

### Justification for locating the project in forest area

This area has been prospected by Geological Survey of India and iron ore contents have been established. The prospecting operations including geological mapping followed by drilling of coring bore holes. Based on the information gathered from the bore holes, the ore body configuration was worked out and accordingly mineral reserves were established.

About 69% of mineral deposit iron ore falls in forest land, considering the demand of the above minerals by the growing industries and also our captive use for Steel Industries, the exploitation of such mineral from the area is very essential to cater own industry. Since the occurrence of the above mineral is site specific, which happens to fall in forest land, the area is required for diversion to win these minerals.

The Indian Bureau of Mines, Bhubaneswar has declared that the cutoff grade of Iron Ore is taken as below 45% Fe and it will be possible to increase the percentage of Iron ore by using mineral processing unit. The maximum ore bearing zone coming under forest area contains minimum grade of 55% Fe and maximum grade of 65% Fe.

Hence to carry out the mining and ancillary activities in forest land proposal is being given for diversion. However, the mining and ancillary activities has been proposed in a conservative way to meet the minimum requirement only which is to be located in forest land as no alternative is there and at the end of the mining, the entire utilized area will be reclaimed & rehabilitated with plantation as per Mine Closure Plan & Reclamation Plan. This would definitely enhance the financial resources of the State in shape of royalty and other taxes etc. moreover, the project is site specific as mineral deposits do occur in the appropriate site. Accordingly, the Mining Lease has been granted in favour of Bhushan Steel Limited (Now Tata Steel BSL Limited) by Government of Odisha, vide letter no. 5285 / SM, dated 24.06.2017.