

GOVERNMENT OF KARNATAKA

ಪ್ರಧಾನ ಮುಖ್ಯ ಅರಣ್ಯ ಸಂರಕ್ಷಣಾಧಿಕಾರಿ

(ಅರಣ್ಯ ಪಡೆ ಮುಖ್ಯಸ್ಥರು) ರವರ ಕಛೇರಿ

Office of the
Principal Chief Conservator of Forests
(Head of Forest Force)

ಅರಣ್ಯ ಭವನ, 18ನೇ ಅಡ್ಡರಸ್ತೆ,

ಮಲ್ಲೇಶ್ವರಂ, ಬೆಂಗಳೂರು-560 003

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E-office File No. KFD/HOFF/A5-1(MNG)/6/2020-FC

E-236145

Date 03-02-2021

16

To,

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

Sir,

Sub: Diversion of 43.58 hectare of forest land in Ramanamalai (RM) Block Forest, Near Ramgad Village, Sandur Taluk, Ballari District for Dharmapura Iron Ore Mine (expired ML No. 2239 of M/s Zeenath Transport Company) in favour of M/s JSW Steel Limited (New ML No. 0013), Vidyanagar, Sandur Taluk, Ballari District (*the Successful Bidder in e-auction*)

Proposal No. FP/KA/MIN/44852/2020

- Ref:**
1. Online proposal [FORM-A PART-I] dated 02-06-2020 (resubmitted) of M/s JSW Steel Limited, Ballari District r/w uploading of Acknowledgement on 15-06-2020 for having delivered hard copies of proposal to jurisdictional Deputy Conservator of Forests and Deputy Commissioner
 2. This office online communication dated 17-06-2020 to Deputy Conservator of Forests, Ballari Division for processing of proposal
 3. Online submission of PART-II on 16-12-2020 by Deputy Conservator of Forests, Ballari Division [letter No. MI.MNG.JSW.ML.No.2239 /2019-20/1100 dated 14-12-2020]
 4. Online submission of PART-III on 06-01-2021 by Chief Conservator of Forests, Ballari Circle [letter No. MI/MNG/CR-19/1993-94(ZTC)1530 dated 06-01-2021]

1. M/s JSW Steel Limited, Vidyanagara, Toranagallu Village, Sandur Taluk, Ballari District [*the Successful Bidder in e-auction*; **USER AGENCY**] vide Ref (1) has (re)submitted an online proposal [FORM-A (PART-I)] seeking approval under Section 2 of the Forest (Conservation) Act, 1980 for diversion of 43.58 hectare of forest land in Ramanamalai (RM) Block Forest, Near Ramgad Village, Sandur Taluk, Ballari District for Dharmapura Iron Ore Mine (expired ML No. 2239 of M/s Zeenath Transport Company). The same was accepted by Nodal Officer (FCA) on 06-06-2020 for further processing. After receiving the Acknowledgement online from the User Agency for having delivered the hard copies to the Deputy Conservator of Forests, Ballari Division & Deputy Commissioner, Ballari District on 15-06-2020 the FC web-portal link was forwarded to

the Deputy Conservator of Forests, Ballari Division on 17-06-2020 for field verification and processing under Section 2 of the Forest (Conservation) Act, 1980.

2. **Location and component wise details of the project:** The location and component wise details of the proposal are given below.

District	Taluk	Village	Forest extent proposed for diversion (ha)	Legal Status of forest land
Ballari	Sandur	Ramgad	43.58	Section 4 area
Total			43.58	

Component-wise requirement of forest land is given below.

Sl no.	Component	Forest Land (ha.)	Non-Forest Land (ha.)
1	Area for Mining	23.24	0
2	Area for Waste Dump	14.12	0
3	Area for Safety Zone	2.54	0
4	Proposed Area for Temporary Shed	1.33	0
5	Proposed Area for Internal Road	2.35	0
Total		43.58	0

3. **DCF, Ballari Division Report:** The Deputy Conservator of Forests, Ballari Division has inspected the site on 10-11-2020 and vide Ref (3) has submitted the Site Inspection Report along with other details in PART-II of the proposal to the Chief Conservator of Forests, Ballari Circle. Main features of the proposal as reported by the Deputy Conservator of Forests, Ballari 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.

- The forest land proposed for diversion is an open forest and is prone to soil erosion.
- The forest land proposed for diversion is in general landscape of Eco-class -III (Tropical Dry Deciduous Forests) with Open Forest (0.1 canopy density).
- As per Item 4(ii) of PART-II, there are no trees to be felled in the forest land proposed for diversion.
- Major wild animals found in and around the area include the Leopard, Sloth bear, Jackal, Hare, Wild pig, Grey partridge, Indian porcupine, Monitor lizard, Four-horned antelope and pangolin etc.
- 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/ Defense/ 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 30-12-2020. Agreeing with the recommendation of the Deputy Conservator of Forests, Ballari 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. Grant of Mining Lease:

- i. The original mining lease granted to Sri A.P. Ramaiah under the MMDR Act for a period of 2 years 3 months from 03-07-1958 to 03-10-1960 for an area of 130 Acre and renewed for 10 years w.e.f. 04-10-1960 for an extent of 96.00 Acre (38.85 ha) in favour of Sri A.P. Ramaiah.
- ii. Later on, the Government of Karnataka (Commerce and Industries Department) accorded sanction for transfer of mining lease (ML No. 4A) for a period of 10 years with effect from 04-10-1960 in favour of M/s Zeenath Transport Company. The second renewal of the mining lease (ML No.855) was sanctioned for a period of 10 years with effect from 03-10-1970. The third renewal of mining lease (ML No.1627) for a period of 10 years w.e.f. 04-10-1980 for an extent of 109.05 Acre (44.23 ha) was sanctioned. The fourth renewal of mining lease (ML No.2121) was sanctioned for a period of 6 years w.e.f. 04-10-1990. The fifth renewal of mining lease (ML No. 2239) was sanctioned for a period of 20 years w.e.f. 04-10-1996 in favour of M/s Zeenath Transport Company (44.28 hectare).
- iii. Subsequently, in accordance with the MMDR Amendment Act 2015, the Government of Karnataka (Commerce and Industries Department) vide letter No. CI 111 MMM 2015 dated 25-04-2015

extended the mining lease period under Section 8A (6) of MMDR Act up to 31-03-2020 w.e.f. 03-10-2016. Thus, the original mining lease period expired on 31-03-2020.

- iv. Meanwhile, the Director, Mines and Geology Department conducted e-auction of the mine in question and vide letter No. DMG-2020:MLS:AUC:2018-19 dated 13-08-2019 issued the 'Letter of Intent' to acknowledge the Preferred 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 62 MMM 2020 dated 01-07-2020 has ordered that all the valid rights, approvals, clearances, licences and like vested with the previous lessee (M/s Zeenath Transport company ML No. 2239) in favour of M/s JSW Steel Limited for a period of 2 years from the date of execution of new lease deed i.e. from 30-07-2020 to 29-07-2022 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. Further, the Director, Department of Mines & Geology vide letter No. MNG/MLS/013/2020-21 dated 30-07-2020 has furnished a copy of Mining Lease Deed No.0013 (2020) executed with M/s JSW Steel Ltd on the strength of Vesting Order permitting the new lessee to commence and continue mining operations for a period of two years from the date of commencement of the new lease.

B. Forest Clearance for mining lease area:

- 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, New Delhi vide No. 8-67/90-FC dated 30-01-1997 for a maximum period of 30 years co-terminus with the mining lease under MMDR Act. Thus, on expiry of the mining lease period as per MMDR Act the lease expired on 31-03-2020.
- ii. 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: The field officers have reported that the User Agency is required to use the following roads for their usage for transportation of iron ore from the mining lease area as follows.

- i. **Road No.1(R1)** from ML No. 2239 & 2309 to Ramghad Railway Station: The Government of India, Ministry of Environment, Forests & Climate Change vide letter F.No. F(C)A/11.1/119/ KAR/252 dated 15-06-2017 has accorded approval (Stage-II) under Section 2 of Forest (Conservation) Act, 1980 for diversion of 5.40 ha of forest land for approach road to ML No. 2239 and 2309 of M/s Zeenath Transport Company in RM Block, Sandur Taluk, Ballari District for a period co-terminus with the lease period granted for mining lease. Further, the Government of Karnataka vide Order No. FEE 100 FFM 2007 dated 25-07-2017 has accorded formal sanction of lease. In the said Order, the Government of Karnataka vide condition No.8 stipulates that **"If the existing road is being used by the other agencies for mining activities the User Agency shall allow other agencies to use the road, there should not be any objection....."** (Copy enclosed).

- a) **Status of ML No. 2239:** The mining lease expired on 31-03-2020. The same is e-auctioned by the Department of Mines & Geology and M/s JSW Steel Ltd is the successful bidder. By virtue of the Vesting Order, as mentioned in the above para No.5(a)(iv), the mining lease (Mining Lease Deed No.0013/2020) has been executed on 30-07-2020 by the Department of Mines & Geology with M/s JSW Steel Ltd and the new lessee has commenced mining operations for a period of two years from the date of commencement of the new lease.
- b) **Status of ML No. 2309:** The mining lease period has been extended up to 18-04-2029 under the provisions of MMDR Amendment Act, 2015. Accordingly, the Government of Karnataka vide Order No. FEE 58 FFM 2017 dated 12-01-2018 has accorded sanction for the extension of FC period co-terminus with the period of mining lease.

In view of the above, the approval accorded by Government of India for approach road is valid up to 18-04-2029 in favour of M/s Zeenath Transport Company. who have issued a 'No Objection' to M/s JSW Steel Ltd for the usage of the existing road.

