

## F. No.8-77/2013-FC

1. This relates to diversion of 109.17 ha of forest land for renewal of Mining Lease No. 2346 to an extent of 103.73 ha for mining and other allied activities and 5.44 ha for approach roads outside the Mining Lease area located at bedara Bommanahalli and other Villages in Nirthadi reserve Forest, Holalkere Range, Chitradurga Division, chitradurga District, Karnataka State in favour of M/s. Mineral Enterprises Limited, Bengaluru.
2. The proposal was considered by the FAC in its meeting held on 30<sup>th</sup> May, 2014 and the Committee, after detailed discussion and examination of the proposal, recommended that following information may be sought from the State Government.
  - (i) Express order of the State Government for renewal of the mining lease clearly recording reasons for renewal in the interest of mineral development.
  - (ii) Compliance of the Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 in accordance with the MoEF's guideline dated 3<sup>rd</sup> August 2009.
  - (iii) Compliances of the Stage II approval complete in all respect after removing all shortcomings as pointed out by the Deputy Conservator of Forests, Chitradurga should be submitted through proper channel to this Ministry.
3. The above recommendation of the State Government has been communicated to the State Government, vide this Ministry's letter dated 26.06.2014. The project proponent, vide their letter dated 5.09.2014 has submitted the reply to the observation of the FAC and requested this Ministry to consider the proposal for grant of Stage-I approval in light of following submissions:
  - i) With regards to the express order of the State Government for renewal of the Mining Lease clearly recording reasons for renewal in the interest of mineral development, the project proponent has indicated that the Central Empowered Committee, in its report dated 29/08/2014 at page No.6 point No.10 (vi) stated that *"The processing/in principal approval/letter of intent for the renewal of the mining lease under the MMRD Act will not be linked with the grant of approval under forest Conservation Act.1980"*.

The project proponent has further indicated that as per the recommendation of the CEC (dated 29/08/2014 at point No.9), MoEF may consider grant of Stage I approval subject to the additional condition that the grant of formal approval under the Forest Conservation Act, 1980".

In view of the above, it is to mention that CEC has conducted a consultation meeting with the MoEF&CC in pursuance to the direction of Hon'ble Supreme Court contained in its order dated 18.07.2014 passed in IA No. 204 and 215 in W.P. No. 562 of 2009 wherein Hon'ble Supreme Court inter-alia directed as under:

*".....the Principal Secretary/Additional Chief Secretary of the States of Orissa and Karnataka to assist this Court in respect of the time schedule prescribed for the State Government. The Director General of Forest and Special Secretary, Ministry of Environment and Forest, Government of India will also to assist this Court on the issue of delayed clearances"*.

Pursuant to the above direction, the CEC convened a meeting on 13.08.2014. The minutes of the meeting may kindly be seen at Pg 730-737/c. The issues related to express order to be issued by the State Government on term of Section 8 (3) of the MMDR Act, 1980 were also discussed in the meeting and following decision was taken during the meeting:

*“The MoEF with regard to the processing of the proposals under the FC Act, including the formal approval, may not insist upon the issue of Express order by the State Government for renewal of mining lease. The MoEF, instead, may consider granting of Stage-I approval/formal approval under the FC Act with specific condition that FC approval will become effective only after the lessee has been granted approval under the MMDR Act for the renewal of mining lease or the mining lease is under the deemed extension under the amended Rule 24 A (6), MCR, 1960”.*

- ii) With regards to compliance of the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 in accordance with the MoEF’s guidelines dated 03-08-2009, the project proponents have mentioned that process has been completed and Copy of the Form –II (Certificate No. IND:CR:115/2009-10/534 Dt.26-07-2014) as required under the said Act, in accordance with the MoEF’s guidelines dated 03-08-2009 has been received from Deputy Commissioner, Chitradurga and the same is enclosed at Pg 741/c.

Examination of the compliance revealed that certificate issued by the District is in accordance with the MOEF&CC’s Guidelines dated 3.08.2009 read with Guidelines dated 5.02.2013 and 5.07.2013. The District Collector has certified that complete process for identification and settlement of rights, diversion of forest land for facilities managed by the Government and safeguarding the rights of Primitive Tribal Group and Pre-Agricultural Communities as required under the Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 has been carried out and proposal was discussed in the meeting of concerned Gram Sabha (s) maintaining the prescribed quorum.

Documentary evidences in support of settlements of rights under the Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 including the consent of Gram Sabha (s) have not been submitted.

- iii) The project proponent has further submitted that compliance of the Stage –II approval, granted earlier by the MoEF, complete in all respect after removing all shortcoming as pointed out by the Deputy Conservator of Forests, Chitradurga Division duly attested by Range Forest Officer, Holalkere Range, Asst. Conservator of Forest, Chitradurga & Deputy Conservator of Forests, Chitradurga, has also been submitted. **A copy of the detailed compliance report may kindly be seen at F/X.**
- iv) In addition to above, the project proponent has also mentioned that non-forest land of of 20 ha in survey no.62 of Yaladakere Village , Hiriyyur taluk, Chitradurga District has been has been identified for raising CA and the same has been mutated in favor of the State Forest Department. Copy of the mutation is available

at Pg 789-794/c. English translated copies of the mutation records have not been submitted (submitted in the vernacular language). The same needs to be submitted.

In view of the above, the proposal is submitted for further directions with regard to submission of the same to the FAC in its forthcoming meeting scheduled to be held on 22-23 September, 2014.

Fact sheet of the proposal is also enclosed.

**Sub: Diversion of 109.17 ha of forest land for renewal of Mining Lease No. 2346 to an extent of 103.73 ha for mining and other allied activities and 5.44 ha for approach roads outside the Mining Lease area located at bedara Bommanahalli and other Villages in Nirthadi reserve Forest, Holalkere Range, Chitradurga Division, chitradurga District, Karnataka State in favour of M/s. Mineral enterprises Limited, Bengaluru.**

1. The State Government of Karnataka vide their letter No. FEE 23 FFM 2013 dated 26.09.2013 has submitted above mentioned proposal seeking prior approval of the Central Government under Section – 2 of the Forest (Conservation) Act, 1980.
2. The Mining lease was first granted in the year 1952 and subsequently renewed under the present Mining Lease No. 2346. The lease has been transferred to M/s Mineral Enterprises (P) Ltd. from M/s Jyothi Brothers on 9.09.1969.
3. **M/s. Mineral Enterprises Ltd.,** has been granted Mining Lease over an extent of 103.81 Ha (256.515 Acres) involving 100.17 Ha in Forest area and 3.64 Ha in Revenue land Under M.L. No. 2346 for a period of 20 years w.e.f. 7.10.1992 which was valid upto 6.10.2012 for Iron ore and Manganese ore. Mining activity is stopped since the expiry of mining lease (Pg 5/c) A copy of the Mining lease deed and Govt. Of Karnataka Notification enclosed at pg 11-136/c.
4. As per the recent survey and demarcation carried out by the Joint Team of CEC, an area of 102.53 Ha. (99.23 Ha forest Land & 3.30 Ha Revenue Land) was demarcated and now the proposal has been submitted in line with the CEC Sketch.
5. Forest Clearance was accorded under Forest Conservation Act 1980 vide letter No. 8-83/93 FC Dated 4<sup>th</sup> April 1997 from MoEF (FC wing) Govt. Of India over an extent of 105 Ha for mining and related activities for a period co-terminus with the mining lease granted under the MMDR Act, 1957 subject to maximum period of 30 years (pg 137-140/c). The Mining lease, being co-terminus with the lease period under MMRD Act was valid upto 6.10.2012.

