

**F. No 8-7/2015-FC**

**Sub: Diversion of 1,892.35 ha (4334.01 ha proposed originally) of forest land in favour of TSGENCO for the establishment of Coal Based Thermal Power Station of capacity 4400 MW at Veerlapalem (V) and 2400 MW at Dilawarpur (V) of Dameracherla (M), in Nalgonda District in the State of Telangana**

1. The above mentioned proposal has been accorded Stage-I approval by the Ministry vide its letter of even number dated 27.04.2015 (Pg 735-738/c) subject to certain conditions prescribed therein. The State Government of Telangana, vide their letter No. 63/FOR.I (1)/2015 dated 21.05.2015, placed along with its annexure at Pg 739-1293/c, has furnished the compliance report on conditions stipulated in the Stage-I approval dated 27.04.2015. Summary of the compliance report, submitted by the State Government, is as under:

S. No	Condition stipulated	Status of Compliance
(i)	Legal status of the diverted forest land shall remain unchanged;	It is reported that legal status of the diverted forest land will be maintained status quo ante. An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.
(ii)	To avoid fragmentation of the Reserve Forests, the 1,892.35 hectares of forest land proposed to be diverted will be selected on one side of the RF leaving the balance area of the RF in a single compact block	It is reported that an area of 1892.35 Ha of Forest land selected only on one side of the forest in single compact block of Veerlapalem block of Miryalaguda Range, Damercheria Mandal, Nalgonda Dist. A copy of the map indicating the detailed land use plan for 1892 ha of forest land indicating detailed item wise breakup of forest land alongwith location of these items of work has already been submitted by the State Government before grant of Stage-I approval. A copy of the same is available at page 686-689/c.
(iii)	Compensatory afforestation over the non-forest land, equal in extent to the forest land being diverted, shall be raised and maintained by the State Forest Department at the cost of the User Agency;	An extent of area 1,892.35 ha (Ac. 4676.00 Gts) of Govt. land has been identified and handed over by the user Agency towards Compensatory Afforestation in 25 locations spreading over 5 Revenue Divisions and 2 Forest Divisions i.e., Nalgonda Territorial Division and Wild Life Management Division, Nagajuna Sagar and communicated vide Dist. Collector, Nalgonda Lr. No. F1/9869/2014 dated 16.05.2015. (detailed list enclosed) (pg-758-759/c), which will be afforested and maintained by the State Forest Department. Map of the non-forest area identified for raising compensatory afforestation, alongwith GPS coordinates, have been submitted by the State Government (Pg 767-776/c).
(iv)	The land identified for the purpose of CA shall be clearly depicted on a Survey of India toposheet of 1:50,000 scale;	The User agency has furnished the map depicting the CA land identified on a Survey of India topo sheet in 1:50000 scale. Revenue Division wise (copy enclosed) (Pg-



		773/c). Map of the non-forest area identified for raising compensatory afforestation, alongwith Geographical coordinates, have been submitted by the State Government (Pg 767-776/c).
(v)	The non-forest land identified for raising compensatory afforestation shall be transferred and mutated in favour of the State Forest Department before issue of the Stage-II clearance;	It is reported that Government land/non-forest land lands, identified for compensatory afforestation, has been transferred and mutated in favour of the State Forest Department. The District Collector, Nalgonda, vide his letter No. F1/9869/2014 dated 16.05.2015 has furnished the details of land mutated in favour of the State Forest Department (Pg 758-759/c). Copies of the revenue records pertaining the mutation of said land in favour of the State Forest Department has also been provided.
(vi)	The non-forest land transferred and mutated in favour of the State Forest Department shall be notified by the State Government as RF under Section-4 or PF under Section-29 of the Indian Forest Act, 1927 or under the relevant Section(s) of the local Forest Act, 1927 latest within a period of six months from the date of issue of Stage--II approval. The Nodal Officer shall report compliance in this regard along with a copy of the original notification declaring the non-forest land under Section 4 or Section 29 of the Indian Forest Act, 1927, as the case may be, within the stipulated period to the Central Government for information and record;	It is reported that the process of notification of the CA lands will be taken up after issue of Stage-II approval.
(vii)	The User Agency shall transfer the cost of raising and maintaining the compensatory afforestation, at the current wage rate, to the State Forest Department. The scheme may include appropriate provision for anticipated cost increase for works scheduled for subsequent years;	Compensatory Afforestation scheme has been prepared for Rs 80.13053 crores and demand note raised by the Forest department. Accordingly the user agency has deposited an amount of Rs. 80.13053 Crores on 02.05.2015 in the Account of Telangana Compensatory Afforestation Fund/ Telangana State Compensatory Afforestation Fund Management & Planning Authority (CAMPA) through RTGS Ac. No. SBHYR52.01050201478587. The OSD, Ad-hoc CAMPA vide his note dated 3.06.2015 (Pg 1294/c) has reported that a report on remittance of funds in the account of Ad-hoc CAMPA cannot be furnished for want of complete details of compensatory levies realized from the user agency in lieu of



