwhile, the Director, Mines and Geology Department conducted e-auction of the mine in question and vide letter no. DMG-2020:AUC:2018-19 dated 19-02-2020 issued the letter of intent to acknowledge the Preferred Bidder as Successful Bidder in favour of M/s JSW Steel Limited. Subsequently, the Nodal Officer and Principal Secretary to Government, Commerce and Industries Department (MSME and Mines) vide Vesting Order No. CI 60 MMM 2020 dated 01-07-2020 Ordered that all the valid rights, approvals, clearances, licences and like vested with the previous lessee (M/s Mineral Enterprises Limited ML No. 2346) in favour of M/s JSW Steel Limited for a period of 2 years from the date of execution of new lease deed or till the date of getting all fresh approvals, clearances, licences, and the like, whichever is earlier. By virtue of this Vesting Order, the mining lease is in currency.

**b. Forest Clearance for mining lease area:**

- b.i. The first time FC under Section 2 of the Forest (Conservation) Act 1980 was accorded by Government of India, Ministry of Environment and Forests, Regional Office, Bengaluru vide No. 8-83/93-FC dated 04/07-04-1997 for a maximum period of 30 years co-terminus with the mining lease under MMDR Act. Thus, on expiry of the mining lease period on 06-10-2012, the FC also got expired.
- b.ii. Subsequently, the Government of Karnataka (Forest, Ecology and Environment Department) vide Order No. FEE 23 FFM 2013 dated



21-11-2016 extended the FC period up to 30-03-2020 making it co-terminus with the mining lease period. The FC period was to expire on 31-03-2020 on expiry of mining lease period.

- b.iii. However, in view of the above mentioned Vesting Order dated 01-07-2020, the FC also stands deemed to have been extended till the validity of the Vesting Order and the User Agency is free to undertake mining operations in the forest land in question during such period subject to conditions stipulated in Vesting Order r/w the FC Guidelines issued by the Government of India, Government of India, Ministry of Environment, Forests & Climate Change, New Delhi vide letter F.No.11-97/2018-FC dated 31-03-2020. Thus, the FC for the forest land within mining lease area is in currency.

**c. Approach Road:**

- c.i. The previous lessee of the erstwhile ML No.2346 (M/s Mineral Enterprises Limited) had obtained the Stage-I approval from Government of India vide letter F.No.8-77/2013-FC dated 30-10-2017 for an extent of 5.44 ha of forest land for approach road purpose outside mining lease area in Nirthadi Reserved Forest, Holalkere Range, Chitradurga District. The Compliance report in respect of the conditions of Stage-I approval was submitted by this office vide letter E-office No. KFD/HOFF/A5-1(MNG)/34/2018-FC (E-64668) dated 18-12-2018 r/w clarification dated 15-05-2020 to Government of Karnataka. The final (Stage-II) approval is not yet received, even though the FC for the mining lease of the previous lessee was valid up to 30-03-2020.
- c.ii. Meanwhile, the Government of Karnataka vide letter No. FEE 49 FFM 2020 (e) dated 18-11-2020 has granted a Temporary Permission to the instant User Agency to utilise 4.395 ha of forest land for Approach Roads (R1 to R5) outside the mining lease area till the currency of the above mentioned Vesting Order dated 01-07-2020 or the final approval for the FC for the Mining Lease Area, whichever is earlier. Thus, the User Agency is at liberty to utilise the said approach roads subject to the conditions.
6. **Net Present Value (NPV):** The instant proposal being a fresh proposal under Forest (Conservation) Act, 1980, the User Agency is required to pay the Net Present Value (NPV) of forest land proposed for diversion as per Para 3.1 to 3.4 of the FC Guidelines communicated by Government of India, Ministry of Environment, Forests and Climate Change, New Delhi vide F.No. 5-2/2017-FC dated 28-03-2019. Further, in accordance with the Government of India, Ministry of Environment, Forests and Climate Change, New Delhi letter F.No. 11-97/2018-FC dated 31-03-2020, the User Agency has deposited a lump sum amount of



Rs.7,02,00,000/- @ Rs. 7.50 lakh L.S. per hectare for 93.60 ha of forest land (within the mining lease area) through FC web portal on 26-06-2020 to the CAMPA Account. The copy of the Payment Page taken from FC web portal is enclosed as ANNEXURE-1. Moreover, the User Agency has also uploaded/submitted an Undertaking dated 09-05-2020 agreeing to pay the charges towards Net Present Value (NPV) of the forest land proposed for diversion.