#### **6. Brief Project Details:**

The area proposed for renewal contains mainly iron ore fines and a small fraction of lumpy ore. This mining project shall produce low-grade iron ore analyzing about 52-58% Fe content which is located only in the proposed area. It is estimated that about 38 million tons of various grades of iron ore reserves are available in this area which may considerably increase after 2<sup>nd</sup> stage exploration. Through geological studies, and continuous R&D it has been established that the low grade deposit can be upgraded by new beneficiation for use in steel making.

The company has installed 5 No.s of Crushing, Screening and a Washing plant and sub-station for power supply in already broken up area to crush, screen and process Iron Ore to get various products like fines, and calibrated ore (i.e. 0 – 6 mm, 6 – 20 mm & 20mm-40mm size) with a rated capacity of 2500tonnes per day. The company has also installed 7 weighbridges with capacity of 60 – 100 tonnes in already broken up area for accurate weighment minehead itself.

The company is one of the leading Mining Companies involved in Exploration, Mining and processing of minerals in Karnataka for more than Five decades. We are technically well equipped to handle Mega mining projects and sound to implement projects in time. The company is in an advanced stage for setting up of an integrated steel plant in Hassan district and Chitradurga district, in the State of Karnataka and have already entered into an agreement with GOK during the Global Investors Meet, Land acquisition is under speedy progress. Apart from catering to the needs of its own steel plant the company shall cater to the needs of few domestic steel plants/ sponge iron plants and also export iron ore, when permitted by the State govt.

7. Facts related to the proposal, as indicated in the State Government letter dated 26.09.2013 are given below:

1.	Name of the Proposal	Diversion of 109.17 ha of forest land for renewal of Mining Lease No. 2346 to an extent of 103.73 ha for mining and other allied activities and 5.44 ha for approach roads outside the Mining Lease area located at bedara Bommanahalli and other Villages in Nirthadi reserve Forest, Holalkere Range, Chitradurga Division, chitradurga District, Karnataka State in favour of M/s. Mineral enterprises Limited, Bengaluru.
2.	Location (i) State (ii) District	Karnataka Chitradurga
3.	Particulars of Forests: (i) Name of Forest Division and Forest area involved.  (ii) Legal status/Sy.No.  (iii)Map	Chitradurga Forest Division 109.17 ha  Reserved Forests Land  SOI Toposheet pg-297/c DGPS Map - submitted Pg 296/c Safety zone are map – submitted (Pg 295/c) Forest Cover Map – not enclosed.
4.	Topography of the area	-
5.	(i) Geology (ii) Vulnerability to erosion	-
6.	(i) Vegetation	Banni, Dodda Mara, Bage, Dindiga, Halasu, Neem, Muttuga, Bagani, Khus, Shisham, Giant timber bamboo, Pipul, White leaf, Mahua, Mango, Champak, Jasmine, False ashoka, jamun, Teak, Tropical almond, Ber, Katthale, seethaphal,

	(ii) Density  (iii) No. of trees to be felled	Gulmohar, Nilagiri, Subabul etc.  Eco-class-III (Dense forest)  <b>2184 (inclusive of all girth classes (Pg 275-276/c)).</b>
7.	Whether area is significant from wildlife point of view	No
8.	Whether forms part of National park, Wildlife Sanctuary, Biosphere Reserve, Tiger Reserve, Elephant Corridor, etc. (if so, details of the area and comments of the Chief Wildlife Warden	The proposed area does not form part of National Park, Wildlife Sanctuary, Biosphere Reserve, Tiger Reserve, etc.
9.	Whether any RET species of flora and fauna are found in the area. If so details thereof	No rare/endangered/unique species of flora and fauna have been found/recorded in the area.
10.	Approximate distance of the proposed site for diversion from boundary of forest.	Not mentioned.
11.	Whether any protected archaeological/ heritage site/defence establishment or any other important monuments is located in the area.	Not mentioned
12.	Whether any work of in violation of the Forest (Conservation) Act, 1980 has been carried out (Yes/No). If yes details of the same including period of work done, action taken on erring officials. Whether work in violation is still in progress.	No
13.	Whether the requirement of forest land as proposed by the user agency in col. 2 of Part-I is unavoidable and barest minimum for the project, if no recommended area item-wise with details of alternatives examined.	Not mentioned
14.	Whether clearance under the Environment (protection) Act, 1986 is required?	A copy of environment clearance dated 31.03.2006 granted by the MoEF ha been enclosed at page 148-150/c.
15.	Compensatory Afforestation	
	(i) Details of non-forest area/degraded forest area identified for CA, its	As reported in the site inspection report submitted by the Regional Office, Bangalore, out of 105 ha diverted forest land 85.95 ha was broken up prior

	distance from adjoining forest, number of patches, size of each patches.	to 1980 and remaining 19.05 ha was unbroken. In lieu of this unbroken area, 20 ha non-forest land in Sy. No. 62 of Yalladakere village of Hiriyur Taluk, Chitradurga Distt. has been planted under Compensatory Afforestation during 2010-11. Regarding, 5 ha of forest land proposed for diversion for approach road, it has been reported by the State Forest Department, that the user agency has submitted an undertaking to identify non-forest land and mutation of the same in favor of the State Forest Department.
	(ii) Map showing non-forest/degraded forest area identified for CA and adjoining forest boundaries.	Pg-182/c
	(iii) Detailed CA scheme including species to be planted, implementing agency, time schedule, cost structure, etc.	----
	(iv) Total financial outlay for CA	13,24,000/-
	(v) Certificate from the competent authority regarding suitability of the area identified for CA and from management point of view.	NA
16.	Catchment Area Treatment	NA
17.	Rehabilitation of Oustees a) No of families involved b) Category of families c) Details of rehabilitation plan	Not mentioned.
18.	Compliance of Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006.	Only NOC obtained from the concerned Gram Sabha(s) has been submitted. Certificate from the District Collector certifying the settlement of rights in accordance with the MoEF's Guidelines has not been submitted.
19.	Cost Benefit Ratio	1:396 Pg-171/c
20.	Total Cost of the Project	70 Crores
21.	Recommendation i. DFO ii. CCF iii. Nodal Officer iv. SG	Yes, Pg-56/c, Yes, Pg-59/c, Yes, Pg-04/c Yes, Pg-03/c
22.	District Profile (i) Total Geographical area of the district	8388 Sq. Kms.

(ii) Total Forest area/Divisional Forest area	839.78 Sq. Kms.						
(iii) Total area diverted since 1980	1222.693 ha (Total cases 28)						
(iv) Total CA stipulated since 1980 (Forest land)	<table> <tr> <td>Forest Land</td> <td>96.00 ha</td> </tr> <tr> <td>Non Forest Land</td> <td>1112.83 ha</td> </tr> <tr> <td><b>Total</b></td> <td><b>1208.83 ha</b></td> </tr> </table>	Forest Land	96.00 ha	Non Forest Land	1112.83 ha	<b>Total</b>	<b>1208.83 ha</b>
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Non Forest Land	1112.83 ha						
<b>Total</b>	<b>1208.83 ha</b>						
(v) Progress of Compensatory Afforestation as on (date) 19.08.2010.	<table> <tr> <td>Forest Land</td> <td>96.00 ha</td> </tr> <tr> <td>Non Forest Land</td> <td>1006.18 ha</td> </tr> <tr> <td><b>Total</b></td> <td><b>1102.18 ha</b></td> </tr> </table>	Forest Land	96.00 ha	Non Forest Land	1006.18 ha	<b>Total</b>	<b>1102.18 ha</b>
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<b>Total</b>	<b>1102.18 ha</b>						
a. Forest land							
b. Non Forest land							

**The DCF has recommended the proposal with following conditions:**

The mining renewal application is recommended, with specific condition proposed in the letter towards amelioration and mitigation or the adverse effect of the mining. The mining renewal is necessary because of good quality iron ore available in the area, which will be used for steel making and other allied purposes. Moreover this is a renewal proposal and the area has already almost been broken-up. Hence, the proposal may be considered with following conditions.

