F. No. 8-98/2004-FC Government of India Ministry of Environment & Forests (F.C. Division)

Paryavaran Bhawan, C.G.O. Complex, Lodi Road, New Delhi-110003.

Dated: 9th August 2006

To

The Principal Secretary (Forests), Government of Orissa, Bhubaneswar.

Sub: Diversion of 653.150 ha: (approved area 453.150 ha) of forest land for 3rd renewal of Khandbandh Iron and Manganese Ore Mines Keonjhar Forest Division in favour of M/s TISCO Ltd., in Keonjhar district of Orisea.

I am directed to refer to your letter No. 10F (Cons.)129/2004/17040/F&E dated: 18-11-2004 on the above mentioned subject seeking prior approval of the Central Govt. under Section-2 of Forest (Conservation) Act, 1980, and to say that the proposal has been examined by the Forest Advisory Committee constituted by the Central Government under Section 3 of the aforesaid Act.

After careful consideration of the proposal of the State Government, and on the basis of recommendations of the above-mentioned Advisory Committee, the Central Government granted in-principle approval on 13.07.2005 for the above project. The compliance of various conditions, stipulated in the in-principle approval, was received vide your letter no.10F (Cons.) 129 / 2004 / 13176 / F&E dated: 03.08.2006. After consideration of the proposal and compliance of various conditions by the State Government, the Central Government hereby conveys its approval under Section-2 of the Forest (Conservation) Act, 1980 for diversion of 453.150 ha. (including 136.150 ha. of broken up area) of forest land for 3rd renewal of Khandbandh Iron and Manganese Ore Mines in Keonjhar Forest Division in favour of M/s TISCO Ltd., in Keonjhar district of Orissa, subject to fulfilment of following conditions:

Legal status of the forest land shall remain unchanged.

Compensatory Afforestation shall be raised over 317.00 ha of non-forest land, (ii)

and shall be maintained at the project cost.

The non-forest land identified for Compensatory Afforestation shall be declared as Reserved Forest/Protected Forest under Indian Forest Act, 1927/State Forest Act. The Nodal Officer shall report compliance within three months in this regard

Penal compensatory afforestation shall be raised and maintained over degraded forest land, double in extent of the area involved in violation, by the State Forest

FOR AND ON BEHALF OF TATA STEEL LIMITED BY THEIR CONSTITUTED ATTORNEY



Department at the project cost, as stipulated at the time of grant of temporary working permission in 2003.

(v) The mining lease period under the Forest (Conservation) Act, 1980 shall be coterminus with the current lease granted under MMRD Act, 1957.

(vi) The State Government shall deposit NPV and all other funds with the Ad-hoc Body of Compensatory Afforestation Fund Management and Planning Authority (CAMPA), in Account No. CA 1585 of Corporation Bank (A Government of India Enterprises), Block-11, Ground Floor, C.G.O. Complex, Phase-1, Lodhi Road, New Delhi-110003, as per the instructions communicated vide letter No. 5-2/2006-FC dated 20.05.2006.

(vii) RCC pillars 4 feet high shall be erected to demarcate the area by the user agency at the project cost and will be marked with forward and back bearings.

(viii) The user agency shall raise, fence and maintain a safety zone around the mining area and will also raise and maintain the plantation over an area one and half times of extent of the safety zone, over degraded forest land elsewhere, at the project cost.

(ix) The concurrent reclamation plan shall be executed by the user agency from the very 1st year and an annual report shall be sent to the Nodal Officer and the RCCF, Bhubaneswar. If it is found from the annual report that the concurrent reclamation plan is not being adhered to by the user agency, the mining activities shall remain suspended till such time, the annual programme is completed for that year.

(x) The Regional Wildlife Management Plan, prepared for Bonai and Keonjhar Divisions for conservation of wildlife and their habitat, shall be implemented at project cost. State Government shall submit the progress of implementation of Wildlife Management Plan prepared for Bonai and Keonjhar Divisions.

(xi) The top soil shall be protected by the user agency at the project cost.

(xii) The balance forest area 377.645 ha. of the RML, not recommended for diversion, should be protected and managed by the State Forest Department, at the project cost.

(xiii) A need based scheme for conservation and enrichment cover on 315.433 ha. non-mineralized zone shall be implemented by the State Forest Department at the project cost.

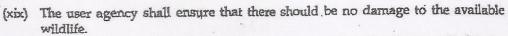
(xiv) Blasting, if required, shall be done in a manner causing least disturbance to animals particularly elephants. Timing of blasting should be fixed in consultation with local forest and wildlife officials.

(xv) Trees will be felled in a phased manner over a period of 20 years in accordance with a plan prepared in consultation with the State Forest Department. Trees shall be felled only when it becomes necessary and that too under strict supervision of State Forest Department, and at the cost of the project.

(xvi) No labour camps shall be established on the forest land. .

(xvii) All necessary measures should be taken by the user agency to protect the environment.

(xviii) Sufficient-firewood shall be provided by the user agency to the labourers at the project cost after purchase from the State Forest Department/Forest Development Corporation.



(xx) The forest land shall not be used for any purpose other than that specified in the

proposal.

(xxd) The forest land thus diverted shall be non-transferable. Whenever the forest land is not required, it shall be surrendered to the State Forest Department under intimation to this Ministry.

The State Government shall ensure compliance of all the above conditions.

Yours faithfully,

(Pankaj Asthana) Assistant Inspector General of Forests

Copy to :-

1. The Principal Chief Conservator of Forests, Government of Orissa, Bhubaneswar.

2. The Nodal Officer, Forest Department, Government of Orissa, Bhubaneswar.

3. The Chief Conservator of Forests (Central), Regional Office, Bhubaneswar.

4. User Agency.

5. Guard File.

6. Monitoring Cell of FC Section.

(Pankaj Asthana)

Assistant Inspector General of Forests