

Site Inspection Report by RO Ranchi Proposal No. FP/JH/ENCRH/39652/2019

This Regional Office (RO) of the Ministry of Environment, Forest and Climate Change (MoEF&CC), Ranchi, has received a forest land diversion proposal bearing online application number FP/JH/ENCRH/39652/2019 for the diversion of 9.27 hectares of forest land in Ramgarh District and Forest Division, Jharkhand, for the regularisation and expansion of an industrial unit, namely Alope Steels Industries Pvt. Ltd. (ASIPL).

The proposal was submitted on the PARIVESH 1.0 portal in August 2019. It seeks ex-post facto regularisation of encroachment as well as fresh diversion of forest land for the expansion of the existing 4 × 100 tonnes per day kiln by adding a captive power plant and a Steel Melting Shop (SMS) for capacity enhancement and pollution control.

As the proposal involves ex-post facto approval for violations under the Van (Sanrakshan Evam Samvardhan) Adhiniyam, 1980, the RO, Ranchi, conducted a site inspection of the proposed area in accordance with Rule 10(2)(v) read with Rule 10(4) of the Van (Sanrakshan Evam Samvardhan) Rules, 2023, for further consideration by the Ministry.

A team from RO, Ranchi, comprising the Deputy Inspector General of Forests (DIGF), Shri Shashi Shankar, and Senior Technical Associate (Sr. TA-GIS), Shri Surajit Panda, visited the site on 17 May 2024. The Divisional Forest Officer (DFO), Ramgarh, Shri Nitish Kumar, IFS, along with his team and representatives of the project proponent, was also present during the inspection.

Background of the Proposal/Project

Alope Steels Industries Pvt. Ltd. (ASIPL), a sponge iron/Direct Reduced Iron (DRI) manufacturing unit, was established in 2005 on 50 acres (approximately 20 hectares) of land purchased from raiyyats in Budhakhap village, Ramgarh district, Jharkhand, about 4 km from Ramgarh town.

Subsequently, the unit proposed expansion of its existing DRI plant (4 × 100 TPD kilns) with a production capacity of 0.12 MTPA of sponge iron by adding the following components:

- Steel Melting Shop with induction furnace and billet caster (1,08,000 TPA)
- TMT rebar rolling mill (90,000 TPA)
- Waste Heat Recovery Boilers (4 × 2 MW)
- AFBC (Atmospheric Fluidised Bed Combustion) boiler (1 × 10 MW)
- Iron ore crushing and beneficiation plant (2,25,000 TPA)

For the above components, the company obtained Environmental Clearance (EC) from the Ministry vide letter dated 23 July 2018 (copy enclosed as Annexure-I). During the subsequent processing of the Consent to Establish (CTE) application by the Jharkhand State Pollution Control Board (JSPCB), it came to notice that a few plots of land on which the unit operates fall under the GMJJ (Gair Majorua Jungle Jhari) category. Accordingly, prior approval of the Central Government under Section 2 of the Van (Sanrakshan Evam Samvardhan) Adhiniyam, 1980, was required.

Therefore, the user agency submitted the present application for diversion of 9.27 hectares of forest land in August 2019 on the PARIVESH portal.

The application comprises two components: (i) regularisation of forest land already under occupation, and (ii) fresh diversion of forest land for the proposed plant expansion. The break-up of the area involved is as follows:

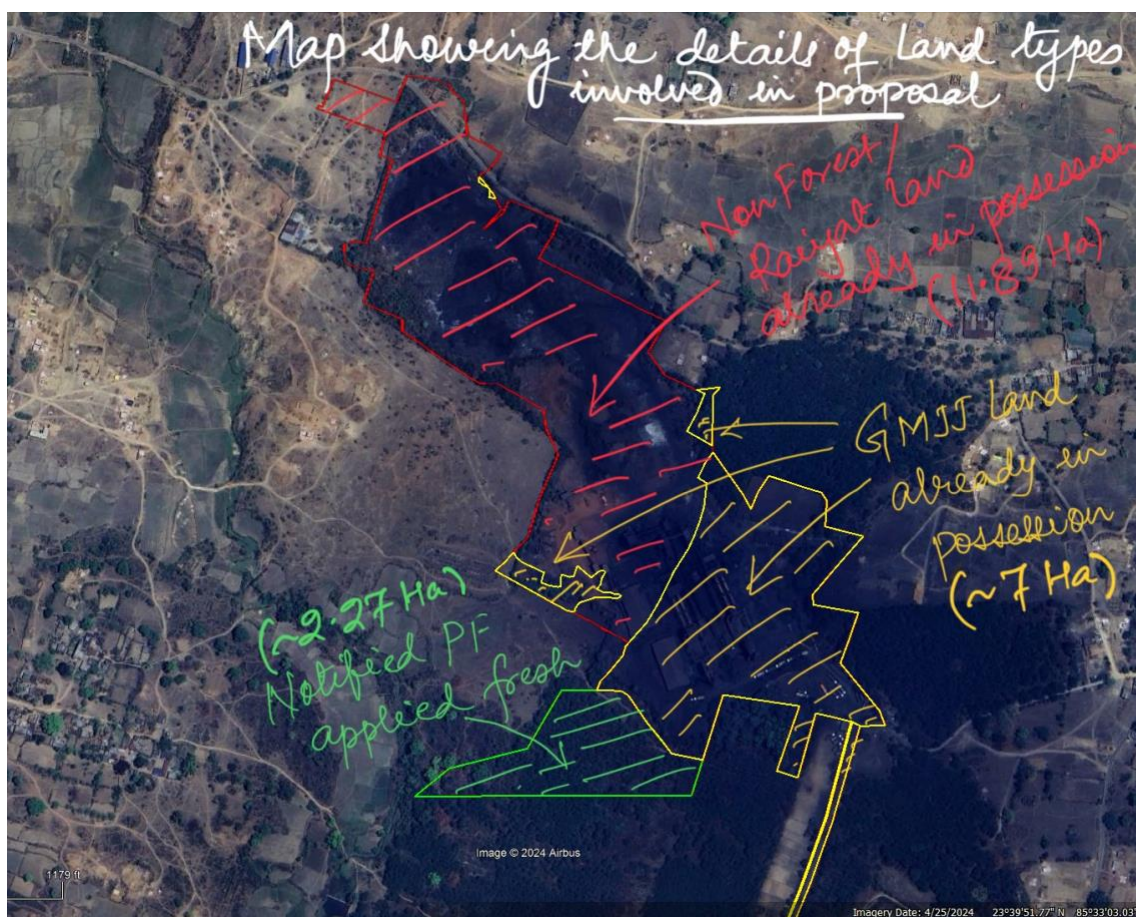
(All figures in hectares)

Category	Forest Land (GMJJ)	Forest Land (PF)	Total Forest Land	Non-Forest Land	Grand Total
Already under occupation	7.00	0.00	7.00	11.89	18.89

Category	Forest Land (GMJJ)	Forest Land (PF)	Total Forest Land	Non-Forest Land	Grand Total
Applied for fresh diversion	0.00	2.27	2.27	0.00	2.27
Total	7.00	2.27	9.27	11.89	21.16

From the above table, it is evident that 7.00 hectares of GMJJ forest land, which is under the administrative control of the State Revenue Department and is generally occupied or settled with individual raiyyats, is already under occupation by the project. Additionally, fresh diversion of 2.27 hectares of forest land (notified Protected Forest) under the administrative control of the State Forest Department has been sought.

An illustrative satellite image of the area is enclosed below.



Observation during the visit: -

The industrial unit is connected to NH-33 by a dedicated road of approximately 900 metres, a portion of which passes through forest land. The existing premises of the industrial unit extend over 18.89 hectares, including 7 hectares of forest land. The premises are surrounded by Protected Forest on nearly three sides. The 2.27 hectares of Protected Forest on the southern side of the unit have been applied for diversion to integrate them with the existing premises, as the area is adjacent and contiguous to the unit.