- The user agency should complete the Safety zone works green belt works as per approved R&R Plan, before final approval.
- The user agency shall upgrade its nursery and raise and plants sufficient number of good quality seedlings of Fruit yielding and miscellaneous species, in place of Acacia and other plants.
- The user agency shall undertake measures to arrest runoff and soil erosion from its lease area and from 100 meters of its boundary, so that the flow of eroded soil and runoff, because of its operation do not pollute the neighboring tanks.
- The lessee shall undertake rigid fire protection measures in the area lease to them and up to 1 km forest around the lease.
- The user agency shall pay the amounts towards Compensatory payments as per the Hon'ble Supreme Court of India, New-Delhi for encroachment of 3.130ha. and offences done by it, as recorded by the Joint Team and approved by the Hon'ble CEC.
- The lessee shall maintained R&R structures, works and plantations it in proper condition.

**8. Facts of the proposal, as reported by the State Forest Department:**

Out of 105.00 ha. forest land diverted, 85.95 ha. was broken-up prior to 25-10-1980 and remaining 19.05 ha is unbroken. It was reported by Deputy Conservator of Forests,

Chitradurga vide their letter No. B3-MNG.MEP.CR-33/92-93 dated: 12-09-1994 that 19.05 ha is still unbroken. In lieu of this, 20.00 ha non-forest land in Sy. No. 62 of Yalladakere Village, of Hiriyur Taluk, Chitradurga Distt was identified for raising of compensatory afforestation and it is mutated in favour of the forest department. The lessee has paid Rs. 5.00 lakhs (Rupees: Five Lakhs Only) vide pay order No. 321115 dated: 23.08.1995 drawn on State Bank of Mysore towards raising compensatory afforestation during the earlier FC proposal. Compensatory Afforestation has been raised in the above land during 2010-11.

The use agency has submitted that has submitted that, the identification of non-forest land for raising compensatory afforestation is under process in respect of 5.44 ha. in lieu of area proposed for approach roads. The user agency has submitted an undertaking regarding identification and mutation of non-forest land in favour of the forest department.

The requirement of forest land for the project is as below:

S. No.	Proposed land use details	Extent (in Ha.)
1	Area for Mining	47.44
2	Area for Waste / Rejection Dump	10.74
3	Area for Sub Grade Mineral Stock & Mineral Rejects	14.45
4	Area for Dynamic Mineral Stock	6.38
5	Bio diversity conservation area	6.47
<b>SUB TOTAL</b>		<b>85.48</b>
5	Area for Crushing, Screening & Beneficiation plants	2.18
6	Area for Tailing Pond	1.50
7	Water Harvesting Pond	1.88
8	Area for Safety Zone / Green Belt	3.89
9	Afforestation	4.30
<b>SUB TOTAL</b>		<b>13.75</b>
<b>TOTAL AREA (AS PER CEC SKETCH)</b>		<b>99.23</b>
10	Area for Office, Statutory Buildings, Infrastructure approved as per earlier FC	2.00
11	Areas for Approach Roads Connecting various blocks, approved as per earlier FC	2.50
<b>SUB TOTAL</b>		<b>4.50</b>
<b>GRAND TOTAL</b>		<b>103.73</b>
Area proposed for approach roads outside the lease area (A-B as shown in the map – plate No.6)		
Area proposed for Road Connecting our neighbouring mine ML No. 2388 to the BBH Railway siding (B-C as shown in the map – plate No. 6)		
<b>SUB TOTAL</b>		<b>5.44</b>
<b>TOTAL AREA PROPOSED FOR DIVERSION</b>		<b>109.17</b>

The Sy. No. and village wise breakup of forest land required for the project is as under:-



<b>AS PER CEC SKETCH</b>				
<b>FOREST BLOCK – 1</b>				
<b>Sl. No.</b>	<b>Village</b>	<b>Survey No.</b>	<b>Extent in Ha</b>	<b>Status of Land</b>
1	Bedara Bommana Halli	5	69.46	Forest Land
2	Hirekandavadi	107	12.60	Forest Land
3	Megala halli	21	1.75	Forest Land
4	Marijogi Halli	9	1.47	Forest Land
5	Dindada Halli	18	8.32	Forest Land
<b>Sub Total (A)</b>			<b>93.60</b>	
<b>FOREST BLOCK -4</b>				
6	Hirekandavadi	107	4.03	Forest Land
		<b>Sub Total (B)</b>	<b>4.03</b>	
<b>FOREST BLOCK -5</b>				
7	Megala Halli	21	0.69	Forest land
8.	Hirekandavadi	107	0.91	Forest land
<b>Sub Total (C)</b>			<b>1.60</b>	
<b>Area for Mining and allied activities Total of (A+B+C): 99.23</b>				
<b>Office, Statutory building infrastructure, store, canteen blocks</b>				
9	Dindada Halli	18	2.00	Forest land
<b>Roads connecting different blocks</b>				
10	Hirekandavadi	107	2.50	Forest land
11	Dindada halli	18		
<b>Total road Extent</b>			<b>2.50</b>	
<b>Total Extent for Mining and auxiliary facilities 103.73 (total of Sl. No. 1 to 11) (D)</b>				
<b>Area proposed for approach roads outside the lease area</b>				
12	Dindada halli	18	2.62	Forest land
13	Dindada halli	18	2.82	Forest land
14	Bedara Bommana Halli	5		
<b>Sub Total (E)</b>			<b>5.44</b>	
<b>Total area now proposed for diversion (D+E) : 109.17 Ha.</b>				

- (i) The use agency has submitted approval copy of the mining plan approved by the IBM on 27-12-2012, IBM approval of modification of approved scheme of mining on 7.9.2012 (Pg 143-147/c).
- (ii) The R&R plan of the mine has been prepared by ICFRE & approved by the CEC on 4-7-2012, vide annexure -7. The annual permissible production of 0.38 MT has been fixed for the mine, based on reserve capacity. The User Agency has submitted undertaking for implementation R&R plan approved by CEC (Pg 548/c).
- (iii) The User Agency has completed physical demarcation of the lease area sought for renewal, as per lease deed sketch by Joint Team and approved by CEC (Pg 462-465/c).

- (iv) The density of vegetation is Eco-class-III (Dense Forests). NPV shall be demanded after approval of the renewal application MoEF, GOI.
- (v) The proposed site does not form a part of national park, wildlife sanctuary, biosphere reserve, tiger reserve or elephant corridor.
- (vi) The user agency has not submitted the letter of intent issued by the Commerce & Industries department. It has submitted copy of the earlier Mining Lease, which expired on 6.10.2012 and notification of the Commerce & Industries department dated 18.4.2001, vide Annexure-1 and 1A.
- (vii) The user agency has submitted an undertaking regarding payment of NPV for diversion of forest land, as per the Hon'ble Supreme Court of India in feature or by any competent authority, vide Annexure-19.
- (viii) The user agency has undertaken fire protection measures around the lease area from fire incidents.
- (ix) The map submitted by the user agency are land use plan, approach road, safety zone plan, key plan & CEC approved joint survey lease deed sketch, along with the proposal is verified at the field. The GPS reading shown in the map are found correct.
- (x) Compliance report to the conditions stipulated by the Government of India for FC approval of 105.00 ha granted on 1-7-1998 and agreement condition of FC approval have been submitted by user agency. Revised compliance, after replying to the observations of FAC has also been submitted and the same is given as under:

Sl. No.	Conditions	User Agency	Remarks of The Forest Department
1	Legal Status or Forest land shall remain unchanged and it shall continue to be forest land.	During this lease period the legal status of the forest land has been continued as Reserve Forest.	Legal status of the land remained unchanged
2	Lease period -shall be Co-terminus with lease under them. M.M. (R & D) Act, subject to maximum of 30 years (ie., from 06-10-1992).	We will abide to the condition.	Complied
3	Compensatory afforestation shall be raised over non-forest land equivalent in extent to the forest area to be broken afresh at the project cost. The non-forest land identified for compensatory afforestation will be notified as protecte/Reserve Forests (for this purpose the C &D Yelladakere village of Hiriyyur Taluk, Chitradurga District and the company has also paid entire amount to the forest department to take up compensatory afforestation).	For this purpose the C & D class land to an extent of 20Ha. is identified and selected in Sy.No.62 of Yalladakere village of Hiriyyur taluk, Chitradurga District and the company has also paid an amount of Rs. 5.00 lakhs vide pay order No. 321115 Dt.23.8.95 drawn on State bank of Mysore, towards raising compensatory afforestation) details enclosed at Annexure - 11	User agency identified CA at Sy. No. 62 of Yalladakere village, CA was raised during 2010-11
4	The user Agency shall open a fuel depot at the project site for supplyof free fuel wood to staff and labourers working in the project. The quantity of fuel wood to be supplied will be prescribed by the Conservator of Forests/ Deputy Conservator of Forests concerned.	All the workers are from the neighboring villages and are not staying in the leased area.	User agency claims Compliance

5	<p>Mine area reclamation (including targets of back filling) Soil conservation measures and green belt development will be carried out concurrently to the maximum possible extent. The lessee shall take up planting work on the static dups during the advance mining operations, and shall also under take afforestation measures in the area proposed for afforestation and also in other blank areas in the leased area, as per directions of the Conservator of Forests and Deputy conservator of Forests concerned.</p>	<p>Green belt development and soil conservation works are carried out by construction of 6 No.s of gully plugs and 10no.s of check dams apart from massive plantations including avenue plantation as per the directions of the Conservator of Forests and Deputy Conservator of Forests concerned. Details of these works are explained in our project report at page No.33 to41.The static dumps during the advance of the mining operations are stabilized, the details are shown at page no. 20&amp;21 of the project report.</p>	<p>User agency was instructed to carryout additional soil conservation works. However R &amp; R works are under progress.</p> <p>User agency was instructed to carry out plantation works in blank areas, wherever possible.</p>
6	<p>No new construction of building for any purpose will be taken up in the lease forest area.</p>	<p>We had taken 2.0 Ha of forest land for existing Office &amp; related structures, Stores &amp; Canteen in our earlier approved Forest clearance, the same buildings have been preserved, No new constructions carried out.</p>	<p>No new constructions carriedout</p>
7	<p>Necessary soil conservation measures shall be taken at the project cost to prevent erosion in the catchment of Bheemasamudra Tank.</p>	<p>Check dams and gully plugs are made to prevent erosion into the Bheemasamudra Tank apart from the above rain water harvesting ponds and settling tanks are also constructed. De silting works at the tank is taken up regularly to increase its capacity.</p>	<p>Towards Bheemasamudra catchment area, in order to prevent erosion into the tank the user agency has constructed 6 No's of Checkdams &amp; 2 Rainwater harvesting ponds. However user agency was instructed to carry out additional SMC works as per site specification, as recomended in the R &amp; R Plan. SMC management plan prepared by ICFRE is under implementation.</p> <p>On the temprorary sub-grade dumps, earlier Geotextiles (Coirmats) were covered and grass was developed. As the sub-grade dumps are e-auctioned by the Hon'ble CEC monitoring committee. It is being despatched and total quantity of sub-grade dump may be transported with in short duration.</p>

8	Effective pollution control measures with respect to the Air quality, Water Quality, Noise should be implemented.	Water sprinkling on haulage roads to control dust, no water is let out of the mining lease area, and all machineries are maintained well in order to reduce the noise levels. (As per the directions of KSPCB)	Lessee claims compliance
9	The levels of SPM and other Nox gases should be regularly monitored to confirm to the perscribed limits.	Continual monitoring of SPM, RPM, Nox, Sox.and other parameters is carried out as per the standards specified by KSPCB, CPCB/ MOEF through the KSPCB approved agency Global Environmental & Mining Services, Hospet. (Certificate No. PCB/668(29) /COC/ 2011/4379 Dated 15.11.2011) and the reports are submitted to KSPCB every month and to MOEF ( EC wing ) every half Yearly. Letter copy enclosed. Annexure-A	User agency claims compliance
10	Check dams have to be constructed by the project authority to arrest the flow of suspended solids. The project proponents should provide for adequate arrangements for removing the accumulated material from behind these dams.	10No.s of Check Dams and 6 No's of Gully Checks are constructed to arrest flow of suspended solids , and the accumulated silt is removed once in a year and the silt so recovered in used in our yearly afforestation program.	User agency was instructed to carry out the SMC works as per site specification.
11	The quality of water finally discharged into the main water course from the tailing dam should conform to the prescribed standard.	No discharge of water is allowed into the main stream.Water samples drawn from the wells and ponds in the buffer zone confirm to the prescribed standard ( For the purpose of Hydrogeology study we have appointed Dr. M.C.Reddy Retired Director CGWA)	Lessee claims compliance

12	No waste material should be allowed to roll down the hill slopes if any). The control measures for preventing the rolling down of debries over the hill slopes should be provided.	There is only one dump on the north eastern side of the lease area ,The dumps are advanced in an ascending order and inactive portion of the dumps are stabilized with local species as the top benches of the dump progress, Retaining walls are also constructed at the toe of the dumps. Photo of the sustainable dumping practice is given at Page no. 20 &21 of the project report.	The user agency had constructed a retaining wall of almost 2 mtrs height at the toe of the dump. Any how at present retaning wall of 5 mtrs height as proposed by ICFRE is under progress.
13	Mechanical and biological reclamation of mined are shall be carried out at the project cost before handing over the land to the forest department.	Will be complied as given under the R&R plan approved by Hon'ble CEC.	Lessee claims compliance
14	Effective steps for control of air pollution causing dust should be taken. No sorting and crushing facilities should be provided at the project site.	Dust control measures are taken by sprinkling of water on haul roads and covering at the source.  Permission for installation of Temporary Crushing and screening plant as per MOEF guidelines Obtained, Letter copy enclosed as Annexure-B	Lessee claims compliance
15	All the noise producing sources should be sources should be provided with inbuilt control measures to reduce the noise level. The noise level should not exceed dBA at a distance of 100m. form the source.	Latest Machinery with sound proof arrangements and acoustics are deployed to control noise. All the Machineries are regularly serviced and maintained to reduce noise level.	Lessee claims compliance

