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**SPEED POST**

No.5-ORA078/2008-BHU

Date: 16-10-2008

To

The Assistant Inspector General of Forests(FC)  
Ministry of Environment & Forests,  
Paryavaran Bhawan, C.G.O. Complex,  
Lodi Road, New Delhi - 110 003.

Sub: Site inspection report in respect of Diversion Of 168.232 Ha. Of Forest  
Land For Establishment Of An Integrated Steel Complex With Captive  
Power Plant By M/S Jindal Steel & Power Ltd - reg.

Sir,

With reference to the subject cited as above, I am directed to inform you  
that the site inspection of the above mentioned project was carried out by the Dy.  
Conservator of Forests (Central) of this office on 10-09-2008 and the site inspection  
report along with enclosures is enclosed herewith for favour of information and necessary  
action.

Yours faithfully,



(A. K. BISWAL)  
DY. CONSERVATOR OF FORESTS (C)

Encl: As above

Asceep  
2/11/08

**SITE INSPECTION REPORT IN RESPECT OF DIVERSION OF 168.232 HA. OF FOREST LAND FOR ESTABLISHMENT OF AN INTEGRATED STEEL COMPLEX WITH CAPTIVE POWER PLANT BY M/S JINDAL STEEL & POWER LTD.**

The site inspection of the above diversion proposal was conducted by me through discussion with DFO Anugul Division Sri S.S. Mishra on 10.09.08 followed by field visit on 11-12.09.08 along with Sri Mishra DFO, Sri S.S. Panda RO Chhendipada, Sri J.P. Singh RO Purunagarh, Sri R.C. Pradhan RO Bantala all from forest department and Sri S.K. Sharma Sr. DGM ( Land), Sri A.K. Sahu AGM ( Env ), Sri Satis Sahu LO ( Env ), all from UA.

**1. Legal status of the forest land proposed for diversion**

Legal status	Area in ha.
Gramya jungle	3.646
Chhota jungle	135.661
Jungle	2.193
Jungle-II	2.699
Bada jungle	4.504
Rakhita jungle	0.149
Patra jungle	2.606
SFP plantation	16.774
Total	168.232

**2. Item-wise break-up details of the forest land proposed for diversion:**

Sl. No.	Items/Units	Area in ha.					
		Revenue Forest land including plantation	Tenanted Forest land	Total Forest land	Govt. Non-forest land	Tenanted Non-forest land	Total land
1	Railway yard	6.536	0	6.536	31.185	67.319	105.040
2	Steel Plant	78.828	1.453	80.281	141.324	417.584	639.189
3	Common facilities	3.416	0	3.416	19.158	79.549	102.123
4	Coal Gasification	4.666	1.153	5.819	18.599	134.990	159.408
5	Power plant	4.339	0.635	4.974	12.169	236.853	253.996
6	Ash pond	4.650	0	4.650	37.687	203.158	245.495
7	Water reservoir	0	0	0	33.799	67.372	101.171
8	Road	0	0.453	0.453	2.036	18.138	20.627
9	Green Belt	57.971	0	57.971	127.354	183.337	368.662
10	Water pipe line	3.945	0.187	4.132	8.616	8.328	21.076
11	Total	164.351	3.881	168.232	431.927	1416.628	2016.787

**3. Whether proposal involves any construction of buildings (including residential) or not. If yes, details thereof:**

As per the information given by the user agency the proposal involves construction of

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mostly Sal crop and the other species are Mahula, Asan, Kurei, Dhatki etc. and is moderately dense. The regeneration of crops are good and seedlings of different local species are coming up well. Some small open areas are also found in-between. Many small seasonal nullahs and water channels are existing in the area. Many **non forest areas** adjacent to the forest areas mentioned above, also near Durgapur RF, are also proposed for diversion, have almost the same type **natural forest cover**

There are few patches of isolated forest areas, much smaller in size, are almost open and have some bushes and Sal in pole crop stage. Many other small patches are covered with bushes, mostly kendu.

The crops of the social forestry plantation are mostly Accacia, Cassia, Eucalyptus etc. The planted trees have attained good height. The villagers present at the Social Forestry plantation site were claiming that they have been guarding the plantation forest and they should be duly compensated for the loss of Social forestry plantations.

**(a) Total number of trees to be felled.**

7806 number of trees.

**Effect of removal of trees on the general ecosystem in the area:**

A large chunk of the land, both forest and non forest, will be utilized and there will felling of substantial number of trees. Due to the felling of trees, the ecology of the area will be disturbed adversely and the wildlife will suffer. The water channels/ nullahs inside the proposed diverted area will be damaged, which will affect the water regime of the area also.

**(b) Important species:**

The naturally occurring tree species found in the proposed area are Sal, Sissoo, Bheru, Khaira, Mahula, Khakada, Karada, Jamu, Dhaura, Chara, Asan, etc. Sal is the major species available in the area. The planted species are mostly Accacia, Cassia, Eucalyptus, etc.

**Number of trees of girth below 60 cm.**

6497 number of trees.

**Number of trees of girth above 60 cm.**

1309 number of trees.

