



Ref. No.: MCL/MLA/SOCP/PO/2021-2022/ 81

Date: 12.05.2021

To

The Divisional Forest Officer,

Sundargarh Forest Division,

Sundargarh.

Sub: Submission of point-wise compliance report against proposal towards seeking clearance from Ministry of Environment, Forest & Climate change Govt. of India for diversion of 349.709 ha of forest land of Siarmal Open cast Coal Mining Project of Mahalaxmi Area of Mahanadi Coalfields Limited.

Ref.:

1. Memo No.4138 dated 12.11.2020 of RCCF Rourkela
2. Letter No. No.2202/4F (Misc.) /2021 – Dt. 08.05.2021
3. Memo No. 1134 dated 11.03.2021
4. MCL/GM/MLA/2020/PO/SOCP/827 dated 21.12.2020
5. MCL/MLA/SOCP/2020-2021/928 dated 31.03.2021

Respected Sir,

With reference to the letters mentioned on the subject cited above, the point wise compliances of the EDS raised by your good offices, is furnished below:

i) **Map of the lease boundary:**

Reply: In compliance to the above, the project proponent would like to bring to your kind notice that the user agency had submitted a land use plan showing the lease boundary and Safety Zone of 7.5 meters which was attached as Annexure – II with the 27-point query reply vide letter no.

MCL/GM/MLA/2020/PO/SOCP/827 dated 21.12.2020. However, a separate map depicting the lease boundary is attached herewith as “**Annexure 1**”.

ii) Map of the safety zone area:

Reply: In compliance to the above, the project proponent would like to bring to your kind notice that the user agency had submitted a land use plan showing the lease boundary and Safety Zone of 7.5 meters which was attached as Annexure – II with the 27-point query reply vide letter no. MCL/GM/MLA/2020/PO/SOCP/827 dated 21.12.2020. However, a separate map depicting the safety zone is attached herewith as “**Annexure 2**”.

iii) Undertaking for setup an independent social welfare Department/Division along with establish and operate a vocational training institute having capacity to impart training at least five disciplines.

Reply: In compliance to the above, the project proponent has already submitted an undertaking stating that “*The user agency shall establish and operate a Vocational Training Institute having capacity to impart training in at-least five disciplines, to be decided by the State Government concerned in consultation with the user agency, for the benefits of the eligible unemployed youth in the project affected villages.*” The undertaking was **already submitted** as “Annexure A(vi)” vide letter No. MCL/MLA/SOCP/2020-2021/928 dated 31.03.2021. In context to the setting up of an independent social welfare department/Division, the project proponent had clearly mentioned vide letter No. MCL/MLA/SOCP/2020-2021/928 dated 31.03.2021 that the project proponent has already set up a “**Samadhan Kendra**” to hear the grievances of public and understand their socio-economic conditions. The letter was attached as “Annexure A(vii)”. In addition to that, it was also clearly stated that “the department of land and revenue consisting of a senior officer in the rank of the Chief



Manager is established to oversee the welfare of the land outsees and project affected persons. This department deals in the following:

- a) Land Compensation
- b) Structure compensation
- c) Compensation of trees, plants, ponds, wells, etc. in the tenancy lands
- d) Employment
- e) Cash in lieu of employment
- f) Monetary Compensation
- g) Rehabilitation
- h) Resettlement

The rehabilitation and resettlement of project affected persons is decided based on the survey of Honorable Claims Commission appointed by the Honorable Supreme court of India. To further facilitate the solution of the complaints and grievances if any of the persons employed and general public, a Samadhan Kendra is established by an order of the competent authority. This facilitates the faster resolution of complaints as they are directed to the respective departments for speedy resolution.”. The details of the grievance addressal system was submitted as “Annexure A(viii)”. However, an undertaking regarding the setting up of an independent social welfare Department/Division along with establish and operate a vocational training institute having capacity to impart training at least five disciplines is attached herewith as “**Annexure 3**”.

iv) Cost Benefit analysis item No. (i) is not properly filled up

Reply: In compliance to the above, the project proponent had already submitted the cost-benefit analysis with the Form A Part II. The Office of the RCCF, Rourkela has reverted back the proposal seeking the submission of the DFO’s cost benefit analysis. However, the cost-benefit analysis on your



part has been prepared by the project proponent and is attached herewith as “Annexure 4”. The duly filled in *Cost Benefit analysis item No. (i)* is tabulated below:

