



OFFICE OF THE DIVISIONAL FOREST OFFICER, DHENKANAL FOREST DIVISION

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Memo No. ~~7539~~ 3F/Misc/638/2022 dt. 21.10.2022

To

The Regional Chief Conservator of Forests,
Angul.

Sub:

Proposal for diversion of 11.853 Ha. of Forest land for Establishment of Industries i.e. Expansion and Modernization of Existing Integrated Steel Plant by M/s GM Iron & Steel Company Ltd at Kulei, Parjang, Dist- Dhenkanal.

State Serial No. OR-049/2022 dated 21.06.2022.

Proposal No: FP/OR/IND/145106/2021.

On the above-mentioned subject, I would inform you that 11.853 Ha. of Revenue Forest Land proposed for diversion in connection with the above project proposal for establishment of industries i.e expansion and modernization of existing Integrated Steel Plant of M/s GM Iron & Steel Company Ltd located at Kulei village under Parjang Tahasil of Dhenkanal district comes under Mahabirod Range of Dhenkanal Forest Division. The proposed expansion project is located in Kulei mouza under Gengutia RI circle of Parjang Tahasil. Out of the total forest area of 11.853 ha, 2.509 ha forest land belongs to Sabikkissam. The User Agency i.e. IDCO, Bhubaneswar has applied online in the PARIVESH Portal vide Proposal No: **FP/OR/IND/145106/2021** and **State Serial No. OR-049/2022 dated 21.06.2022**

Brief Description of the Proposal:

GM Iron & Steel Company Limited (GMISL) was incorporated on 23rd February, 2007. They had purchased the sick plant of M/s Rana Sponge Ltd established in 2004 at Kulei village from Bank through SARFASEI ACT in 2019. The plant have been made operative by obtaining necessary CTE and CTO from OSPCB. The current CTO issued by OSPCB vide Letter No. 5150 Dt. 26.03.2021 is valid upto 31.03.2023. The present plant area being inadequate, the company had gone for expansion and modernisation of the old unit and IPICOL had approved the modernization and expansion of the project vide letter No CGM/SLNA/GM Iron & Steel- 239/20 dt. 10.11.2020. Allotment of Govt land measuring Ac 29.82 for the plant had been approved in the 192nd SLFC meeting held on dt. 06.11.2020 communicated vide letter No IDCO/HO/LAE- 8043/2020 - 477 dt. 08.11.2021. Out of the allotted 29.82 Ac

Govt land, IDCO, Bhubaneswar had submitted forest diversion proposal vide Proposal No FP/OR/IND/145106/2021 for 6.20 Ac (2.509 ha) Sabik Forest kissam and 23.09 Ac (9.344 ha) Hal Forest kissam land as per ROR, total being 29.29 Ac (11.853 ha) Forest land involved in the expansion project.

Total Proposed Project Area: 106.50 Ac or 43.098 Ha (Govt land-29.82 Ac, Company own land – 45.07 Ac and Tenant land-31.61 Ac). Area approved by IPICOL is 94 Ac and the balance area will be purchased directly by the company.

Modernization & Expansion of existing iron & steel plant will be made to final capacity of Sponge Iron – 3,72,900 TPA, Billets (Mild & Alloy Steel) -2,70,000 TPA, Rolled Products – 2,70.000 TPA, Captive Power– 58 MW, Pellets – 8,00,000 TPA and Slag Cement – 4,16,000 TPA by M/s GM Iron & Steel Co, Ltd.

Total Project Expansion Cost- Rs. 607.52Cr and Cost for Environment Management: Rs. 30.30 Cr.

Employment generation:

Particulars	Existing	Additional	Total
Regular	25	100	125
Conctractual	225	492	717
Total	250	592	842

There will not be any displacement due to establishment of this Integrated Steel Plant at Kulei.

Land particulars of the project:

The project is located in the village Kulei under ParjangTahasil in the District of Dhenkanal & in Dhenkanal Forest Division. Total forest area proposed for diversion 11.853 Ha. Revenue forest land, out of which 2.509 Ha. Is Sabik Kissam forest.

Forest Land in Ha.	Non-Forest Land in Ha.		Grand Total in Ha.
Revenue Forest Land	Govt land	Pvt land	
11.853	0.214	31.031	43.098

Justification for locating the project in forest land:

The proposed project is an expansion project of one old existing plant and is not a green field project. The old plant has been bounded by the Gambharia nalla in the North and North-West direction and by the Kulei village road in the South. In the Eastern side, there is a patch of revenue forest land touching Banarpal-Pallahada road and tenanted land. So there is no choice to examine alternate sites for the expansion project. For proposed expansion, revenue forest land has to be included in the project proposal. Hence, no alternate site has been considered for the proposed project. The selection of project site/location has been based on the following considerations:

1. The project is an old existing project established over Ac 44.00 by M/s RANA Steel Ltd at Kulei village in Dhenkanal district of Odisha which has been purchased by GM Iron and Steel Company Ltd through SARFAESI Act in 2019.
2. For modernization and expansion of the old project, there is availability adequate land adjacent to it. Total area required for the expansion project is Ac 106.50, out of which Ac 45.07 already exist.
3. Sources of supply of raw materials (coal, iron ores etc) and their delivered cost.
4. Existence of rail and road connection in the vicinity for transportation of incoming raw materials and outgoing saleable products.