		diversion of forest.
(viii)	The State Government shall charge the Net Present Value (NPV) of the forest land being diverted under this proposal from the User Agency as per the orders of the Hon'ble Supreme Court of India dated 28.03.2008, 24.04.2008 and 09.05.2008 in Writ Petition (Civil) No. 202/1995 and the guidelines issued by this Ministry vide its letter No. 5-3/2007-FC dated 05.02.2009 in this regard;	<p>The User agency has deposited an amount of Rs. 118.46111 Crores towards Net Present Value (NPV) (calculated as per the guidelines issued by the Hon'ble Supreme Court of India vide its letter No. 5-3/2007-FC dated 05.02.2009), of the Forest land proposed for diversion i.e., an extent of 1892.35 Ha on 02.05.2015 in the Account of Telangana Compensatory Afforestation Fund/ Telangana State Compensatory Afforestation Fund Management &amp; Planning Authority (CAMPA) through RTGS Ac. No. SBHYR52.01050201478587.</p> <p>The OSD, Ad-hoc CAMPA vide his note dated 3.06.2015 (Pg 1294/c) has reported that a report on remittance of funds in the account of Ad-hoc CAMPA cannot be furnished for want of complete details of compensatory levies realized from the user agency in lieu of diversion of forest.</p>
(ix)	At the time of payment of the Net Present Value (NPV) at the then prevailing rate, the User Agency shall furnish an undertaking to pay the additional amount of NPV, if so determined, as per the final decision of the Hon'ble Supreme Court of India;	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.
(x)	All the funds received from the user agency under the project, except the funds realized for regeneration/ demarcation of safety zone, shall be transferred to Ad-hoc CAMPA in the Saving Bank Account pertaining to the State concerned;	<p>The D.F.O, Nalgonda has stated that vide Rc. No.6296/2014/S5, dated 29.04.2015 &amp; 30.04.2015 the User Agency was communicated the Account Number of (1). Corporation Bank, CGO Complex, Lodi Road, New Delhi-110003 (RTGS/IFSC No. COP0000371) SB A/c No. 037100101029963.</p> <p>(2). Union Bank of India, Sundar Nagar, New Delhi-110003 (RTGS/IFSC No. UBIN0534498) SB A/c No. 344902010106351 pertaining to Telangana Compensatory Afforestation Fund/ Telangana State Compensatory Afforestation Fund Management &amp; Planning Authority (CAMPA).</p> <p>In the compliance the User Agency stated that, an amount of Rs. 198.59163 crores towards CA and NPV has been transferred to Ad-hoc CAMPA account pertains to State of Telangana, vide UTR No. SBHYR52015050201478587 on 02.05.2015.(Pg-762/c)</p> <p>The User Agency furnished letter from S.B.H, Gunfoundry branch, Hyderabad in which it has been certified that an amount of Rs. 198,59,16,400/- (Rupees One hundred</p>



		<p>ninety eight crores fifty nine Lakhs sixteen thousand four hundred only) transferred to Telangana Compensatory Afforestation Fund/Telangana State Compensatory Afforestation Fund Management &amp; Plaining Authority (CAMPA) , Corporation Bank Account No. 037100101029963 through RTGS vide UTR No. SBHYR52015050201478587 dated 02.05.2015 by debiting to the Account No. 62348690735 of Telangana State Power Generation Corporation Ltd. (Copy enclosed).(pg-764/c)</p> <p>The OSD, Ad-hoc CAMPA vide his note dated 3.06.2015 (Pg 1294/c) has reported that a report on remittance of funds in the account of Ad-hoc CAMPA cannot be furnished for want of complete details of compensatory levies realized from the user agency in lieu of diversion of forest.</p>
(xi)	The User Agency shall obtain the Environment Clearance as per the provisions of the Environmental (Protection) Act, 1986, if required;	The User Agency stated in the compliance that the Environment clearance for establishing proposed Thermal Power Plant will be obtained. Copy of undertaking in compliance to this condition has not been submitted by the State Government.
(xii)	The User Agency shall ensure that ash disposal is carried out as per the detailed plan prepared for the purpose, and is in accordance with all environmental safeguards.	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.
(xiii)	Following activities shall be undertaken by the user agency under the supervision of the State Forest Department at the project cost:	
	a) Proper mitigative measures to minimize the soil erosion and choking of streams shall be prepared and implemented.	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.
	b) Planting of adequate drought hardy plant species and sowing of seeds to arrest soil erosion.	However, copy of plan indicating the mitigative measures to minimize soil erosion and plantation of suitable species in the area has not been submitted by the State Government
	c) Construction of check dams, retention/toe walls to arrest sliding down of the excavated material along the contour.	
(xiv)	Wherever possible and technically feasible, the User Agency shall undertake by involving local community, the afforestation measures in the blanks within the project	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.