Sl. No.	Parameters	Figure in Rs. Lakhs per Year	Remarks
1.	Loss of value of Timber, fuel wood & minor forest produced on annual basis including loss of men hour per annum of people derived livelihood and wages from the harvest of these commodities:	182.07	The value of loss of timber under 345.779 ha forest land
		41.50	The value of loss of fuel wood
		34.14	Loss of minor forest produce such as mohua, etc.
		11.38	Loss of other minor forest produce such as gum, kendu leaves, char seeds, etc.,
		101.98	Loss of man-days @ 100 days /Ha & Rs 308/day.
	SUB TOTAL	371.07	

Therefore, it is being requested that the reply to the 27-point query by the RCCF may be sent by your good offices at the earliest for the speedy accordance of the Forest Stage I clearance.

With Regards

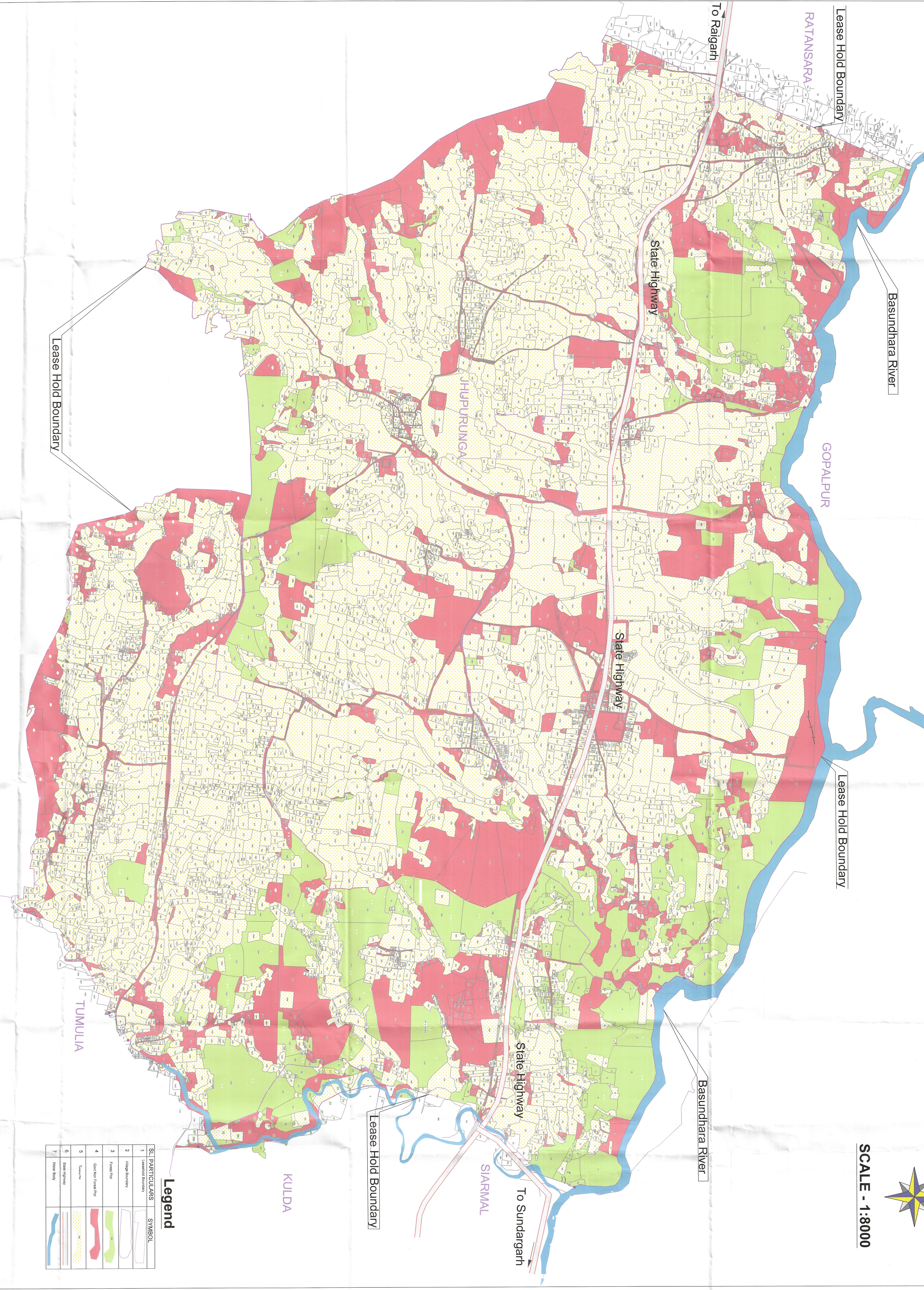
Yours truly

[Signature]
Project Officer,
Siarmal OCP,
Mahalaxmi Area, MCL

Copy to:

- Principal Chief Conservator of Forests, Forest Division & Nodal Officer, FC-Act, Office of the Principal Chief Conservator of forests, Bhubaneswar, Odisha.
- Regional Chief Conservator of Forests, Rourkela Circle, Rourkela.

Mahanadi Coalfields Limited
Siarmal OCP, Mahalaxmi Area
Lease Hold Boundary Plan



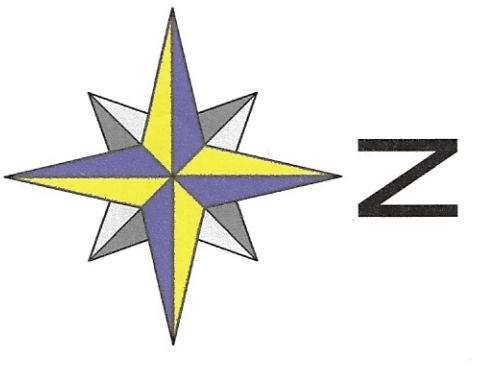
Project Officer
Siarmal OCP
General Manager
Mahalaxmi Area
Mahanadi Coal Fields Limited