16	No change of methodology of working and scope of working should be made without prior approval of Ministry of Environment and Forests, Government of India.	All Workings are carried out as per the IBM approved Mining Plan and there is no change in the methodology of working it is a open cast mine. Environment clearance is obtained from MOEF.	Lessee claims compliance
17	Green belt around the dust generating points should be provided by the project proponent. The cost towards environmental control measures should be made available to Government of India, Ministry of Environment and Forests, within a period of three months from the sanction of the renewal of lease.	Green belt around the dust generating points is provided i.e. All around the mine, Haul roads and crushing and screening plants. The cost towards environmental control measures is made available to Government of India, Ministry of Environment and Forests,	Avenue plantation is carried out  All around the mine plantation is carried out partly.  Around the Crushing and Screening plant area plantation has been carried out partly  Any how lessee was instructed to strenghten the plantation works with local species.
18	Regular monitoring of environmental quality parameters should be furnished to the State Pollution Control Board quarterly and to the government of India, ministry of Environment and forests half years.	Regular monitoring is done and report sent to State Pollution Control Board and Ministry of environment and forest .	Lessee claims compliance
19	The Forest land shall not be used for any purpose other than the specified in this order.	It is used only for the purpose stipulated in the order.	Lessee claims compliance
20	Lessee shall pay to the Forest Department lease rent per year hect., as per Principal Chief Conservator of Forests, Bangalore letter No.A5(B1) MNG. 144/91-92 dated 03-10-1998, from 06-10-1992 to 31-03-1997 @ Rs.625/- per year per hect., from 01-04-1997 to 06-10-1997 @ Rs.1000/- per year per Hect., Rs.2,000/- per year per Hect., from 7-10-1997 to 05-10-2000, @ Rs.3,500/- per year per hect., from 6-10-2002 to 05-10-2007 onwards upto lease period. The lease rent should be paid in advance on the Ist day of April every year whether demand or not. Failing which the same will be recovered with interest. They shall also pay @ Rs.187.50 per Hect., per year as supervision charges	In the Hon'ble High Court order dated : 7/01/2009 in Writ PetitionNo.28243/03 as quashed the demand of lease rent and supervision charges. It is learnt that the Dept. of Forest as appealed against the order , We shall abide by the final orders of the Hon'ble High Court. An undertaking to this effect is enclosed as Annexure - C	In the Hon'ble high court order Dt. 07-01-2009 in writ petition NO. 28243/03 as quashed the demand of lease rent and supervision charges.  There after user agency has not paid lease rent form 06-10-2009 up to 06-10-2012 for 3 years i.e., an amount of Rs. 15,75,000/- (Rupees: Fifteen Lakhs Seventy Five Thousand Only) @ Rs. 5,000/- per ha per year.

	( the lessee has paid the lease rent and supervision charges upto 31-03-1999). Lessee shall also abide by the orders that may be issued by the State Government/Principal Chief Conservator of forests from time to time revising these rates.		User agency submitted an undertaking to abide by the final order of the Hon'ble court.
21	The lessee shall carry out the rigid soil and water conservation measures as suggest by Forest Department.	Soil and water conservation measures are followed as suggested by the forest department.	As per the instructin of the Forest Dept. during inspections the user agecny has carried out SMC works in stages. Now as per R & R plan the user agency is being implementing the SMC works.
22	The lessee shall protect and nurture the natural tree growth in the mined area.	All care is taken to protect the natural tree growth in the mining area.	Gap palantation in natural tree growth area caried out, Naturing of natural tree growth is not satisfaction. Hence user agency is instructed to take necessary care in this area.
23	The lessee shall rigidly under take protective measure in the leased area and area surrounding it up to One KM., against any fire incidents.	Fire lines have been created around 1KM. We are engaging fire watchers to protect from the fire hazard during fire season and we are also assisting the Forest Department in fire protection.	User agency is assisting the Forest Dept. In fire protection user agency was instructed to carry out the fire lines as per specification.
24	The lessee shall not cut trees without prior permission of forest officers and all permitted fellings should be handed over to the forest department under cover of receipt. Transportation of Ore should be strictly as per transit rules.	Unbroken area of 19.05 Ha as not been worked so far. it is proposed to work during this lease period, during working of this area prior permission for felling trees shall be obtained and transit rules shall be strictly followed.	User agency claims Compliance
25	The lessee shall pay royalty, Forest Development Tax and other taxes, etc., as per prevailing rates to the forest department without fail.	We are paying royalty to the Dept. of Mines & Geology as per the MMRD Act 1957.	The user agency is paying FDT as per the court order in writ petition No. 13654/2008 Dt. 04-01-2011. It is under reconciliation with the figutes of Dept. of Mines & Geology regarding transported quantity.

		<p>The Hon'ble High Court vide its order Dt.:4/01/2011 in Writ Petition No.13654/2008 as restricted the demand to 50%,i.e.25%by cash &amp;25%by bank gurantee and accordingly we have paid the FDT.</p> <p>We shall abide by the final orders of the court , an under taking to this effect is enclosed as Annexure-D</p>	<p>Any how user agency has submitted an under taking to abide by the final orders of the Hon'ble High court.</p>
26	<p>The leasee shall abide by any other conditions laid down by Government of India/State Government /Forest Department from time to time in respect of forest land lease.</p>	<p>We abide to any other conditions laid down by Government of India/State Government/ Forest Department from time to time.</p>	<p>Lessee claims compliance</p>
27	<p>The balance 154 Hectares Forest land will be surrendered to the Forest Department (The said balance area of 154 Ha., is already surrendered to the forest department and the department has taken the land in their possession).</p>	<p>We have handed over the surrendred area back to the Forest Dept.</p>	<p>Lessee claims compliance</p>
28	<p>Demarcation of mining lease area will be done an the ground at project cost using 4 feet high concrete pillers with serial numbers, gbearing and distance from piller to piller.</p>	<p>We have demarcated the mining lease area as per the CEC Jt. Sketch and GPS reading provided in the mahazar copy and pillars are erected.</p>	<p>User agency has demarcted the lease on the ground GPS by erecting pillars as per CEC Joint survey Skech and GPS readings recorded found correct.</p>
29	<p>Fencing, protection and generation of safety zone area will be done at the project cost. In addition afforestation over One and half times of safety zone area will be done in degraded forests elsewhere at project cost.</p>	<p>As per the new guidelines safety zone is now inside the lease area.</p> <p>Safety zone plantation works is 95% completed and pillar erection as per the specification is under progress.</p>	<p>As per the new guidelines safety zone is inside the lease area and the works are under progress.</p>
30	<p>The area proposed for dumping over burden should be set apart for afforestation and should be planted at the cost of user agency. Masonry retaining walls should be provided all around the over burden dumps and mineral stock yard area. Slopes</p>	<p>There is only one dump on the north eastern side of the lease area ,The dumps are advanced in an ascending order and inactive portion of the dumps are stabilized with</p>	<p>Planting carried out on static protion of the dump. However local species are proposed for further planting.</p> <p>Construction of Retaning wall almost completed as per ICFRE guidelines.</p>



	of the over burden should be maintained around 25 degree of less than the natural slope of the area prior to the mining whichever is less.	local species as the top benches of the dump progress, Retaining walls are also constructed at the toe of the dumps. Photo of the sustainable dumping practice is given at Page no. 20 &21 of the project report.	User agency was instructed to maintain the dumps as per norms specified under R & R.
31	All along the roads either a retention wall or a sand bag support should be provided to avoid soil erosion from the mine approach road.	We have provided retention walls with stone slabs along the road wherever required to avoid soil erosion	User agency was instructed to carry out the retention walls along the road in vulnerable area.
32	Possibility of harvesting rain water for utilizing in the mine should be explored and reported to the Regional office of the ministry of Environment and forest at Bangalore.	Two rain water harvesting ponds are formed and the water collected recharges the ground water. The same is reported to the Regional office of the MOEF B'lore and R & R works are under implementations.	Lessee claims compliance
33	Since the mining plan submitted is an old One, the project authority should submit a copy of the latest mining plan (as soon as it is approved by I & M) to the Regional office of the Ministry of Bangalore All unused further mining area as should be taken up for plantation and for which a five year action plan will be prepared and submitted to the Regional office and Ministry of Environment and Forests, Bangalore.	Approved copy of the Mining Plan is submitted and plantation works all around the mining area is taken up.	Lessee claims compliance. However user agency is instructed to plant local species.
34	In order to decide the applicability of Environment clearance under EIA notification of Ministry of Environment and Forests, following information will be furnished to the Ministry of Environment and Forests as well as to Regional office, Bangalore immediately.  i) Production capacity of the mining as per NOC from State Pollution Control Board.	Environment clearance is aobtained and enclosed with the proposal as Annexure - 5  Production capacity is always maintained with in the consented capacity as given by KSPCB	Lessee claims compliance.  Lessee claims compliance.