Compensatory Afforestation:

Compensatory Afforestation land to the extent of 23.7064 Ha. degraded revenue forest against the proposed diversion proposal has been identified in the village Jaka under Parjang Tahasil of Dhenkanal District. The identified compensatory afforestation land has been demarcated and boundary pillars posted. The DGPS survey of the identified land has been prepared and duly certified by the ORSAC. The canopy density of the area is 0-10%. Area is suitable for plantation @ 1000 plants per Ha. Accordingly scheme for Compensatory Afforestation on One Time Cost Norm has been prepared and enclosed along with the Forest Divisional Proposal.

The User Agency has submitted an undertaking to pay the cost of afforestation as per the approved cost estimate.

Tree Enumeration:

Sl. No.	Land Involved	No. of Trees Enumerated
1	Revenue Forest	210
2	Non-Forest Land	99
Total		309

The trees enumeration list has been enclosed along with the Forest Diversion Proposal.

Model Certificate under FRA 2006:

The User Agency has applied for the Model Certificate to the Collector & District Magistrate, Dhenkanal under the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act 2006 and accordingly, the User Agency has furnished the Undertaking to submit the same after receipt from the respective authority before issue of stage II Forest Clearance Order. The Undertaking has been enclosed along with the Forest Diversion Proposal.

Maps:

In pursuance to the Guideline issued by Gol, MoEF& CC, the User Agency has furnished all DGPS Maps for the Forest so involved in the project duly certified by ORSAC and authenticated by the Tahasildar Parjang and Divisional Forest Officer Dhenkanal Division which are enclosed in the Forest Diversion Proposal in plates.

Position of Displacement of people and Rehabilitation if any:

No displacement is involved in the project area. So rehabilitation plan is not required.

Cost Benefits Analysis:

Cost benefits analysis for the project is not required as the proposed Forest area for Diversion is less than 20 Ha.

Flora and Fauna:

The common species of Flora and Fauna which are noticed in the forest area proposed diversion in respect of Dhenkanal Forest Division are furnished in the part II enclosed in the Forest Diversion Proposal in details.

Net Present Value:

The User Agency has submitted an undertaking to pay the Net Present Value on receipt of demand notice and on due revision if any and accordingly the undertaking has been enclosed in the Forest Diversion Proposal.

Violation:

In the Forest Land the violation has been noticed, the details of which is furnished below.

Khata No.	Plot No.	Mouza	Area in Ha.	Kissam	Violation
387	4055	Kulei	6.273	Jungle-II (Revenue Forest)	3.237 Ha. encroached by the User Agency and currently the compound wall is demolished and temple is removed (Encroached removed)
387	4083	Kulei	0.312	Sabik Forest	Broken, inside Plant
387	4072	Kulei	0.344	Sabik Forest	Broken, inside Plant
387	4073	Kulei	0.101	Sabik Forest	Broken, inside Plant
387	4049	Kulei	1.489	Sabik Forest	Broken, inside Plant

On violation the User Agency will be liable for penal conditions under FC Act 1980 and as per existing rules there.

General:

Due to Elephant depredation in Parjang Tahasil area under Mahabirroad Range of Dhenkanal Forest Division, the Site Specific Wild Life Conservation plan is required for the project.

Recommendations:

The proposed project is an expansion project of one old existing plant and is not a green field project. Total Forest area proposed for diversion is only 11.853 ha Revenue Forest Land. Number of trees to be felled will be minimum. Also, there is no displacement due to the proposed project. There will be generation of employment for the local people and around 800 to 900 persons will be employed in the plant. The socio-economic scenario of the area will be enhanced. The proposed project is hereby recommended with penal conditions for violation as above.

Forest Diversion Proposal in 2(two) sets along with 04Nos of CD with due recommendation are sent here with for favour kind perusal and further needful action.

Encl- As above.

Divisional Forest Officer,
Dhenkanal Division.

Memo No-7540-----Dt 21.10.2022

Copy submitted to the Addl. Principal Chief Conservator Forests Diversion NO FC Act O/o Principal Chief Conservator Forest & HoFF Odisha Bhubaneswar for favour of kind information & necessary action.

Divisional Forest Officer,
Dhenkanal Division.

Memo No-7541-----Dt 21.10.2022

Copy submitted to the. Principal Chief Conservator Forests Wildlife & Chief Wild Life Warden Odisha Bhubaneswar for favour of kind information & necessary action

Divisional Forest Officer,
Dhenkanal Division.

Memo No-7542-----Dt 21.10.2022

Copy submitted to the Collector and District Misstate Dhenkanal for favour of kind information & necessary action

Divisional Forest Officer,
Dhenkanal Division.

Memo No-7543-----Dt 21.10.2022

Copy forwarded to the Chief General Manager (ENV) IDCO Janapath Bhubaneswr. for information & necessary action

Divisional Forest Officer,
Dhenkanal Division.