Signature

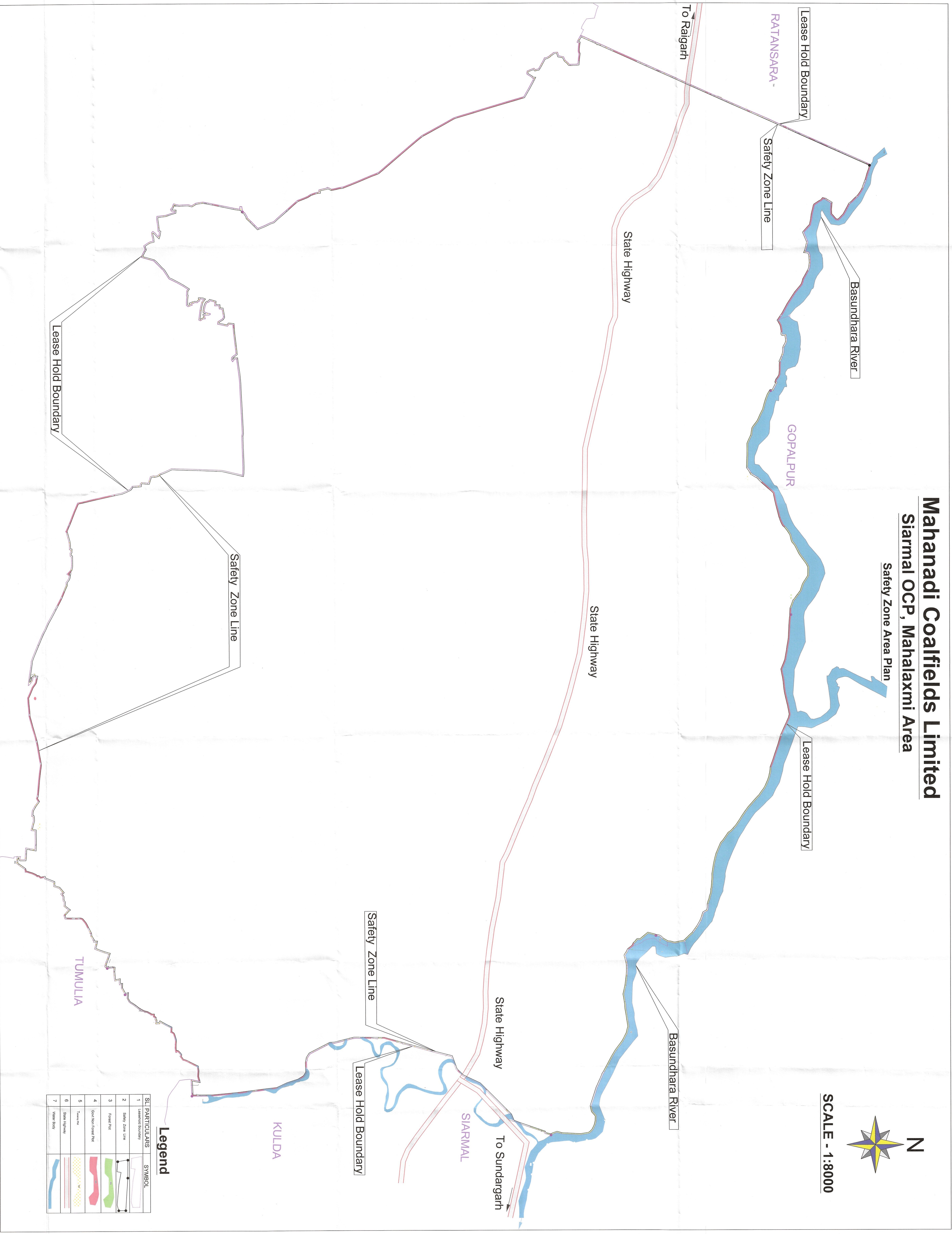
Mahanadi Coalfields Limited

Siarmal OCP, Mahalaxmi Area

Safety Zone Area Plan



SCALE - 1:8000





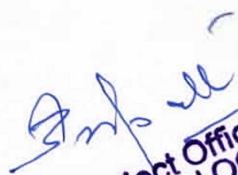
Annexure: 3

Undertaking

We do hereby undertake that “The user agency shall establish and operate a Vocational Training Institute having capacity to impart training in at-least five disciplines, to be decided by the State Government concerned in consultation with the user agency, for the benefits of the eligible unemployed youth in the project affected villages and the user agency shall also endeavor to employ such trained manpower in their own industry or any other appropriate industry , preferably located in vicinity of the forest land being diverted.”

We do also hereby undertake “The user agency shall setup an independent Social Welfare Department / Division and follow the subsequent condition of the project- affected and the project-displaced persons in such a way as to understand their socio-economic conditions before and after the project and take such corrective measures as are necessary to restore them to their original or better-than-original condition.”


General Manager,
Mahalaxmi Area, MCL


Project Officer, Social OCP,
Mahalaxmi Area

COST BENEFIT ANALYSIS OF
SIARMAL OPENCAST COAL MINING PROJECT of MCL

PARAMETERS FOR EVALUATION OF LOSS OF FOREST: (COST)

(Diversion of 349.709 Ha of forest Land including 3.930 Ha of safety Zone)