	<p>ii) Mining technology being practiced now and proposed change after renewal, if any.</p> <p>iii) Prior environmental clearance is needed under the EIA notification, 1994 in case of expansion or modernisation or mining operations. If there is no substantial change in mineral winning technology and production level is kept below maximum annual production in the past / production consented by the SPCB then no approval under EIA notification is required for renewal.</p> <p>iv) In case the proponent plans to exceed production (1999-2000) from the past level (maximum) / production capacity admitted by SFCB in the NOC, then proposal for environment clearance should be sent to the Ministry Environment and Forests.</p>	<p>Mining operations are carried out as per the Mining Plan approved by IBM</p> <p>Environment clearance is obtained as required under the EIA notification 1994</p> <p>Environment clearance is obtained from MOEF New Delhi for expansion in production</p>	<p>Lessee claims compliance.</p> <p>Lessee claims compliance.</p> <p>Lessee claims compliance.</p>
35	<p>The lessee should take up planting work on the static dumps during the advance mining operations.</p>	<p>There is only one dump on the north eastern side of the lease area ,The dumps are advanced in an ascending order and inactive portion of the dumps are stabilized with local species as the top benches of the dump progress, Retaining walls are also constructed at the toe of the dumps. Photo of the sustainable dumping practice is given at Page no. 20 &amp;21 of the project report.</p>	<p>User agency has partly planted. However user agency is instructed to plant local species as they have planted few exotic species.</p>

36	They should take the afforestation measure in the area proposed for afforestation and also in other blank area of the leased area.	Green belt development and soil conservation works are carried out by construction of 6 No.s of gully plugs and 10 no.s of check dams apart from massive plantations including avenue plantation as per the directions of the Conservator of Forests and Deputy Conservator of Forests concerned. Details of these works are explained in our project report at page No.33 to 41. The static dumps during the advance of the mining operations are stabilized, the details are shown at page no. 20&21 of the project report.	User agency was instructed to carry out plantation works in blank area, where ever possible.
37	The lessee should carry out soil and water conservation measures as suggested by the forest department.	10 No.s of Check Dams and 6 No's of Gully Checks are constructed to arrest flow of suspended solids , and the accumulated silt is removed once in a year and the silt so recovered is used in our yearly afforestation program.	During the inspection of the Forest Dept. user agency was instructed to carry out SMC works in stages from time to time.
38	The lessee shall strictly adhere with the environmental safe guards, prescribed by Government of India as per enclosures to this Government order dated 11-5-1998 and will be part of the agreement.	We have followed accordingly	User agency claims Compliance
39	The lessee should take up community welfare measures in the peripheral villages in this regard One or two villages could be adopted.	We have taken up the community welfare works and the same are briefed in our project report at page No. 42 to 47.	User agency claims that, corporate responsibility works are taken up and explained in their project report. However SPV is formed as per the directions of the Hon'ble Supreme Court.
40	Adequated funds provision (capital and recurring) should be made for implementation of above measures.	We have followed accordingly	Lessee claims compliance.

41	The lessee should submit working plan / map for the entire leased area and area to be operated depending upon their convenience by planting their programme of mining systematically keeping in view of the proposal submitted to Government of India for approval under the Forest Conservation Act 1980.	Mining operations are carried out as per the Mining Plan approved by IBM	Lessee claims compliance.
42	The work orders for mining will be issued each year depending upon the availability of minerals and the requirement of the lessee/ company.	We have followed accordingly	Lessee claims compliance.
43	No road works, construction of labour sheds/Magazines/ wells etc., should be under taken in the leased area without prior orders of the Deputy conservator of Forests Chitradurga in this behalf.	No roads construction of labour sheds / magazine being carried out after the issue of Forest Clearance.	Lessee claims compliance.
44	All labourers concerned to mining activity should have an indentify card duly issued by the lessee, under intimation to the concerned Range Forest Officers, Asst. Conservator of Forests and the Deputy conservator or Forests, Chitradurga.	We have followed accordingly	Lessee claims compliance.
45	The lessee shall pay compensation to the workmen for any injury, death, disability etc., caused or occurred during the time of execution of work under workmen's compensatory Act or any Act in force from time to time. The lessee is responsible for any commission's and the are commissions of his workmen.	No such cases have accrued	No such cases have been reported
46	The lessee shall abide by the provision of all the laws for the time being in force relating to working of minerals and matters effecting safety, health and conveniences of the lessee's employees or of the public doing execution of his (lessee) work.	We have followed accordingly	Lessee claims compliance.

47	The lessee shall keep correct account showing the quantity of Ore produced and dispatched from the leased area and number of persons employed therein also complete plan of working of the area and submit the production Ore and dispatches to the Deputy Conservator of Forests, Chitradurga every succeeding month.	As been complied accordingly	Lessee claims compliance.
48	Out of the detail leased area the lessee may operate upon the area not exceeding 105 ha., at a time with the permission in writing of the Deputy Conservator of Forests, Chitradurga. No. Railway, Tram way, Road or foot path etc., shall be made outside or inside the leased area without the permission of the Deputy Conservator of Forests, Chitradurga permission will be granted not exceeding 105.00 Ha.,	As been complied accordingly	Lessee claims compliance.
49	The definition of 'area operated upon' includes all those trenches or other excavation or covered with earthy stones, debris machinery, building etc., or upon which the forest growth have been injured or destroyed or ever which any Railway/Tramaway, Road or foot path etc., has been made.	As been complied accordingly	Lessee claims compliance.

50	<p>The lessee should pay Rs.6.75(including all tax) or any higher rate that will be prevailing at the time of transportation of forest produced (Mineral/Or) for each Lorry/vehicle as per clarification issued in letter No.A6/IND-28/83-84 dated:13-03-1985 of the Principal Chief Conservator of Forests, Bangalore. The lessee should maintain in a register of permits received and issued/used with page numbers used up books should be handed over to the Range Forest Officers, concerned/or to the Deputy Conservator of Forests, Chitradurga striking the closing balance once in fortnight i..e, 15<sup>th</sup> and last day of every month.</p>	<p>As been complied accordingly in the earlier period. Presently E-permit system is implemented</p>	<p>User agency complied accordingly in the earlier period. Presently E-permit system is implemented</p>
51	<p>In case of building, machinery or other structures created upon the leased area and in the case of every place where fire or lights are used at any time around the working or dwelling place where the Deputy Conservator or forests, Chitrdurga considers if necessary for safety, the forest growth shall be cleared for a distance of ten feet as the Deputy Conservator of Forests may instruct from time to time prevent fire hazards.</p>	<p>As been complied accordingly</p>	<p>Lessee claims compliance.</p>
52	<p>Consolidated statement and a complete map shall be maintained uptodate and kept in the mining area by the persons incharge of mining operations and produced on demand to the inspecting officer of the rank of forest guard and above at any time. The list of workers and representations of the lessee so called managers should be furnished to the Deputy conservator of Forests Chitradurga and Conservator of Forests, Bellary.</p>	<p>We have complied accordingly</p>	<p>Lessee claims compliance.</p>