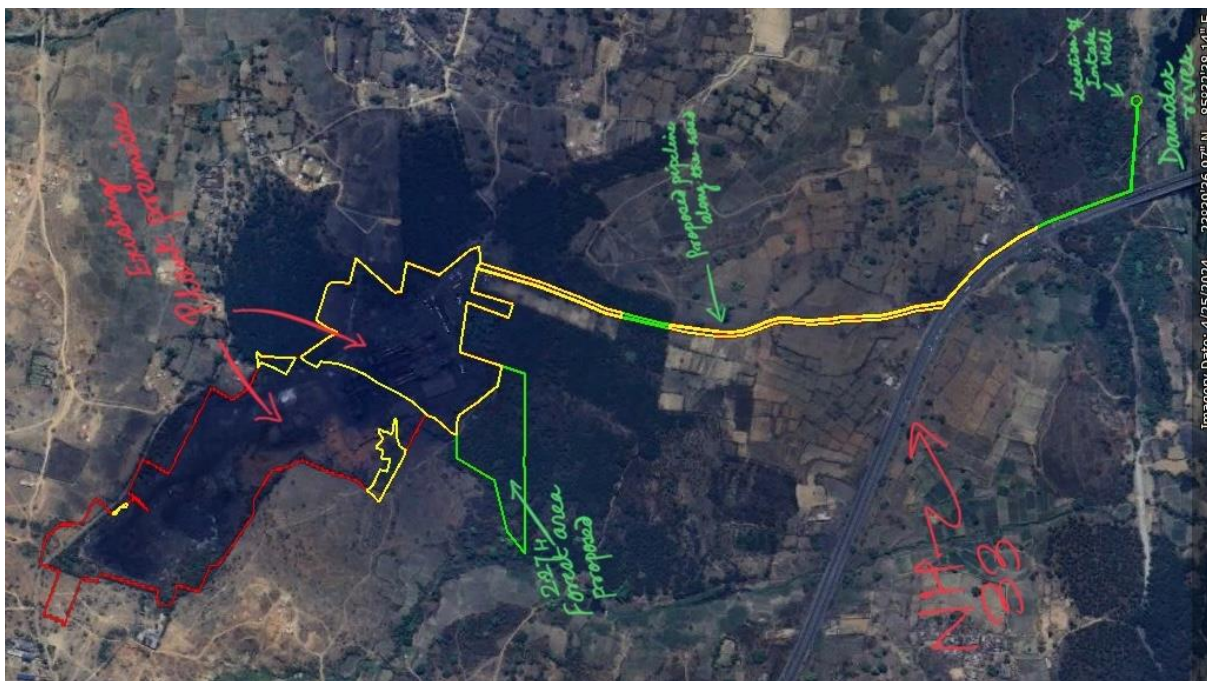
The applied area (2.27 hectares) is rich in flora. The Divisional Forest Officer (DFO) informed that around 2,000 trees have been enumerated in this area, indicating a high vegetative density. Most of the standing trees belong to the species *Cassia siamea* (Chakundi), which has recognised medicinal value. Ocular estimation of canopy density indicated a density of 0.7-0.8. No significant wildlife was observed during the visit, likely due to the proximity of the industrial plant, which generates considerable heat, noise, fumes, and dust emissions. However, the DFO reported the presence of snakes, jackals, and similar fauna in the area. No protected areas or sites of cultural or defence importance are located nearby.

As the plant has been operating on GMJJ land since 2005 without obtaining the requisite prior approval, the proposal involves a violation, and the duration of the violation is estimated at approximately 19 years. The DFO stated that the GMJJ lands involved in the project were largely settled between the 1940s and 1960s and were used for agriculture without appropriate changes in land classification in the land records. The inspecting team requested the DFO to obtain documentary evidence from the Revenue Department to establish that these GMJJ lands were settled in the names of private raiyyats prior to 1980. This information was subsequently provided by the State Government and is enclosed as Annexure-II.

As the user agency purchased the land from raiyyats and established the unit thereon, it appears that the agency was unaware of the legal status of the

land. The case may therefore be considered one of unintentional non-compliance. In view of this, no action regarding the violation has been initiated by the State authorities to date.

The location of the applied Protected Forest area (2.27 hectares, shown in green) in relation to the plant premises is depicted below.



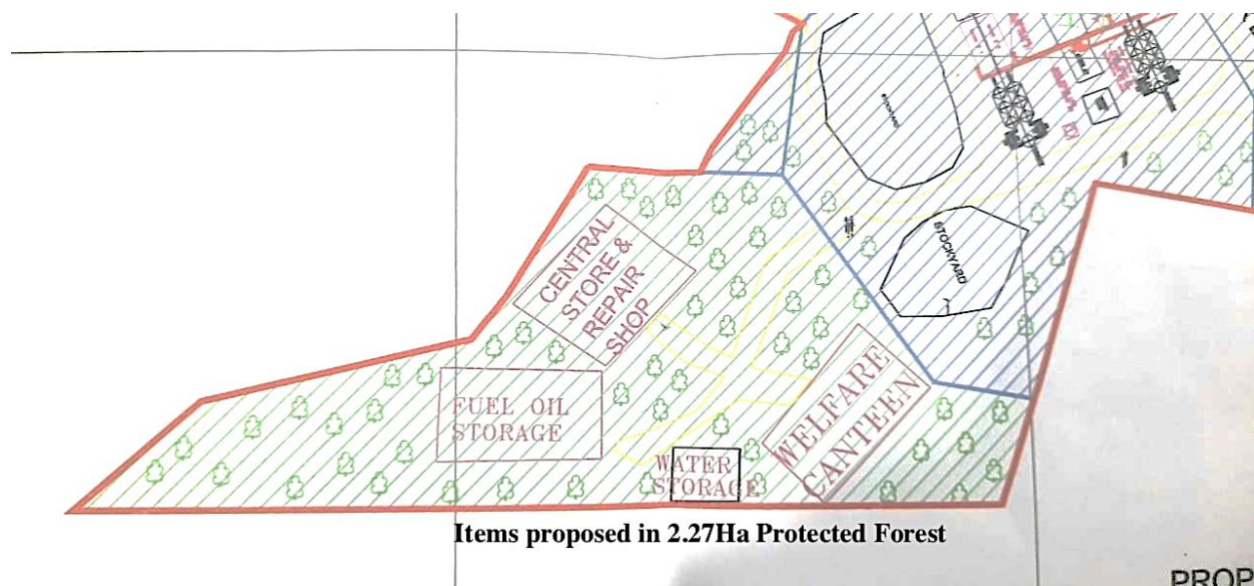
The inspecting team enquired whether a No Objection Certificate (NOC) had been issued by the Forest Department at the time of establishment of the plant, certifying the distance of the industrial unit from the notified forest area. The user agency expressed its inability to provide any information in this regard.

