

Demand Notice

Sub : Diversion of additional area over an extent of 159.01 Hectares (originally 167.63 Ha) of Forest Land in ML No.1111 M/s. NMDC Ltd., of S.M. Block, Sandur South Range, Bellary Dist. Reg

- Ref : 1) Letter No.F.No.11-599/2014-FC Dated : 01.04.2015 of MOEF, Govt. of India New Delhi.
2) Letter No.F.No.11-85/2014-FC Dated : 31.03.2016 of MOEF, Govt. of India New Delhi.
3) Letter No.A5(1)/MNG/CR-28/15-16 dtd.29.04.2016 of the Principal Chief Conservator of Forests (Head of Forest Force), Bangalore.
4) Letter No. DNM/GM/M.L.1111/NPV/2016/1407 Dated : 02.07.2016 of M/s. NMDC Ltd, Donimalai.
5) This office even no dated : 06.07.2016 and 27.07.2016.
6) Joint survey conducted on 21.07.2016.
7) Letter No.ACF&TA/NMDC/SM/1111/2016-17 dtd.12-08-2016 of Assistant Conservator of Forests, Ballari

With reference to the above subject, the MOEF, Government of India issued guidelines & general approval vide letter at reference (1) above as follows :

- (a) *State Government shall, within a period of one year from the date of issue of the said letter, realise from the user agency, Net Present Value (NPV) of the entire forest land falling in the mining lease, in case NPV of such forest land has not already been realised.*
- (b) *In case State Government fails to realise from the user agency, NPV of the entire forest land falling in a mining lease within a period of one year from the date of issue of the said letter, this general approval in respect of such mining lease, shall be kept in abeyance, and shall be deemed to have been kept in abeyance, and all mining activities in such mining lease shall be stopped, till such time, the NPV of such forest land is released by the State Government.*

Further, the MOEF, Government of India issued guidelines vide letter at reference(2) above as follows :

- (4) *After careful examination of this Ministry, I am directed to say that the said period of one year stipulated in the said guidelines issued vide letters No. 11-599/2014-FC dated 1st April, 015 and No.11-599/2014-FC dated : 10th November,2015 is extended for a further period of six months (i.e.till 30th September,2016).*

And, also the Principal Chief Conservator of Forests (Head of Forest Force), Bangalore has directed to take action for realizing NPV from the M/s NMDC M.L. No-1111 vide letter at reference (3) above. And, the M/s. NMDC Ltd, Donimalai has also requested to this office for issuing of demand notice for NPV vide letter at reference (4) above.

Accordingly, the Assistant Conservator of Forests, Ballari Sub-Division, Ballari and Range Forest officer, Sandur South has conducted the joint survey of the Mine lease area with Revenue Department and Mines & Geology department on 21.07.2016 and reported vide letter at reference(7) above. The joint survey team has concluded that the additional forest area held by the M/s. NMDC Ltd, M.L.No.1111 is 159.01 ha only as against 167.63 Ha requested by M/s NMDC.

The NMDC has been granted mining lease ML.No-1111 under MMDR Act for a total extent of 647.50 hectares as per Government of Karnataka notification No. CI.35:MMM.2005 dated 04-04-2005. However, after digitization of the mining lease area by the CEC, on the directions of the Hon'ble Supreme Court, the mining lease area of the ML No.-1111 is reduced to 639.80 hectares only. The details are tabled below:-

Lease area details of NMDC M.L.No.-1111

Details	Before digitization by CEC; as per the lease deed & sketch (In ha)	After digitization by CEC of lease area & finalized by the Hon'ble Supreme Court of India (In ha)
Total lease area	647.50	639.80
Revenue area	155.17	159.01
Forest Area		
a) Diverted under FC Act	324.70	321.78
b) Not diverted under FC Act	167.63	159.01

The total lease area of M/s. NMDC M.L.No.111 is the reduced after digitization by CEC, from 647.50 ha to 639.80 ha. Similarly, the forest area diverted under FC Act is also reduced after digitization from 324.70 ha to 321.78 ha. And thus, the remaining Forest area to be diverted is also reduced from 167.63 ha to 159.01 ha.

The additional area for which M/s NMDC has requested to issue Demand notice for NPV under the General Approval Clause of Government of India under Section 2(iii) of Forest (Conservation) Act 1980, is now reduced from 167.63 Ha to 159.01 Ha. The same area has been Joint surveyed by the Forest Department with Revenue Dept and Department of Mines and Geology and area sketch is prepared and reported by ACF vide letter at Ref(7).

Some portion of the M/s NMDC mining lease as approved under MMDR act falls within 1km of distance from Sri. Kumar-swami Temple (Archeologically Important Site). The extent of lease area falling within 1km of the Temple is 13.58 Hectares.

In this regard, the Hon'ble Supreme Court has issued direction to the State Government to constitute a committee to examine and recommend measures with respect to restriction on the mining activities, in the portion of mining leases falling with in 1 km & upto 2Kms, of

archeologically important temples/sites in Karnataka vide its order in SLP No.20180/2010. In present case, the extent of 13.58 ha hectares mining lease portion falls in within 1 Km of Sri. Kumaraswamy temple. However, the NPV is being collected only for the purpose of Section-2(iii) of Forest (Conservation) Act, 1980, the restriction on mining activities within 1 km will be examined in detail at the time of processing application under Section-2(ii) of Forest (Conservation) Act, 1980 for allowing non-forestry activities.

The NPV is been collected under Section-2(iii) of Forest (Conservation) Act, 1980 under general approval clause as accorded by Government of India vide reference(1) above. The extent of area is 159.01 hectares and the type of Forest is Eco-class-III, Tropical Dry Deciduous forest; Dense forest.


Hence, you are instructed to remit the NPV amount through RTGS and E-payment module of Forest Clearance portal- forestclearance.nic.in as detailed below:

Sl. No.	Particulars	Category	Extent	Rate	Amount (In rupees)
1	Net Present Value amount	Eco-class -III Tropical Dry Deciduous; Dense Forest	159.01 Ha.	803000.00	12,76,85,030.00
			Total		12,76,85,030.00

The general approval under Section-2(iii) of Forest (Conservation) Act, 1980 as accorded by Government of India vide letter reference(1), does not, in any manner, exempt a user agency from obtaining prior approval under Section-2(ii) of the FC in regard to such area of forest land which is to be used for non-forest purpose.

Also, the Grant of the general approval under Section-2(iii) does not, in any manner, create any right or equity in favour of the user agency for grant of approval under Section-2(ii) of the FC Act and decision on proposals under Section-2(ii) will be taken purely on the merit of each case.

The rate of Net Present Value (NPV) is subject to revision by the orders of Hon'ble Supreme Court of India & Government of India, the Demand notice may stand revise accordingly.


Deputy Conservator of Forests,
Bellary Division, Bellary.

To,
The General Manager,
M/s. NMDC Ltd,
M.L.No.1111,
Donimalai Township-583118
Bellary District.