**7. Compensatory Afforestation (CA):**

- a. With regard to the FC in favour of the previous lessee, it is observed that an extent of 300.00 Acre of Government C&D Class land in Yalladakere village Sy No. 62, 107, 103 and 104, Jawana Gondana (J.G) Halli Hobli, Hiriur Taluk, Chitradurga District was included in the Land Bank constituted by Government of Karnataka, vide Order No. RD.106 LGP 88 dated 20-07-1994 and entered in Column 9 of RTC in favour of Forest Department. The Forest Department had identified an extent of 20 ha in Sy No. 62/\* of this village for raising Compensatory Afforestation in lieu of 19.05 ha unbroken forest area included in 105.00 ha of forest land diverted in favour of the erstwhile lessee, viz., M/s Mineral Enterprises Limited (ML No.2346) as per the condition stipulated in the earlier FC approval No. 8-83/93-FC dated 04/07-04-1997 of Government of India. Subsequently, the Deputy Commissioner, Chitradurga District vide Order No. LND.CR.46/2014-15 dated 07-07-2014 has included the name of the erstwhile lessee, viz., M/s Mineral Enterprises Limited in Column 11 of RTC for identification purpose.
- b. The User Agency has not proposed any CA land in the instant proposal on the ground that the CA land is not applicable to this project, as the said leased area was being used for the purpose of mining by the erstwhile lessee (M/s Mineral Enterprises Limited) which was diverted under Forest Conservation Act 1980 and therefore the land proposed for diversion was already compensated.
- c. However, the User Agency has uploaded an Undertaking dated 18-05-2020 in PART-I (Additional Information Details) to provide suitable non-forest land for the stipulated extent, if such a condition is imposed by Government of India for the instant proposal before the Stage-II approval. The User Agency has also submitted a similar Undertaking dated 18-05-2020 in the hard copy of the proposal.
- d. It is opined that the instant proposal being a fresh proposal (in FORM-A) under FC Act, the User Agency is required to provide an equivalent extent of suitable non-forest land in accordance with Para 2.3 (i) of the FC guidelines. Further, as per Government of Karnataka Order No. FEE 88 FLL 2016 dated 31-08-2016 pertaining to FC proposals of Private Party



User Agencies, such CA land needs to be a private land either as Forest Enclosure or adjoining an existing forest area in man-animal conflict zone. In addition, the User Agency is also required to pay the CA charges as per prevailing rates. However, an appropriate decision on the requirement of the CA land in the instant proposal may be taken by the Government of India.

8. **Safety Zone charges:** As per the report of Deputy Conservator of Forests, Chitradurga vide letter No. A6/Bhoomi/MNG/CR-10/2015-16/3417 dated 26-02-2016 (*in connection with the proposal for extension of FC period*), the Safety Zone work is completed and plantation carried out inside and outside the lease area with fencing in the lease area. The previous lessee had deposited a sum of Rs. 8,29,028/- for Safety Zone plantation and fencing charges.

Since a long period has lapsed now, the new User Agency may be liable to take up fencing and also the regeneration of safety zone area at its own cost. However, an appropriate decision may be taken by the Government of India whether the new User Agency is liable to pay the charges towards Afforestation in degraded forest area 1 ½ times of safety zone area or not.

9. **Status of RoFR compliance:** With regard to compliance of the provisions of Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forests Rights) Act 2006 and Rules 2008, the User Agency has not obtained and furnished the requisite **Certificate in FORM-II (for non-linear/hybrid projects)** issued by the jurisdictional Deputy Commissioner as per Annexure II of the FC Guidelines communicated by Government of India, Ministry of Environment, Forests and Climate Change, New Delhi vide F.No. 5-2/2017-FC dated 28-03-2019. Accordingly, **the User Agency is being informed once again to obtain the required RoFR certificate and submit a copy.**

In light of the facts stated above and agreeing with the recommendation of the field officers, **it is requested to move the proposal with the Government of India for according 'in-principle' (Stage-I) approval for Diversion of 100.282 hectare of forest land in Bedara Bommanahalli Village Sy No. 5, Hirekandavadi Village Sy No. 107, Megalahalli Village Sy No. 21, Hireguntanuru Hobli, Chitradurga Taluk and Marijogihalli Village Sy No. 9 and Dindadahalli Village Sy No. 18, B.Durga Hobli, Holalakere Taluk in Chitradurga District for mining, Approach Roads and other ancillary purposes in existing BBH Iron Ore Mine (expired ML No. 2346 of M/s Mineral Enterprises Limited) in favour of M/s JSW Steel Limited (new ML No.0014), Vidyanagara, Sandur Taluk, Ballari District (Successful Bidder in e-auction) subject to production of RoFR Certificate in FORM-II (for non-linear/hybrid projects) and further subject to the conditions specified in Annexure 'A'.**



The hard copy of the proposal along with the relevant documents in 3 sets is submitted herewith for further needful. The present status (Timeline) of the proposal obtained from the web-portal is also appended for necessary action.