53	The lessee shall fell, girdle or lop any tree out side or inside the leased area. If any tree is required to be felled, the permission of Range Forest Officer should be obtained and cut material should be handed over to the Range Forest Officer concerned under no circumstances the sandalwood trees should be cut/injured.	Unbroken area of 19.05 Ha as not been worked so far. it is proposed to work during this lease period, during working of this area prior permission for felling trees shall be obtained and transit rules shall be strictly followed.	User agency was instructed accordingly.
54	The lessee shall protect forest at least 100 mtrs. allround areas leased to him from fire occurrences. Any damage to forest area etc., due to fire will be recovered from the lessee an assessed by the Deputy Conservator of Forests, Chitradurga.	We have followed accordingly	User agency was instructed to protect forest from fire accurences.
55	Nothing in the fore-going conditions shall be taken to except the lessee or his employees form liability in respect of any forest offence punishable under the Karnataka Forest Act 1969 and subsequent amendments and rules there under. And violation of Forest Conservation Act 1980 also.	We have followed accordingly as per law	User agency was instructed accordingly.
56	The Rules of Karnataka Forests Act. 1963 and Karnataka Forest Rules 1969, should be strictly followed by the lessee in addition to Karnataka Forest Manual 1976, Forest conservation Act 1980 and its amendments, if any of government of India including all other Rules and Regulations pertaining to working of the mining lease in the Forest area imposed by the State Government.	We have followed accordingly	User agency was instructed accordingly.

57	<p>After completing the extraction of mineral/ore the areas thus exploited should be filled back to the level of earth surface to facilitate to take up afforestation at exiting sanctioned schedule rate of concerned division or may take up successful afforestation by lessee himself if permitted to do so, failing to comply these conditions the lease may be terminated by State/Centtral Government at their option.</p>	<p>After completely wining the mineral from the lease area, back filling will be carried out as per IBM approval and as proposed by ICFRE in the approved R &amp; R Plan.</p>	<p>Lessee claims compliance.</p>
58	<p>The lessee or his agent or his labour should not indulge in any Forest offences, any such occurrence would lead to the termination of lease besides instituting Forest Offence case as per Forest At and Rules and Forest Conservation act 1980 against the lessee.</p>	<p>We have followed accordingly as per law</p>	<p>User agency was instructed accordingly.</p>
59	<p>The lessee shall take up comprehensive soil and water Conservation measures like gully plugging, Nala treatment construction of retaining wall, check dams R.C.S. etc., to effectively control soil erosion form the mining area to the non mining area. Necessary vegetative check dams shall be taken up as a preventive measures of soil other than the mined area.</p>	<p>Green belt development and soil conservation works are carried out by construction of 6 No.s of gully plugs and 10no.s of check dams apart from massive plantations including avenue plantation as per the directions of the Conservator of Forests and Deputy Conservator of Forests concerned. Details of these works are explained in our project report at page No.33 to41.The static dumps during the advance of the mining operations are stabilized, the details are shown at page no. 20&amp;21 of the project report.</p> <p>Apart from the above nearly 4.00 lakh sampling have been planted inside &amp; outside lease area.</p>	<p>Earlier SMC works are carried out by user agency, at present user agency is implementing the R &amp; R plan.</p>



60	<p>The lessee shall abide by all the provisions of the wildlife preservation Act/Rule 1972. The lessee should not explore remove, transport Ore other than the one leased to him, under any circumstances the mining should not be done in the permitted area after containing written permission of the Deputy Conservator of Forests, Chitradurga duly paying prevailing damage and disfigurement fee. Area taken up for mining year by year or so called be shown with a separate alphabet in the map. The requirement or permission for working the mines should be submitted with a letter and lease out sketch and indicate the exact area required for working permission as per scale of map in 1:50,000 or in bigger scale should be submitted to the Deputy Conservator of Forests, Chitradurga in 7 sets.</p>	We have complied accordingly	User agency was instructed accordingly.
61	<p>The lessee will do the fire line clearance to a width of 5 mtrs on either side of the forest roads be used for transportation of the Ore outside forest leased area.</p>	Fire lines have been created around 1KM. We are engaging fire watchers to protect from the fire hazard during fire season and we are also assisting the Forest Department in fire protection.	User Agency was instructed to carry out the protection works as per the instruction of the department during the fire season.
62	<p>The lessee should instruct and endeavour that all the labourers and staff should not carry the inflammable material as a preventive measure against any eventualities or forest fires.</p>	We have followed accordingly	User agency was instructed accordingly.
63	<p>The lessee his staff and labour have to give full co-operation to forest, revenue and police officers in extinguishing the forest fires, prevention/book of forest offences.</p>	We have assisted the Forest Dept. during Forest fires	User agency claims compliance.

64	The lessees should provide services of fire watchers during the fire season to the forest department, on the request of the Deputy Conservator of Forests/Asst., Conservator of Forests/Range Forest Officers/ Foresters Guards from February to June of every year.	We have provided Fire watchers during fire season to the forest department as instructed by them from time to time	Fire watchers are provided by the user agency. They have been instructed to provide fire watchers as per the requirement.
65	The lessee should abide by the Forest Conservation Act 1980 and amendments there on issued from time to time by Government of India.	We have followed accordingly	User agency was instructed accordingly.
66	And any contrary to the above conditions will attract the penal provision of Forest Conservation act 1980 and amendments thereon.	We have followed accordingly as per law	User agency was instructed accordingly.
67	The lessee should undertake afforestation work and when suggested by the forest, Department in the mining area and as agreed to in the proposals submitted for sanction of mining lease/renewal under Forest Conservation Act.1980.	<p>We have carried out plantation works adjacent to our mining lease area.</p> <p>1) Fruit species plantation like Mango, Tamrind, Jamoon, Seethapal, Sapota, Jack fruit have been planted.</p> <p>2) Bamboo plantation is carried out</p> <p>3) Towards the western side and southern side of the lease area plantation with good bio diversity is carried out the species planted are listed in our project report at page no. 36 to 39</p> <p>4) We have carried out plantation works in Schools, Colleges, Idaga maidans, Mukthi Dhamas, Panchayath Office, Fire station Police station etc.,</p> <p>5) Company is bestowed with Misrisal Jain Environment award and Rajiv Gandhi Parisara Prashasthi for its efforts towards environment protection.</p>	User agency has carried out, various fruit species plantation. Bamboo plantation, and plantation outside/ adjacent to the lease area. User agency is instructed to carry out gap plantation with local species.

		6) Biofuel education park is developed for educating the farmers and species like Simaroba, Jatropa, Neem & Honge are planted	
68	If any dispute arises on the interpretation and implementation of above conditions and working difficulty, the matter will be referred to the Government of Karnataka and its decision there-on, shall be binding on both the parties.	We have followed accordingly	User agency was instructed accordingly.
69	In case of violation of any terms and conditions of this agreement, Government of India and Government of Karnataka conditions stipulated in respect this lease, by the lessee the Deputy Conservator of Forests, Chitradurga has the right to suspend or cancel the mining and transportation of Ore also.	We have followed as per the conditions	User agency is instructed and educated accordingly
70	The lessee shall enter into an agreement with forest department in respect of forest land lease. The forest department reserves the right to cancel the land lease in case of any violation of above terms and conditions.	We have entered into an agreement with the Forest Dept.	User agency has entered into an agreement with the Department.