	area being diverted under this approval, in consultation with the State Forest Department at the project cost.	
(xv)	The user agency should give an undertaking that it shall take all measures to prevent pollution by effluents, particulate matters etc at the project cost.	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.
(xvi)	The user agency will develop a green belt along the power station and also along the water pipe line/channel.	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.
(xvii)	The State Government will submit the proposal for water supply to the plant at the earliest.	It is reported that the User Agency has furnished a copy of letter No. G.O.Ms. /no. 13, dated 30.01.2015 of Irrigation and CAD (Reforms) Department, Government of Telangana conveying approval for drawing of 208 cusecs (i.e. 6.60 TMC per year) of water throughout the year from the nearest and feasible location from the river Krishna to meet the water requirement for the proposed thermal power plant. A of approval order is placed at page Pg-765-766/c.
(xviii)	The forest clearance to the project is accorded without any guarantee on coal linkages.	It is reported that the User Agency has noted the condition. However, copy of undertaking obtained from the project proponent to abide by this condition has not been submitted.
(xix)	No residential area shall be built on forest land diverted.	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.
(xx)	No labour camp shall be established on the forest land;	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 756/c.
(xxi)	The User Agency shall provide fuels preferably alternate fuels to the labourers and the staff working at the site so as to avoid any damage and pressure on the nearby forest areas;	The User Agency stated that the condition will be complied and followed. However, copy of undertaking obtained from the project proponent to abide by this condition has not been submitted.
(xxii)	The boundary of the diverted forest land shall be demarcated on ground at the project cost, by erecting four feet high reinforced cement concrete pillars, each inscribed with its serial number, forward and back bearing and distance from pillar to pillar;	In compliance to this condition the User Agency stated that the boundary of the diverted forest land will be demarcated by erecting 4 feet reinforced concrete pillar inscribed with its serial number, forwarded and back bearing and distance from pillar to pillar. However, copy of undertaking obtained from the project proponent to abide by this condition has not been submitted.
(xxiii)	The layout plan of the proposal shall not be changed without the prior approval of	The User Agency stated that in case of any change in the layout plan of the proposal prior permission of the Central Government



	the Central Government;	will be obtained. However, copy of undertaking obtained from the project proponent to abide by this condition has not been submitted.
(xxi)	The forest area to be diverted may not be used for any other purpose than the power plant proposed;	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 757/c.
(xxv)	The forest land shall not be used for any purpose other than that specified in the proposal;	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 757/c.
(xxv)	The forest land proposed to be diverted shall under no circumstances be transferred to any other agency, department or person without prior approval of the Central Government;	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 757/c.
(xxv)	No damage to the flora and fauna of the adjoining area shall be caused;	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 757/c.
(xxv)	Any tree felling shall be done only when it is unavoidable and that too under strict supervision of the State Forest Department. (The felled material is the property of the Forest department. Hence the felling will be done by the User agency and the material will be handed over to Forest department. And Forest department will dispose of the felled/extracted material. The cost of the extraction and transportation, maintenance of Depots till the material is disposed of will be borne by the user agency).	An undertaking, in compliance to this condition, has been obtained from the project proponent. A copy of the same is available at page 757/c.
(xxi)	The user agency in consultation with the State Government shall create and maintain alternate habitat/home for the avifauna, whose nesting trees are to be cleared in this project. Bird's nests artificially made out of eco-friendly material shall be used in the area, including forest area and human settlements, adjoining the forest area being diverted for the project;	The User Agency stated that the condition will be followed. However, copy of undertaking obtained from the project proponent to abide by this condition has not been submitted.
(xxx)	The user agency shall submit the annual self compliance	The User Agency stated in the compliance that annual self compliance report will be




	report in respect of the above conditions to the State Government and to the concerned Regional Office of the Ministry regularly.	furnished regularly as directed by the MoEF&CC, GOI. However, copy of undertaking obtained from the project proponent to abide by this condition has not been submitted.
(xxx)	Any other condition that the concerned Regional Office of this Ministry may stipulate, from time to time, in the interest of conservation, protection and development of forests & wildlife; and	The Condition is noted by the User Agency. However, copy of undertaking obtained from the project proponent to abide by this condition has not been submitted.
(xxx)	The User Agency and the State Government shall ensure compliance to provisions of the all Acts, Rules, Regulations and Guidelines, for the time being in force, as applicable to the project.	The Condition is noted by the User Agency. However, copy of undertaking obtained from the project proponent to abide by this condition has not been submitted.