Sl. No.	Parameters	Figure in Rs. Lakhs per Year	Remarks
1.	Loss of value of Timber, fuel wood & minor forest produced on annual basis including loss of men hour per annum of people derived livelihood and wages from the harvest of these commodities:	182.07	The value of loss of timber under 345.779 ha forest land
		41.50	The value of loss of fuel wood
		34.14	Loss of minor forest produce such as mohua, etc.
		11.38	Loss of other minor forest produce such as gum, kendu leaves, char seeds, etc.,
		101.98	Loss of man-days @ 100 days /Ha & Rs 308/day.
	SUB TOTAL	371.07	
2.	Loss of animal husbandry, productivity, including loss of fodder	5.18	Loss of Animal Husbandry-Nil, Loss of fodder over 345.779 ha @ Rs. 1500/ha
3.	Cost of Human resettlement	1067.5	Cost of human settlement for 2562 families @Rs. 10 lakh per family assumed for a lease period of 24 years = Total no. of family x cost per family/24 = Rs 1067.5 lakh
4.	Loss of public facilities and administrative infrastructure (roads, buildings, school, dispensaries, electric lines, railways, etc.) on forest land which shall be diverted.	325.00	Loss of public facilities like roads, electric lines, etc., on forest land would be about 325 lakhs.
5.	Environmental losses (soil erosion, effect on hydrological cycle, wild life habitat, microclimate upsetting of ecological balance	500.69	Environmental loss per annum = (Rs 181 Lakhs /Ha x forest land area x forest density)/ 50 = (181 x 345.779 x 0.4)/50 = Rs. 460.68 Lakh