The inspecting team further sought clarification from the user agency regarding the proposed use of the forest land applied for diversion. In response, the user agency submitted a detailed land-use break-up, which is presented below.

below:

LAND USE BREAK-UP						
EXISTING LAND USE						
S.No.	Type of Land Use	Acres	Hectares	J J Land Area in Ha.	Notified Forest Land Area in Ha.	Non-Forest Land Area in Ha.
1	Existing Units (4Nos. Of DRI Kilns)	13.67	5.54	1.22		4.32
2	Existing Road	1.41	0.57	0.52	0.05	
PROPOSED LAND USE						
3	Power Plant with WHRB Block A	2.84	1.15	1.15		
4	Power Plant with WHRB Block B	6.24	2.53	2.53		
5	Steel Melting Shop	3.42	1.38			1.38
6	Rolling Mill	3.12	1.26			1.26
7	Filter Press	2.77	1.12	0.08		1.04
8	Proposed Pipe Line	0.50	0.20	0.14	0.06	
9	Briquetting Plant	2.13	0.86			0.86
10	Slag Crushing Plant	0.47	0.19			0.19
11	Rain Water Harvesting	0.25	0.10	0.10		
12	Parking	1.16	0.47	0.47		
13	Storage for Cakes	1.23	0.50			0.50
14	Cooling tower	1.04	0.42	0.42		
15	Canteen	0.55	0.22		0.22	
16	Fuel Storage	0.50	0.20		0.20	
17	Repair Shop	0.80	0.32		0.32	
18	Intake Well	0.05	0.02		0.02	
19	Water Storage	0.10	0.04		0.04	
20	Green Belt	10.05	4.07	0.37	1.36	2.34
	TOTAL	52.30	21.16	7.00	2.27	11.89

From the above table it is seen that fresh forest land is being requested for project related non-site specific activities like canteen, Fuel storage, repair shop etc. The spatial proposal is shown below:

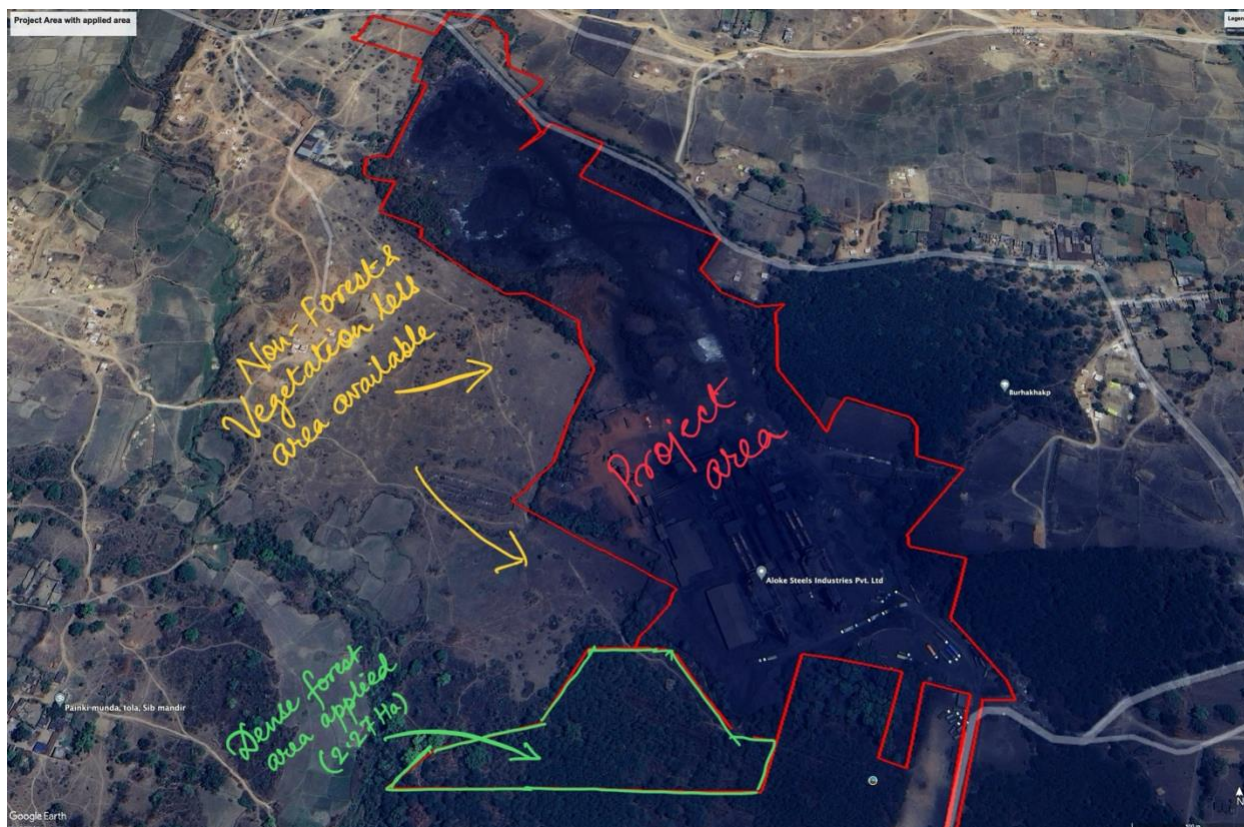


The user agency informed the visiting team that the Environmental Clearance (EC) dated 23 July 2018 stipulates a condition to maintain at least 30% green cover within the plant premises, which, according to the agency, is not feasible within the existing landholding. The visiting team examined the EC letter and noted that Paragraph 4.0 specifies that the land required for the project is “Nil,” as the project was to be installed within the existing 21.9 hectares of plant area. The user agency was therefore asked to clarify why the forest clearance proposal includes fresh diversion of 2.27 hectares of Protected Forest land when no additional land requirement was indicated in the EC.

Further, the table under Paragraph 4.0 of the EC letter shows at Serial No. 11 that 8.24 hectares (37.53% of the total plant area) had already been earmarked for greenbelt development without the need for any additional land. This raises concerns that either the information submitted by the user agency while obtaining the EC for the expansion project was inaccurate, or the present requirement for fresh diversion of forest land is unjustified.

The user agency stated that it would obtain a revised EC, as the earlier clearance had been granted on the premise that no forest land was involved, a fact of which the agency claimed it was unaware at the time of applying for EC.

The visiting team observed that the activities proposed on the fresh forest land could feasibly be accommodated on the adjoining non-forest land, which is largely devoid of vegetation, as evident from the site imagery.



The user agency stated that local villagers are opposed to the company and are unwilling to part with any of their land for the project. The Divisional Forest Officer (DFO) added that the unit has caused considerable air and noise pollution in the surrounding area, which has led to strong local resistance. Consequently, villagers are not likely to support the proposed expansion, even though the expansion includes installation of pollution control and energy recovery systems such as Waste Heat Recovery Boilers (4×2 MW) and an AFBC Boiler (1×10 MW). The visiting team also maintained a low profile during the site inspection. The team noted with concern that, despite the project's claim of generating permanent employment for about 500 persons (in addition to around 1,000 temporary jobs), with a significant share expected to benefit local residents, there remains substantial opposition from the local community.

The DFO emphasised that the State Forest Department processed and forwarded the proposal, including the component of fresh forest land diversion, on the

grounds that the expansion could improve environmental performance and potentially benefit the health of nearby residents.

The user agency further informed that it has entered into an agreement with Damodar Valley Corporation (DVC) to draw 0.644 MGD of surface water from the Damodar River, located approximately 1.5-2 km from the plant, in order to reduce dependence on groundwater. According to the agency, this arrangement would benefit local villagers by conserving groundwater and the water table, and by enabling future provision of water supply to villages through the same pipeline.

The pipeline is proposed to be laid along the existing road. When asked about the legal status of this connecting road, the DFO stated that a portion of the approximately 800-metre stretch passes through forest land. He further clarified that the road predates 1980 and that the Forest Department does not permit any widening or upgradation of this stretch.

Photographs taken during the site visit are enclosed below.



Observations on the Compensatory Afforestation (CA) area:

Compensatory Afforestation (CA) for the proposal is planned over an equivalent area (approximately 9.31 hectares) of non-forest land in Giridih district under the Giridih East Forest Division, Jharkhand. The identified CA land comprises three discrete patches located in two separate mauzas (villages). Details of the patches, including their area and existing site conditions, are provided below.

