

Letter No.- KPSPL/DHO/2023-24/40

Dt. 16.06.2023

To,
The Divisional Forest Officer,
Bonai Forest Division,
Dist – Sundergarh.

Sub: Proposal for seeking prior approval of the Central Government under Section 2(ii) of the Forest (Conservation) Act, 1980 in favour of M/s Kashvi Power & Steel Pvt. Ltd. for non-forestry use of 60.508 ha of forest land including 2.331 ha of Safety zone in Dholtapahar Iron Ore Block for iron ore mining in Bonai Forest Division under Sundargarh District, Odisha –reg. (**Proposal No. FP/OR/MIN/150522/2021, State SI No. OR-010/2022 dated 02.02.2022**)

Ref: (1) File No. 8-14/2023-FC dated 02.05.2023
(2) Your office letter No.4112 dated 16.05.2023

Dear Sir

This has reference to the letter on the subject cited above, we would like to inform you that Ministry of Environment, Forest and Climate Change, Govt of India examined our proposal and raised EDS. The pointwise compliance of the EDS as follows: -

- i. **As per DSS analysis, based upon decision Rule 1, the area falls in High Conservation Value Zone. Moreover, the area is also an important wildlife habitat. The justification for proposing mining in this biodiversity-rich area shall be provided.**

In compliance to the above, we would like to inform you that this iron ore block has been allotted through e-auction. As per section 10B (3) of MMDR Act 2015 which provides that *“In areas where the existence of mineral contents of any notified mineral is established in the manner prescribed by the Central Government, the State Government shall notify such areas for grant of mining leases for such notified mineral, the terms and conditions subject to which such mining leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government”*(Enclosed as **Annexure-I**) Again, as per the guideline under Forest Conservation Act, 1980 which provided that *“in pursuance of order dated 13.11.2000 in Writ Petition (C) No. 337 of 1995 of the Supreme Court, there shall be no de-reservation / de-notification of forests, National Parks and Sanctuaries without approval of the Supreme Court. Further, in pursuance of the orders of the Hon’ble Supreme Court all mining operations in National Parks and Sanctuaries shall continue to remain suspended, and no mining activity is permissible within 1 km of the boundary of a PA”*(Enclosed as **Annexure-II**). The Dholtapahar Iron Ore Block is not falling under any protected area and having existence of mineral, the State Government allotted this Block for Iron Ore Mining through e-auction.

The DFO, Bonai while forwarding the Forest Diversion proposal already mentioned that the area proposed for diversion is coming under Sarkunda Reserve Forest and characterized by presence of wide variety of flora & fauna hence impact on the wildlife and wildlife habitat need to be addressed. To mitigate the above, the DFO, Bonai suggested for preparation & implementation of a Site-Specific Wildlife Conservation Plan.

- iv. **The area proposed for mining is within a pristine and very dense forest. Mining activities in this area would require road, electricity and water. However, the proposal does not include the details of how such requirements will be met and whether additional forest land will be required for that or not.**

In compliance to above, we would like to inform you that the State Government while forwarding the Forest diversion Proposal to Central Govt already mentioned that the allottee has applied for land lease for construction connecting road in form I(A) under rule 6 (2) of the Odisha Government Land Settlement Rules 1983 to Tahasildar, Koira and the Tahasildar, Koira vide letter No. 2741 dated 22.11.2022 requested the DFO, Bonai to ascertain the applicability of Forest conservation Act,1980. The DFO, Bonai vide letter No. 10081 dated 29.11.2022 requested the Kashvi Power & Steel Private Limited to apply for diversion of forest land involved as provided under Forest Conservation Act,1980 through online portal (**Enclosed as Annexure-III**).

Further we would like to inform you that the DGPS map of the connecting road already authenticated by the ORSAC (Copy of the letters enclosed as **Annexure-IV**). and the Collector, Sundergarh vide his letter No 2609 dated 15.03.2023 requested all Tahasildar to identify land for compensatory afforestation (Copy enclosed as **Annexure-V**). The compliance of the FRA,2006 is also under process (Copy enclosed as **Annexure-VI**). After identifying the CA land, we will apply online for forest clearance in the Parivesh-II portal under FC Act, 1980.

After execution of the lease deed, we will apply to NESCO to provide us 11 KV power line to our Mines and same will be drawn in the RoW of the connecting so that requirement of additional forest land will be avoided.

In regards to the requirement of water, we have already obtained NOC No. CGWA/NOC/MIN/ORIG/2023/17542, dated 12.01.2023 from CGWA, GoI to draw groundwater 97 m³ /day. A copy of the NOC is enclosed as **Annexure – VII**.

- v. **Legible copy of the approved mining plan has not been uploaded on the PARIVESH portal which is required to be done.**

In compliance to the above, we would like to inform you that mining plan is voluminous document and to upload the same in the portal it has to be compressed and because of compression it is not legible. However, we are submitting herewith 4 (four) legible copies of Mining Plan for your kind reference.