Yours Faithfully

(Sanjai Mohan IFS)

Principal Chief Conservator of Forests  
(Head of Forest Force)

**Copy to the:**

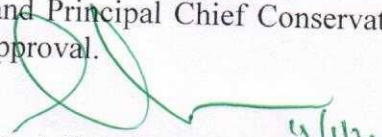
1. Chief Conservator of Forests, Ballari Circle, Ballari for information.
2. Deputy Conservator of Forests, Chitradurga Division, Chitradurga for information.
3. M/s JSW Steel Limited, P.O. Vidyanagar, Toranagallu Village, Sandur Taluk, Ballari District 583 275 for information **and with a request to obtain and submit the RoFR certificate in FORM-II (for Non-Linear/ Hybrid projects) issued by the jurisdictional Deputy Commissioner as per Annexure II of the FC Guidelines communicated by Government of India, Ministry of Environment, Forests and Climate Change, New Delhi vide F.No. 5-2/2017-FC dated 28-03-2019.**

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ದಿನಾಂಕ 12-1-2021  
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## ANNEXURE - 'A'

1. The legal status of forest land shall remain unchanged and it shall continue to be forest land.
2. The User Agency shall pay the applicable Net Present Value (NPV), Compensatory Afforestation, Plantation cost of extraction of trees, Land lease rent and any other levies as per the conditions of approval.
3. The User Agency shall demarcate the lease area in the manner specified at the time of approval at its own cost.
4. The mining operation and transportation of mined ore shall be under taken between sunrise and sunset only.
5. The lessee shall not sub-lease, mortgage and hypothecate the forest area.
6. The leased out area should be used for the purpose for which it is granted. In case the land is not used for the stipulated purpose within two years or when it is no longer needed for the stipulated purpose, the area would stand resumed to the Forest Department.
7. No change in Land Use Plan on forest land shall be done except with prior approval of Government of India under FC Act 1980.
8. The application for renewal of the lease in the prescribed form and manner shall be submitted at least six months prior to the expiry of forest lease. In case no renewal is sought, the Lessee shall hand over the lease.
9. No residential or commercial buildings shall be permitted in the forest area proposed for diversion.
10. No labour camp shall be allowed on forest land and all waste / debris generated shall be scientifically disposed off outside the forest area.
11. Any damage to forest area because of implementation of the proposal shall be compensated by the Lessee. The extent of damage shall be assessed by the jurisdictional Deputy Conservator of Forests/ Conservator of Forests/ Chief Conservator of Forests.
12. The Lessee shall ensure that no avoidable harm is caused to the fauna and flora in and around the proposed area.
13. In case, any violation of the provisions of the Karnataka Forest Act, 1963 & Rules, 1969 or other relevant Acts/Rules is reported during the lease period, the lease will be liable for forfeiture under Section 82 of Karnataka Forest Act, 1963. The Chief Conservator of Forests / Deputy Conservator of Forests concerned are authorized to take necessary action in this regard.
14. The approval under the Forest (Conservation) Act, 1980 is subject to any other clearances necessary under the prevailing statutes.
15. The User Agency shall also abide by other conditions those may be imposed by the Government of India, Government of Karnataka and Principal Chief Conservator of Forests (Head of Forest Force) before or after the approval.

  
Principal Chief Conservator of Forests  
(Head of Forest Force)



**PART – IV**

*(To be filled in by the Nodal Officer or Principal Chief Conservator of Forests or Head of Forest Department)*

<p>Detailed opinion &amp; specific recommendation of the State Forest Department for acceptance or otherwise of the proposal with remarks</p> <p><i>(While giving opinion, the adverse comments made by concerned Conservator of Forests or Deputy Conservator of Forests should be categorically reviewed and critically commented upon.)</i></p>	<p>Recommended for moving the proposal with the <b>Government of India for according 'in-principle' (Stage-I) approval for Diversion of 100.282 hectare of forest land in Bedara Bommanahalli Village Sy No. 5, Hirekandavadi Village Sy No. 107, Megalahalli Village Sy No. 21, Hireguntanuru Hobli, Chitradurga Taluk and Marijogihalli Village Sy No. 9 and Dindadahalli Village Sy No. 18, B.Durga Hobli, Holalakere Taluk in Chitradurga District for mining, Approach Roads and other ancillary purposes in existing BBH Iron Ore Mine (expired ML No. 2346 of M/s Mineral Enterprises Limited) in favour of M/s JSW Steel Limited (new ML No.0014), Vidyanagara, Sandur Taluk, Ballari District (Successful Bidder in e-auction) subject to production of RoFR Certificate in FORM-II (for non-linear/hybrid projects) and further subject to the conditions specified in Annexure 'A'.</b></p> <p><b>Proposal No. FP/KA/MIN/44773/2020 [FORM-A]</b></p>
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Signature:



Name:

**RAJIV RANJAN IFS**

Designation:

Principal Chief Conservator of Forests  
(Forest Conservation) AND  
Nodal Officer (FCA)

Countersigned by :



Name:

**SANJAI MOHAN IFS**

Designation:

Principal Chief Conservator of Forests  
(Head of Forest Force)

N.D.O. No: 85/2020-21

(Official Seal)

Date: 12-12-2020

01-2021