Details of CA Land

Sl. No.	Name of CA Site	Patch	Area (ha)	Remarks
1	Purhara CA Land	Patch 1	2.433	—
		Patch 2	4.045	Kachcha/pucca construction observed in part of the Korbandh CA land
	Subtotal (Purhara)		6.478	
2	Korbandh CA Land	—	2.835	—
	Grand Total		9.313	

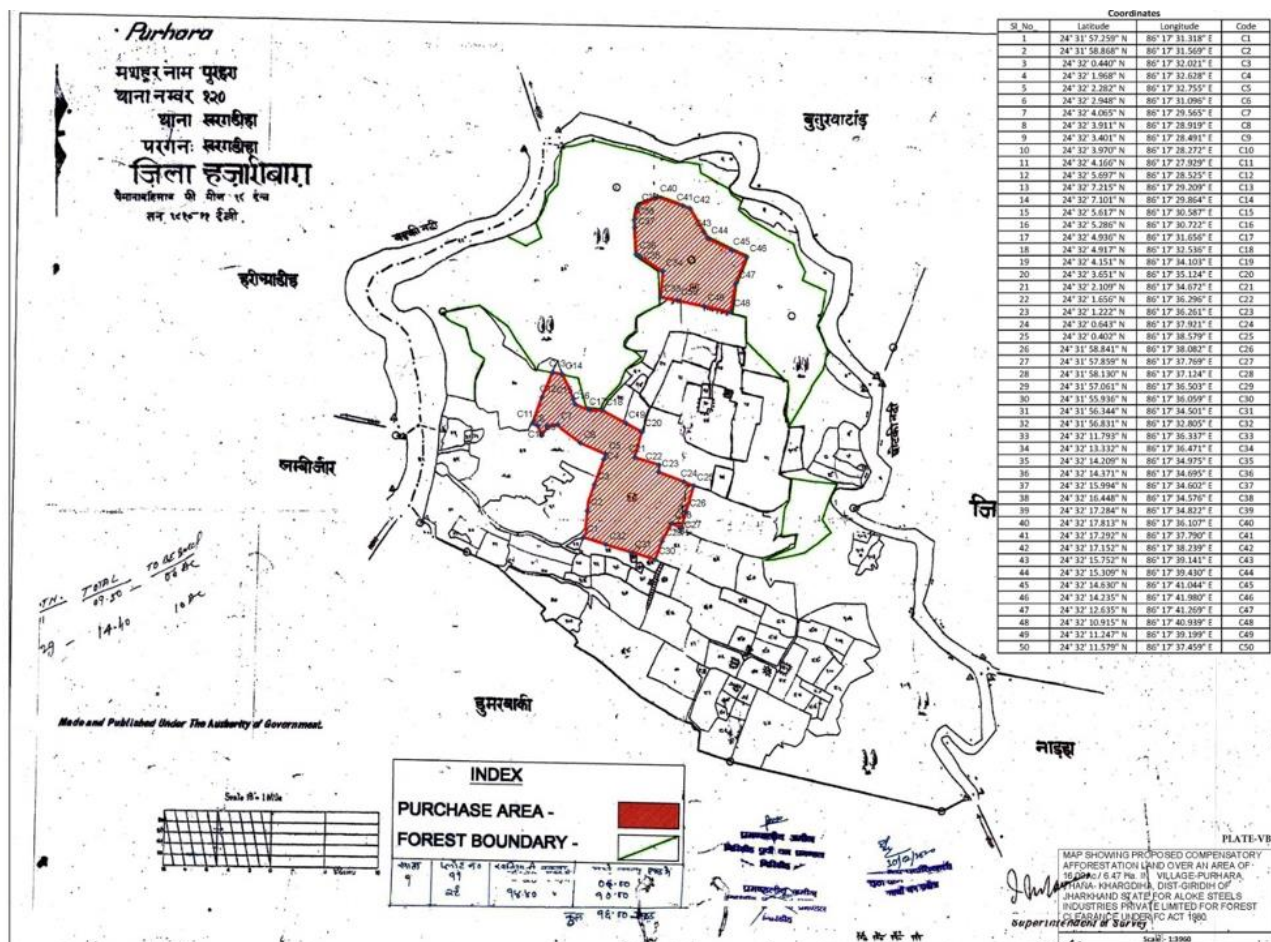
Forest Cover Status of Proposed CA Land (Area in hectares)