**7. Background note on the proposal:**

M/s Jindal Steel and Power Ltd has entered into a Memorandum of Understanding with the Government of Orissa on 3<sup>rd</sup> November, 2005 to set up a 6 Million ton per year integrated steel plant project at Bada Kerjang in Chendipada Tahasil of Angul district along with a captive power plant of 900 MW with initial investment of about Rs.13,135.02 cores. The steel plant will adopt coal gasification based Direct Reduction Electric Arc Furnace route for production of flat and round steel products. Initially power

Name of village	Khata No	Plot No	owner	Kisam	Area identified in AC.	In ha.
Kantamegha	1	445	Govt.	Pahad	12.12	4.904
		741	-do-	-do-	38.92	15.751
		757	-do-	-do-	71.72	29.025
		1165(P)	-do-	-do-	52.12	21.093
		1612	-do-	-do-	56.76	22.97
		1754 (P)	-do-	-do-	20.90	8.458
		1772	-do-	-do-	61.78	25.002
		429	-do-	-do-	28.52	11.542
Ragudiapada	1	429	-do-	-do-	28.52	11.542
Talagarh	421	3639(P)	-do-	-do-	72.87	29.49
<b>Total</b>					415.71	168.235

(c) **Map with details:**

There was a little mistake in the earlier submitted CA map. The corrected map is enclosed.

x (f) **Total financial outlay:**

The CA has been prepared in the ANR model for planting 300 seedlings/ ha with financial outlay of Rs.1,06,44,640/- . Emphasis should be give on soil and water conservation measures.

9. **Whether proposal involves violation of Forest (Conservation) Act, 1980 or not. If yes, a detailed report on violation including action taken against the concerned officials:**

Not reported.

10. **Whether proposal involves rehabilitation of displaced persons. If yes, whether rehabilitation plan has been prepared by the State Government or not :**

Yes. The project involves displacement of 261 families comprising of 67 SC, 45 ST and 149 general families. The resettlement and rehabilitation plan basing on the socio economic survey as per R & R policy, 2006 of Govt. of Orissa has been prepared by the Land Acquisition Officer with a financial outlay of Rs.8.16 crores. The rehabilitation area was visited. The area, as per the UA, is coming on the non-forest land (not recorded as forest). During field visit it was seen that the area was surrounded by natural Sal forest, and the present work was going on the natural Sal bearing areas.

11. **Reclamation plan:**

Not applicable.

**Details and financial allocation:**

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**Site-2: Talcher** Adequate Govt. as well as private land, with flat terrain is available. River Brahmani flows about 15 Km. away from the proposed site. However in spite of all the advantages of Talcher in terms of close proximity to coal, Railway and Road network, source of water and power, Talcher happens to be an environmental red zone already and any additional industry at that area would further aggravate the pollution problem, which would be unacceptable as per pollution norms. ( extract of CPCB submitted by UA is enclosed )

**Site-3: Badkerejang.** Plenty of government and private land is available in the area. Most of the land are not fertile and also not irrigated. The site has added advantages as it is adjacent to the Kerejang Railway Station of East Coast Railways, around 3.1 Kms away from NH-42, and also abundant water is available from river Brahmani, which is at a distance of 27 Kms away from the site and 400KV Meramundali GRID connectivity. The site is only 7 Kms away from the allotted Utkal B-1 Coal Block.

In view of all the considerations it was decided to locate the proposed Steel Complex at Badakerejang

**17. Utility of the project:**

**Numbers of Scheduled Caste/Scheduled Tribes to be benefited by the project:**

A total of 21,000 persons will be directly benefited which includes substantial number of employees from SC & ST community..

**18.**

(a) **Whether land being diverted has any socio-cultural/ religious value:**

No.

(b) **Whether any sacred grove or very old growth trees/forests exist in the areas proposed for diversion:**

No information given.

(c) **Whether the land under diversion forms part of any unique eco-system:**

No.

**19. Situation with respect to any Protected Area:**

The Satakosia WLS is the closest, around 40 Km away.

**20. Any other information relating to the project:**

**1. Minor Opposition from People**

While the inspection was being conducted on 11.09.08, we faced little opposition from the people at Badakerjung village while we were inspecting the earlier plantation sites, and we had to take different route to avoid that village. Some people whom we met on the way were showing their anguish over sharing of forest produce of the plantation site.

### RECOMMENDATION OF THE CHIEF CONSERVATOR OF FORESTS (C)

The instant proposal was submitted by the State Government in which the user agency has proposed for diversion of 168.232 ha. of forest land for establishment of an integrated steel complex with captive power plant for M/S Jindal Steel & Power Ltd. As per the proposal M/s Jindal Steel and Power Ltd has planned to set up a 6 Million ton per year integrated steel plant project at Bada Kerjang in Chendipada Tahasil of Angul district along with a captive power plant of 900 MW with initial investment of about Rs.13,135.02 cores. Initially power will be supplied by the Orissa Power Transmission corporation Ltd (OPTCL) from their sub-station at Meramundali through a 440 KV transmission line to the plant site. After completion of the power plant, the surplus power generated will be evacuated to OPTCL. The Railway Board have granted rail transport clearance in favour of the user agency. The iron ore will be procured from Orissa Mining Corporation Ltd and from other private mines. The coal requirement will be met from their proposed Utkal B1 Block, which about 7 kms away from the project site.

The site inspection was carried out by DCF (C) and from perusal of the proposal as well as report of site inspection, the following issues are brought to the notice of the Ministry for examination while considering this proposal.

1. The water requirement for the project is about 14700m<sup>3</sup>/hr, but the water drawl permission granted is only for half of the actual requirement i.e., 7000 m<sup>3</sup>/hr water from the Samal barrage on river Brahmani as permitted by the Water Resources Department, Government of Orissa. Thus a little more than half of the water requirement (7,700 m<sup>3</sup>/hr) still remain undecided, which may cause grave problem/crisis on sharing of water, especially for agricultural purpose in the region.
2. Due to this project, 261 families comprising of 67 SC, 45 ST and 149 general families will be displaced with a financial outlay of Rs.8.16 crores. However, the selected rehabilitation area, though coming under non-forest area and not recorded as forest, but are having good natural Sal root stock/forests as per the site inspection report.