- vi. **The State Govt shall ensure that the proposed component wise land-use is in conformity with the landuse in the approved mining plan. A comparative analysis of the same shall be made and justification for variation if any shall be provided.**

In compliance to the above, we would like to inform you that the format of Mining plan for conceptual land use is in consonance with the Forest diversion Proposal. We are giving below the comparative analysis as:-

Comparison Table between Mining Plan & Forest Diversion Proposal

	Forest Diversion Proposal	Area in Ha.	Mining Plan	Area in Ha.
1	Mining including mines road and mobile mineral processing unit	40.201	Mined Out area in the Lease	40.201
2	Waste dump with safeguard measures like retaining wall, garland drain and settling pond, check dam etc.	7.265	Area under Dumps (Waste dump & Ore Stack yard)	7.265+ 6.021= 13.286
3	Mineral stacking yard	6.021		
4	Road	0.657		
5	Infrastructure (Office, work shop, fuel station, parking plaza etc.)	1.498	Area under utility services (Road+ infrastructure +Crushing Screening + Magazine+ Entry & Exit	0.657+ 1.498 + 1.281+ 0.019 +0.004 = 3.459
6	Crushing and screening area	1.281		
7	Entry and exit within safety zone area	0.004		
8	Magazine with Green Belt (Magazine Area -0.019 ha +Green Belt – 1.231 = 1.250)	1.250	Area undisturbed/virgin (Green belt & Safety zone)	1.231+ 2.331 = 3.562
9	Safety zone area around ML boundary	2.331		
Grand Total		60.508	60.508	60.508

The relevant page of approved mining plan is enclosed as **Annexure-VIII**.

- ix. **The copy of the ownership/revenue record and the documentary evidence regarding allotment of Non-Forest Govt land for the purpose of Compensatory Afforestation shall be submitted.**

In compliance to the above, we are submitting herewith letter of Tahasildar for documentary evidence regarding allotment of non-Forest land for the purpose of Compensatory Afforestation (Copy enclosed as **Annexure – IX**)

- x. **The KML file of the proposed area indicating the land use plan /component wise breakup/ mineralized and non-mineralized zonation shall be submitted.**

In compliance to the above, we are submitting herewith the KML file area indicating the land use plan /component wise breakup/ mineralized and non-mineralized zonation. CD is enclosed for your reference.

- xi. **Many non-site-specific activities like Mineral stackyard, OB Dump, Mineral processing etc. are proposed on forest land. The justification for proposing non-site-specific activities on forest land shall be submitted.**

In compliance to the above, we would like to inform you that the entire block is forest land and MMDR Act do not allow to take up ancillary activities outside the lease hold area. The Mineral stackyard, OB Dump, Mineral processing etc has been proposed in accordance with conceptual land use of Mining Plan.

Further, As per Rule 12(3) of Mineral Conservation & Development Rule, 2017 which provides that **the holder of a mining lease shall carry out detailed exploration (G-1 level) over the entire potentially mineralised area under the mining lease, within a period of five years from the date of opening of the mine after execution of such mining lease (Annexure- X).** In the approved mining plan it has been proposed & to carry out 42 nos exploratory boreholes during the plan period to complete the exploration upto G-1 level.

It would be pertinent to mention that as per 7.8 (c) of Handbook of Guideline under Forest Conservation Act, 1980 provides that **as per the MMDR (Amendment) Act 2015 & Mineral (Evidence of Mineral content) Rules, 2015, a mining lease can be granted pursuant to ensuring G-2 level of exploration (prospecting) and lessee has to prove the mineral up to G-1 level in next 5 years of time, hence land use in the mining plan should be prepared up to a conceptual period and the land use of diversion proposal should be same as land use in the Mining plan. After G-1 level of exploration, the mining plan/scheme should be modified accordingly and final land use pattern should be submitted to MoEF&CC for information and record (Annexure-XI).** After G-1 level of exploration, we will submit the final land use considering mineralisation zone.

The area earmarked for dumping is 7.265 ha as because during plan period ore will not be exhausted in any place and hence the waste generated during mining operation has to be kept in the external dump. After exhaust of mineral we will not use any forest land for dumping purpose and waste materials will be used for reclamation.

The area earmarked for storing of minerals is 6.021 ha. for the purpose of storing of sub-grade ore (45%fe to 55%fe) which has no market and it has to be preserved as per Rule 14 – **“Separate stacking of non-saleable minerals. – (1) All the non-saleable or unusable minerals or ores above the threshold value of the mineral, as may be notified by Indian Bureau of Mines from time to time, or otherwise shall be stacked separately on the ground earmarked for the purpose (Annexure-VIII):”**

The balance area is for stacking & storing of Minerals. Considering the grade wise and size wise requirement of the consuming industries, the ore raised is to be segregated and stacked separately for sale purpose. Considering from the mineral conservation point of view, the Indian Bureau of Mines, Govt. of India is emphasizing on assessment of the iron ore reserve with the cut-off grade of 45%Fe and stacking of the sub grade ore properly. Presently, the good quality ore is only marketable and the sub-grade ore raised are normally not sold presently, which are required to be stacked separately for the future use. Again for removal of ore from mining lease hold area, stacking of minerals is essential. The State Government vide notification 3973 dated 28.04.2021 have issued operational guideline for Stacking, Sampling & Chemical Analysis. As per the guideline each stack should not be more than 20000 MT and the height should not be more than 3 meter. To accommodate 20000MT, the required surface area is approximately more than 2500Sq.M. Road has to be kept in between the stacks, so considering all the above, area required for each stack is 5000 Sq.M or 0.5 ha. Depending on the placement of Rakes,

the average time for removal of one stacks take about a month. We have to dispatch 1 lakh ton of material every month and to achieve the quantity, 7 to 8 nos of stack of different grade and size are required. So minimum 3 ha of land is required for stacking of Ore of processed ore. Again, some area is required for un-processed ore. Looking to the above, 6.021 ha has been earmarked for Mineral storage.

- xii. **The Cost-benefit ratio has been mentioned as 1:186 which is very high. The State govt. shall recheck the same. Further, the CB analysis has to be prepared keeping in view the parameters and format prescribed in the FCA Handbook of guidelines.**

In compliance to the above, the CB analysis is 1: 94 and prepared as per the format prescribed in the FCA handbook of guidelines.

Thanking you,

Yours faithfully,

For and on Behalf of Kashvi Power & Steel Pvt Ltd.

For Kashvi Power And Steel Pvt. Ltd.



Authorised Signatory

Authorised Signatory

Encl: As above