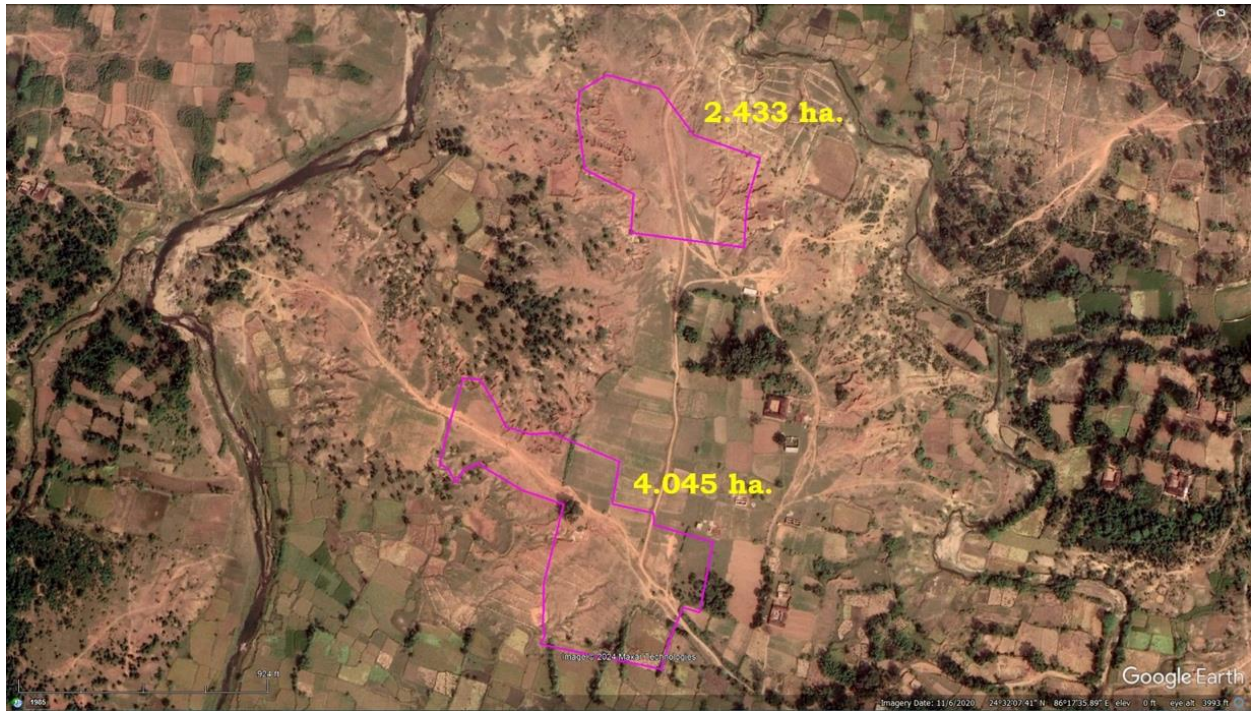
CA Site	FCM	MDF	VDF	Open Forest	Non-Forest	Total Area
Purhara CA Land	0.00	0.00	0.00	0.00	6.00	6.00
Korbandh CA Land	0.00	0.00	0.00	0.00	3.00	3.00
Total	0.00	0.00	0.00	0.00	9.00	9.00

The above table indicates that none of the three patches contains significant existing vegetation. All patches are contiguous with adjoining forest areas that are similarly barren and, on visual inspection, are difficult to distinguish from adjacent non-forest land.

Cadastral maps and satellite imagery of the three CA patches are provided below.

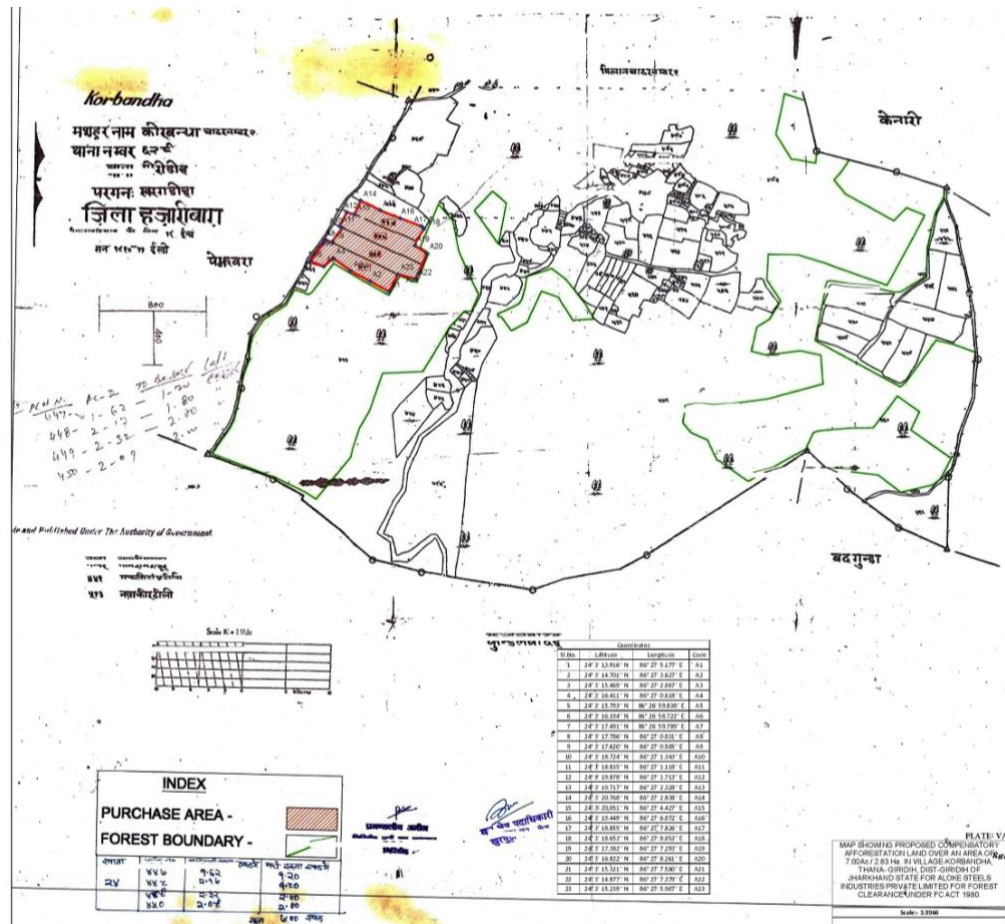
Purhara CA Land:





From above photographs it can be seen that the two patches of Porhara CA land are situated along with forest boundary and sufficiently blank to raise CA.

Korbandh CA land



The non-forest land in Korbandh village proposed for Compensatory Afforestation (CA) is affected by encroachments, with several kachcha and pucca structures present on the site. Therefore, this CA land is not acceptable, as it is not free from encumbrances.

Conclusion and Recommendations:

As stated by the Divisional Forest Officer (DFO), the encroachment by Alope Steels Industries Pvt. Ltd. (ASIPL) on forest land appears to be unintentional, as the land parcels were purchased from private individuals/raiyyats in 2005. However, the user agency showed clear negligence in verifying land records

at the time of purchase, particularly given that the land was surrounded by notified Protected Forest on nearly three sides. Further, the user agency failed to justify the requirement for diversion of an additional 2.27 hectares of Protected Forest land for expansion when the Environmental Clearance (EC) was granted on the explicit condition that no additional land would be required. Nevertheless, a fait accompli situation has arisen, as the plant has been constructed and operational since 2005. The proposed expansion and installation of additional facilities are also expected to reduce the overall environmental impact of the unit. In view of these circumstances, ex-post facto approval is recommended for the 7 hectares of GMJJ forest land already under occupation by the project proponent, subject to the following conditions:

- The user agency shall pay a penalty equivalent to five times the Net Present Value (NPV) of the forest land, along with 12% simple interest, for the violation period of 19 years, for the 7 hectares of forest land already under occupation.
- The user agency shall provide 7 hectares of suitable non-forest land, free from all encumbrances, for Compensatory Afforestation (CA).
- The user agency shall obtain a fresh Environmental Clearance based on the condition that no additional land is required for the project.
- The user agency shall comply with all conditions imposed by the DFO while recommending the proposal.
- The user agency shall support the State Forest Department in protecting the notified forests in the vicinity of the plant by funding a plantation scheme prepared by the DFO, as these forests function as an important shelter belt against pollutants from the plant.



Shashi Shankar
Dy.IGF, RO Ranchi.

Recommendation of Dy Director General of Forests, Ranchi for Proposal
No. FP/JH/ENCRH/39652/2019

This proposal seeks the diversion of 9.27 hectares of forest land in Ramgarh District and Forest Division, Jharkhand, for the regularisation and expansion of an industrial unit, namely Alope Steels Industries Pvt. Ltd. (ASIPL).

Shri Shashi Shankar, Deputy Inspector General of Forests, Regional Office, Ranchi, conducted the site inspection.

The undersigned concurs with the findings recorded in the Site Inspection Report and, based on the facts that emerged during the inspection, recommends the proposal only for 7 hectares of GMJJ forest land already under occupation of the project proponent, subject to the following conditions:

1. The user agency shall pay a penalty equivalent to five times the Net Present Value (NPV) of the forest land, along with 12% simple interest for the violation period of 19 years, for the 7 hectares of forest land already under occupation.
2. The user agency shall provide suitable alternate non-forest land in place of the Compensatory Afforestation (CA) land proposed in Korbandh village (2.835 ha), which has multiple encroachments, for CA purposes.


(Dr. S. Senthil Kumar)
DDGF(Central)