- ii. **Road No.2 (R2)** connecting from ML No. 2547 to ML No. 2239 & 2309: The Government of India, Ministry of Environment, Forests &

Climate Change, New Delhi vide letter F.No.8-02/1995-FC-Vol dated 19-12-2017 has accorded 'in-principle' (Stage-I) approval for diversion of 9.12 ha of forest land for approach road in ML No.2547 in RM Block, Sandur Range in favour of M/s Zeenath Transport Company. In the said approval, The Government of India has stipulated a condition (No. v) stating that ***"The approach road in question shall be developed for transportation of mined material by the User Agency and this road shall be shared by all the mining lease holders along the road in the area. It will be strengthened by the User Agency at its cost. No new road proposals will be considered separately for remaining six mines located in the vicinity of the proposed road."*** The compliance on the conditions stipulated in the Stage-I approval has been submitted by the Chief Conservator of Forests, Ballari Circle vide letter dated 04-10-2018. However, this office vide letter dated 19-07-2019 has requested M/s Zeenath Transport Company to submit a revised condition wise Compliance Report along with all relevant documents in respect of condition No. (vi), (x) & (xxiv) of Stage-I approval which is awaited.

In this regard, M/s Zeenath Transport Company has issued 'No Objection' to M/s JSW Steel Limited for the usage of the existing road for transportation of men, machineries and materials (copy enclosed). Therefore, the Government of India may consider this issue for allowing M/s JSW Steel Limited for the usage of the said existing two roads which are approved to M/s Zeenath Transport Company as mentioned above.

Further, in addition to the abovementioned two roads, M/s JSW Steel Limited, Toranagallu has applied for diversion of Approach Road along with Downhill Conveyor Belt from their Rama Iron Ore Mine ML No. 009 which was 'in-principle' (Stage-I) approved by the Government of India vide letter F.No.8-14/2018-FC(vol) dated 31-12-2018 (online proposal No. FP/KA/OTHERS/27780/2017). The said road is also required to be used for this mining lease also.

- 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.3,23,85,000/- @ Rs. 7.50 lakh L.S. per hectare for 43.58 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 28-02-2020 agreeing to pay the charges towards Net Present Value (NPV) of the forest land proposed for diversion.

7. Compensatory Afforestation (CA):

- A. 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 Zeenath Transport Company) which was diverted under Forest Conservation Act 1980 and therefore the land proposed for diversion was already compensated.
- B. However, the User Agency has uploaded an Undertaking dated 28-02-2020 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 28-02-2020 in the hard copy of the proposal.
- C. 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, Ballari vide letter No. M1/MNG/JSW/ML.No.2239/2019-20 dated 14-12-2020, the Safety Zone extent for the proposed area is 2.54 ha in forest land as per the Joint Survey conducted on 27-07-2020. The copy of the sketch is enclosed with the proposal.

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.

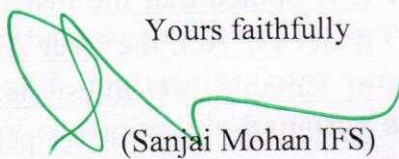
- 9. Status of RoFR compliance:** With regard to compliance of the provisions of Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forests Rights) Act 2006 and Rules 2008, the User Agency has not obtained and furnished the requisite **Certificate in FORM-II (for non-linear/hybrid 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 43.58 hectare of forest land in Ramanamalai (RM) Block Forest, Near Ramghad Village, Sandur Taluk, Ballari District for Dharmapura Iron Ore Mine (expired ML No. 2239 of M/s Zeenath Transport Company) in favour of M/s JSW Steel Limited (New ML No. 0013), Vidyanagar, Toranagallu Village, Sandur Taluk, Ballari District (*the 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

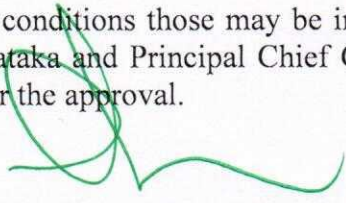

(Sanjai Mohan IFS) *isbm*
Principal Chief Conservator of Forests
(Head of Forest Force)

Copy to the:

1. Chief Conservator of Forests, Ballari Circle, Ballari for information.
2. Deputy Conservator of Forests, Ballari Division, Ballari 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.**

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 of 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 & specific recommendation of the State Forest Department for acceptance or otherwise of the proposal with remarks</p> <p>(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.)</p>	<p>Recommended for moving the proposal with the Government of India for according 'in-principle' (Stage-I) approval for diversion of 43.58 hectare of forest land in Ramanamalai (RM) Block Forest, Near Ramghad Village, Sandur Taluk, Ballari District for Dharmapura Iron Ore Mine (expired ML No. 2239 of M/s Zeenath Transport Company) in favour of M/s JSW Steel Limited (New ML No. 0013), Vidyanagar, Toranagallu Village, Sandur Taluk, Ballari District (the 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'.</p> <p>Proposal No. FP/KA/MIN/44852/2020 [FORM-A]</p>
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Signature:




Name:
Designation:

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

Countersigned by :

Name:
Designation:



SANJAL MOHAN IFS
Principal Chief Conservator of Forests
(Head of Forest Force)

N.D.O. No: 90/2020-21

(Official Seal)

Date: 16-02-2021