

FACOR/ Bhadrak /Legal /153 / 2022

Dtd.19.09.2022

To

**Divisional Forest Officer**  
Cuttack Forest Division  
At-Ghatakula, Nuapada,  
Cuttack, Odisha -753010.

**Sub:** Submission of Compliance to EDS raised by Integrated Regional Office, Eastern Region, MOEF & CC, Bhubaneswar with respect to diversion of 23.80 ha of Forest land (as per Sabik Records as on 25.10.1980) including 2.240 ha of Forest land in Safety Zone area for Kalarangiatta Chromite Mines of M/s Ferro Alloys Corporation Ltd (FACOR).

**Ref:** 1. Letter No.18197 /9F (MG)-368/2016, dtd. 16.09.2022 of Conservator of Forest (Nodal)  
2. Letter No 5-ORC288/2016- BHU dated 7<sup>th</sup> September, 2022 of IRO, MoEF&CC, Bhubaneswar with a copy to M/s FACOR Ltd, Bhadrak.  
3. Letter No. ~~6249/5F~~. Dtd. ~~19/09/2022~~ issued by DFO Cuttack Division.  
4. Online FDP No. FP/OR/MIN/16453/2015 of Kalarangiatta chromite Mines.  
5. State Serial No. of Proposal OR-012/2016, dt.01.03.2016

Dear Sir,

In inviting reference to the above subject and letter under reference it is to submit that in 74<sup>th</sup> meeting of the Regional Empowered Committee (REC) of Integrated Regional Office, MOEF & CC Bhubaneswar held on 30.08.2022, the proposal for Diversion of 23.80 ha of Forest land (as per Sabik Records as on 25.10.1980) including 2.240 ha of Forest land in Safety Zone area for Kalarangiatta Chromite Mines of M/s Ferro Alloys Corporation Ltd (M/s FACOR) has been considered and further clarification has been asked for vide letter no 5-ORC288/2016-BHU dated 7<sup>th</sup> September, 2022. In compliance to the points so raised, it is furnished below for kind consideration and favourable orders.

**Query No.1:** *Justification for delay in submission of information/reply sought by IRO Bhubaneswar vide letter dtd.28.11.2016 (The information sought was received by this office on 24.08.2022).*

**Compliance:**

**(A) . Non-availability of Compensatory Afforestation land in nearby districts:**

That Points of Objection Raised by the Integrated Regional Office, MOEF & CC, Bhubaneswar vide its letter No.5-ORC288/2016/BHU dtd. 28.11.2016 that "the shape file of proposed C.A. Area submitted by State Govt. vide letter under reference-2 has been examined in



the Decision Support System (DSS) of Forest Survey of India and it is observed that out of 24 ha CA area 10 ha contains MDF and balance 14ha is open forest and advised to identify alternate patch of non -forest land for compensatory afforestation and submit the same along with the shape file.

In compliance to the advice, the user agency has approached various Government authorities including the District Collector of Jajpur and District Collector, Dhenkanal District. The office of Collector, Jajpur repeated their previous stand which has been communicated vide letter no.5909 dtd.28.12.2015 and re-confirmed that no suitable Govt. Non-Forest Land is available in Jajpur District for the purpose of compensatory afforestation against diversion of Forest Land pertaining to Kalarangiatta Chromite Mines. The relevant correspondence with Collector Jajpur are enclosed as **Annexure-1 series**.

That the applicant has also approached the District Collector, Dhenkanal for providing alternate land for Compensatory Afforestation Purpose. The Additional District Magistrate Dhenkanal vide letter no.403 dtd.29.03.2017 has intimated regarding scarcity of CA land in Dhenkanal District and instructed the user agency to go for purchase of private land or to acquire land through acquisition mode under the relevant act for the purpose of compensatory afforestation vide letter no. II-30/17 403/Rev dated 29.03.2017. Copy of the letter dtd 29.03.2017 enclosed as **Annexure-2**.

Considering the uphill task for CA land acquisition and difficulty in obtaining private land over 10 ha at a patch, the user agency had continued its effort to locate Government Non- Forest land (NFL) or degraded Revenue Forest Land (DFL). On vigorous search of land records in various Tahasil offices of the district a patch of revenue forest land was identified at village Kusumunda and the land was allotted for CA purpose vide letter No. II- 71/ 2022/ 3910 dated 18.04.2022 of Collector, Dhenkanal. Copy of the letter enclosed as **Annexure-3**. Subsequently it was found to be a forest land having crop density above 40% (MDF) and not suitable for Compensatory Afforestation Purpose.