6.	Suffering of oustees	7101.86	The average earning of each family is around Rs 92400.00 per annum considering wages @ Rs. 308/- per day for 300 working days. The total earning of 2562 PAFS will be Rs 2367.288 Lakhs/Years {2562 x Rs. 0.924 Lakhs}. The social of rehabilitation is considered at 1.5 times of what the person should have earned in two years, had the family had not been shifted. Therefore, the suffering of the PAF's is estimated at Rs 2367.288 Lakhs x 2 x 1.5= Rs. 7101.86.
7.	NPV of forest	65.67	349.709 ha x Rs. 9.39 lakhs/ 50 (Eco class I, Tropical Moist Deciduous forest)
Subtotal (Lakhs)		9064.90	
Total Cost (Lakhs)		9435.97	

**PARAMETERS FOR THE EVALUATION OF THE BENEFIT NOT
WITHSTANDING LOSS OF FOREST: (BENEFIT)**

Sl. NO.	Parameters	Figures in Rs Lakhs per years	Remarks
1.	Increase of productivity attribute to this specific project	482500.00	Increase of productivity attributable to this specific project of 50.0 Million ton of 'G' grade coal @ Rs 965/-per ton of ROM. {50000000 tons x 965 Rs. /ton}
2.	Benefit to economy	67550.00	Royalty @ Rs 135.10/ton for 50 MTPA
		1351.00	NMET Fund. i.e., 2% of royalty
		20265.00	DMF, i.e., 30% of royalty
		12062.5	CGST @ 2.5% of Rs. 965.00/ton x 50000000 tons
		12065.5	SGST @ 2.5% of Rs. 965.00/ton x 50000000 tons
		200000.00	GST COMP CESS @ Rs. 400.00/ton
Sub Total		795794.00	
3.	Number of Population benefited	3151.20	The average No. of population benefited due to this project is about 20000. Assuming a family of four, total numbers of family benefited: 20000/4: 5000 Benefit=5000 x Rs. 5252/month x 12 month =3151.20 lakhs (As per MGNREGA rates)
4.	Employment potential	39079.36	The employment potential of the project is 2995 persons per day. The average wages to the employees @ Rs. 1186200.00 (EMS Rs.3954.00 per person * 26 days per month * 12 months) per year will be Rs. 39079.36 Lakhs/Year.
5.	Cost of acquisition of facility on non-forest land wherever feasible.	(-)2391.61	Cost of Compensatory afforestation = Rs 2391.61 lakhs
6.	Loss of a) agriculture and b) animal husbandry production due to diversion of forest land.	(-)1890.46	Agricultural income of about Rs 1890.46 lakhs may occur due to the project.
7.	Cost of rehabilitating the displaced person as different from compensatory amount given for displacement.	(-)15000.00	The Cost of Rehabilitating the displaced person as different from compensatory amount given for displacement = Rs 15000.00 Lakhs approx.
8.	Cost of supply of free fuel wood to	(-)251.25	LPG gas will be provided by the company @ Rs.

	workers residing in or near forest area during the period of construction		721.00. The total number of employees is 2904. Total cost = (2904*721.00*12)
Sub Total (LAKHS)		22697.24	
TOTAL (LAKHS)		818491.24	

Annexure-VIII

SUMMARY OF COST BENEFIT ANALYSIS OF
SIARMAL OPENCAST COAL MINING PROJECT of MCL

1.	Total loss per annum due to loss of timber, fire wood, miner forest product and environmental loss	9435.97 Lakhs
2.	Total benefit per annum to the economy due to production of coal and energy in the project	818491.24 Lakhs
	Hence the cost benefit ratio of the Coal mining project is	1:86.74

1.Total Benefits: Rs. 818491.24 Lakhs

2. Total Losses (Cost): Rs. 9435.97 Lakhs

3. COST BENEFIT RATIO: 1:86.74