2. From the examination of the compliance submitted by the State Government, following is observed:

- The user agency has submitted necessary undertakings to comply with the conditions stipulated in the Stage-I approval except conditions no (xi), (xviii), (xxi)-(xxiii), (xxix) – (xxxii) of Stage-I approval.
- The OSD, Ad-hoc CAMPA, vide his note dated 3.06.2015 (Pg 1294/c) has reported that a report on remittance of funds in the account of Ad-hoc CAMPA cannot be furnished for want of complete details of compensatory levies realized from the user agency in lieu of diversion of forest.
- Copy of plan, in compliance to condition no. (xiii) of the Stage-I approval, indicating the mitigative measures to minimize soil erosion and plantation of suitable species in the area, has not been submitted by the State Government

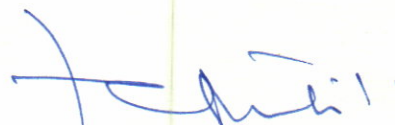
In view of the above, it is proposed that State Government may be requested that information on the shortcomings in the compliance report may be requested from the State Government as per the drat letter please.

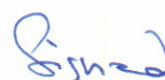
  
C. J. Singh  
TO-FC  
4.06.2015

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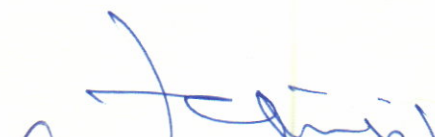
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Date 04.6.2015

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Ag. Issued,  
08/06/15  
10.00 am  
Rajiv



Ref. FR at page 743-773

FR is a letter which is received from office of the Principal Secretary under Forest (Conservation) Act, Telangana vide his letter no. 63/FOR.I (1)/2015-4 dated 20<sup>th</sup> June 2015 regarding Diversion of 1892.35 ha (4334.01 ha proposed originally) of forest land in favour of TSGENCO for the establishment of Coal Based Thermal Power Station of capacity 4400 MW at Veerlapalem (V) and 2400 MW at Dilawarpur (V) of Dameracherla (M), in Nalgonda District in the State of Telangana.

Submitted Please.

*Sd/- 27/6/15*  
Note above refers:

*To/cfc)*

**Sub: Diversion of 1,892.35 ha (4334.01 ha proposed originally) of forest land in favour of TSGENCO for the establishment of Coal Based Thermal Power Station of capacity 4400 MW at Veerlapalem (V) and 2400 MW at Dilawarpur (V) of Dameracherla (M), in Nalgonda District in the State of Telangana – regarding.**

1. This relates to diversion of above mentioned proposal which was accorded Stage-I approval by the Ministry vide its letter of even number dated 27.04.2015 (Pg 735-738/c) subject to certain conditions prescribed therein. The State Government of Telangana, vide their letter No. 63/FOR.I (1)/2015 dated 21.05.2015, placed along with its annexure at Pg 739-1293/c, has furnished the compliance report on conditions stipulated in the Stage-I approval dated 27.04.2015. Summary of the compliance report, submitted by the State Government, may kindly be seen at page (29-35/N). Examination of the said compliance report in the Ministry revealed following shortcomings:

- i. The user agency has submitted necessary undertakings to comply with the conditions stipulated in the Stage-I approval except conditions no (xi), (xviii), (xxi)-(xxiii), (xxix) – (xxxii) of Stage-I approval.
- ii. The OSD, Ad-hoc CAMPA, vide his note dated 3.06.2015 (Pg 1294/c) has reported that a report on remittance of funds in the account of Ad-hoc CAMPA cannot be furnished for want of complete details of compensatory levies realized from the user agency in lieu of diversion of forest.

It has also been noticed quite often that details of compensatory levies realized from the project proponent in lieu of diversion of forest land are not furnished in the format, prescribed by the Ad-hoc CAMPA. The State Government is hereby advised to invariably submit the details of compensatory levies realized from the user alongwith compliance report in the format, as prescribed by the Adhoc-CAMPA (copy enclosed) to avoid discrepancies and delays in confirmation of the receipt of funds in the account of Adhoc-CAMPA.

- iii. Copy of plan, in compliance to condition no. (xiii) of the Stage-I approval, indicating the mitigative measures to minimize soil erosion and plantation of suitable species in the area, has not been submitted by the State Government
2. The above shortcomings in the compliance report were forwarded to the State Government vide this Ministry's letter of even number dated 5.06.2015. The