Due to revision of guidelines by the MoEF& CC, Government of India on CA land and acceptance of NFL as CA land irrespective of crop density has saved the situation. From the above it may be seen that the user agency has tried its best in searching / identifying land for compensatory Afforestation from receipt of directives since November 2016.

**(B) Initiation of CIRP by NCLT against the company i.e FACOR, the User Agency:**

That M/s FACOR had to pass a very hard time through its financial Insolvency situation arises during last part of 2016. Hon'ble National Company Law Tribunal (NCLT) Kolkata Bench vide its order dated 06.07.2017 has initiated Corporate Insolvency Resolution Process (CIRP) and declared moratorium against M/s. Ferro Alloys Corporation Ltd. (FACOR), the User Agency as

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per the provision of Insolvency Bankruptcy Code (IBC)-2016. The CIRP process continued up to 30.01.2020 i.e the date of approval of Resolution Plan by Hon'ble NCLT Cuttack Bench. During the said CIRP and Moratorium period, the company of the user agency was regulated and monitored by a Resolution Professional (RP) appointed by Hon'ble Court of NCLT. It is pertinent to mention here that w.e.f the date of declaration of Moratorium / CIRP, the Board of the company was dissolved and all the power / right of the directors of the company had been ceased as per IBC-2016. Copy of the order dated 06.07.2017 and dated 30.01.2020 are enclosed herewith as **Annexure-4 & 5** respectively.

That During the CIRP period the Resolution Professional was only the caretaker of the company just to manage on day to day matters concern. Proper attention by the RP during the period from 2017 up to 2020 could not be focused on these issues. After completion of CIRP and formation of new Board in 21.09.2020 as per the order of NCLT Cuttack bench, the new management has initiated process for all the statutory compliances of the company.

**(3) Covid-19 Pandemic & its consequences on the country:**

Convid-19 Pandemic was broken out from 23<sup>rd</sup> March 2020 and continued till 2022. During this period, the Government of Odisha / India had declared short down / lock down from time to time and official functioning was badly affected. No continuous effort could be built up by the user Agency to identify the CA land required. As soon as there is relaxation on COVID-19 restrictions, we have swing up in to action and able to submit the compliance to IRO, MoEF&CC, Bhubaneswar by 24.08.2022. From April, 2020 to 1<sup>st</sup> part of 2022 the situation in the state as well as in the country is unprecedented and official delay has been caused. This is an act of GOD over which, the user Agency has no control over the situation. Copy of Office orders relating to COVID-19, 2020 lockdown etc are enclosed as **Annexure-6 series**.

**Query No.2 :**      *Whether the mining activity is being carried out by the user agency during this period ?*

**Compliance:**

The Mining lease of Kalarangiatta Chromite Mines of M/s. Ferro Alloys Corporation Ltd. has been granted by Dept. of Steel and Mines, Govt. of Odisha in 2007 and the lease deed executed in 2008 over an area of 23.80 ha of non-forest land. The mine is operating since the year 2011 with all statutory clearances.

In pursuant to the guideline dt.10.03.2015 of MOEF & CC, Govt. of India, the user agency has applied for Forest Diversion proposal in the year 2015 under provisions of FC Act, 1980. The mining operation is continuing till date by virtue of the order dated 20.12.2016 and 16.01.2017 passed by Hon'ble High Court of Odisha. Copy of the Certified copies of the said orders are enclosed herewith as **Annexure-7** for kind reference.



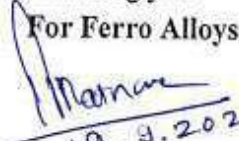
**PRAYER**

The observation that there is an inordinate delay in submission of compliances to the observations / directives contained in letter No.5-ORC288/2016/BHU dated 28.11.2016 of IRO, MoEF&CC, Bhubaneswar. The reasons for the delay is presented before the authority for kind consideration. Some of the situation is consequences of Act of GOD and beyond the control of the applicant. Non availability of suitable CA land in the parrent and neibouring distict is putting a uphill task in process of Forest Diversion.

On the above circumstances, we would would pray your good office to kindly condone the delay so caused and grant the *"in Principle Approval Orders" for diversion of 23.80ha of Forest land including 2.24 ha in Safety Zone.*

Thanking you

For Ferro Alloys Corporation Ltd.

  
19.9.2022  
Authorised Singatory

Copy to :

- (1) Integrated Regional Office, MoEF &CC, Bhubaneswar for kind information.
- (2) The Chief Conservator of Forests (Forest Diversion, Nodal, Office of the PCCF, Odisha)
- (3) Regional Chief Conservator of Forests, Angul Circle,
- (4) Divisional Forest Officer, Dhenkanal Division for kind information and needful compliances.



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*Received*

*Bm*

*19/9/2022*

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