- (xi) The user agency has submitted unconditional undertaking regarding payment of Lease Rent and supervision Charges. The copies of the undertaking is herewith enclosed vide ANNEXURE-C1.
- (xii) The Safety Zone Map is provided in of the renewal proposal. The user agency has demarcated the Safety Zone inside the leased area, as per the New-Guidelines of the Government of India dated: 12-07-2012. Details are as under:

**I. Earlier Safety Zone is Proposed outside the lease area:**

- a) Fencing : 5.42 Kms x 7.5 Mtrs=4.065 Ha say 4.07 Ha  
b) Planting in Degraded Forest : 4.07 Ha X 1.5 times = 6.105 Ha.  
(1.5 times of the safety zone area).

**Details of earlier Safety Zone payment**

SI. No.	ITEM	Details of Calculation	Amount Paid
1	Fencing	5.42 Kms @Rs. 60,500-00/Ha.	Rs. 3,27,910-00
2	Safety Zone area	4.07 Ha @ Rs. 49,250-00 / Ha.	Rs. 2,00,447-50

3	Planting in Degraded Forest	6.105 Ha @ Rs. 49.250-00 / Ha.	Rs. 3,00,671-25
		<b>Grand Total:</b>	<b>Rs. 8,29,028-75</b>

The user agency has paid total amount of **Rs. 10,44,425/-** (Rupees: Ten Lakhs Forty four Thousand Four Hundred & Twenty Five Only) vide DD No's as below:

**II. Presently, Safety Zone has to be demarcated inside the lease area** as per Govt. of India Guidelines Dt. 12-07-2012. Details of Safety Zone.

- |                                |                                   |
|--------------------------------|-----------------------------------|
| a) Fencing                     | : 5.187 Kms                       |
| b) Safety Zone area            | : 5.187 Kms X 7.5 Mtrs = 3.89 Ha  |
| c) Planting in Degraded Forest | : 3.89 Ha X 1.5 times = 5.835 Ha. |

Details of charged arrived now regarding raising of plantation in degraded forest 1 ½ times of the safety zone is 5.835 X @ Rs. 1, 52,000/ha. + Rs. 8,86,920/-

The user agency has submitted an undertaking for carrying out fencing and plantation of safety zone area and also for payment to raise plantation in 1.5 times the safety zone area in degraded forest else were as per the cost fixed by Govt. from time to time, vide Annexure-12.

The user agency has submitted that, earlier Safety Zone was outside the lease area. Hence, the length of fencing was 5.42 Km; now as per the new guidelines the Safety Zone is inside the lease area hence, the area of the Safety Zone & Plantation in degraded forest compared with earlier extents.

**Compliance of Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006**

The mining lease area comes within the village limits of Bedarabommenahalli, Hirekandavadi, Megalahalli, Marijogihalli and Dindadahalli. The user agency has submitted the consent letters of Gram Panchayath pertaining to Bheemasamudra Gram Panchayath, B.Durga Gram Panchayath and Bommenahalli Gram Panchayath.

- Bhemasamudra Gram Panchayath had given consent letter on: 30-10-2012 pertaining to Sy. No 18 of Dindadahalli village.
- B.Durga Gram Panchayath had given consent letter on: 15-11-2012 pertaining to Sy. No. 107 of Hirekandavadi village.
- only the consent letters of B.Durga Gram Panchayath and Bheemasamudra Gram Panchayath can be accepted since these are as per FRA guidelines.
- The Consent Letter from Bommenahalli Gram Panchayath given on: 11-01-2013 was not in order. The user agency has to submit revised consent of Bommenahalli Gram Sabha pertaining to Sy. No 9 of Marijogihalli village, as per FRA guidelines and consent of Bedarbommendhalli and Megalahalli Gram Sabha, pertaining to Sy. No.5 of

Bedarabommenahalli village, Sy. No. 21 of Megalahalli village and Sy. No. 9 of Marijogihalli village.

- e) the user agency has carried out R&R works, as per approved by the CEC have been almost completed by the lessee inside the leased area. R & R works outside the lease area is under progress. However, the user agency has submitted an undertaking regarding implementation of R&R plan as approved by the Hon'ble CEC vide ANNEXURE-20 of the renewal proposal. The status of R&R works has been submitted vides ANNEXURE-16 of the renewal proposal.

The details of Forest Offence cases booked against the user agency along with extent of forest land involved in the forest offence cases is as below:

SI. No.	FOC No. & Date	Description of the FOC	Forest land involved in the offence [Extent in ha.]	Remarks
1	FOC No. 17/2009-10 dt. 25-05-2009	Forest land used for approach road	1.50	The case is pending before Hon'ble JMFC Court , Chitradurga vide CC No. 1299/2009
2	FOC No. 30/2009-10 dt. 26-09-2009	Sliding of dump out side the leased area.	0.090	The case was compound and Rs. 1,03,200/- was recovered.
3	FOC No. 13/2012-13 dt. 15-01-2013	Encroachment of forest shown as others as per the findings of Hon'ble CEC and Map approved by the CEC.	3.130	The case is pending.

The details of pending lease rent and supervision charges from 06-10-2009 to 05-10-2012 to be paid by the M/s Mineral Enterprises Ltd., is as below:

Lease Rent @ Rs. 5,000/ year/ ha. for 105.00 ha= Rs. 15,75,000-00

Supervision Charges @ Rs. 187.50/year/ ha for 105.00 ha= Rs. 59,063-00

**Rs. 16,34,063-00**

The user agency has violated the conditions of agreement, as well as KFA 1963 and KFR 1969 and also FC Act, 1980 by encroachment of forest land in the form of others 3.13 ha., the CEC approved lease dead sketch. Hence, the M.L. is kept in category-A.

The User Agency has submitted documents and copies of GOK GO Dated 14.07.2010 and 30.08.2011, vide Annexure-9, wherein it has been given permission to establish iron ore beneficiation plant, Pelletizing Plant, and Steel Plant, among others, in nearby locations, which are also relevant for renewal of the mine in favour of the User Agency.

The Conservator of Forests, Government of Karnataka has recommended the proposal for diversion of forest land for 10 years with following conditions:

- (i) The Compensatory Afforestation area of 5.44 Ha in lieu of approach road shall be identified by the User Agency, demarcated and suitability certificate to be issued by Deputy conservator of forests, which is mandatory for FC approval.
- (ii) The 19.05 Ha unbroken area shall not be worked, in view of the Hon'ble Supreme Court order dated 20.4.2012, wherein it was ordered that "Mining which is to resume in Category-A, however shall not extend to unbroken forest areas."
- (iii) The user agency shall clear the payment of lease rent, before final approval of renewal is accorded and no new lease agreement shall be signed without completion of such payment.
- (iv) The user agency shall undertake planting and regeneration works in the safety zone area for development of green belt.
- (v) The user agency shall raise/procure and plant sufficient number of good quality seedling species on the remaining dump slopes at the earliest.
- (vi) The user agency shall undertake measures to arrest runoff and soil erosion from its lease area and from 100 meters of its boundary, so that the flow of eroded soil and runoff, because of its operation do not pollute the adjoining forest and the streams and water bodies. In particular special measures shall be undertaken by the User Agency in consultation with local villagers, line department officials and department of Water resources, to prevent soil and pollutants do not flow into Bheemsamudra Tank, which is totally silted up, in spite of several structures undertaken in the past, which has not served the purpose adequately.
- (vii) The lessee shall undertake rigid fire protection measures in the area leased to them and upto 1 km forest area around the lease. Proper fire management plan shall be prepared with sketch and various activities and time line shall be drawn up by the Forest Department, which shall be implemented by the User Agency.
- (viii) The lessee shall maintain the R&R structures and Plantations raised by it in proper condition. But no stone Masonry structure shall be undertaken in the unbroken forest area within the lease and any area outside lease, without specific permission of Deputy Conservator of forest; notwithstanding any prescription of the approved R&R plan.
- (ix) The user agency shall pay the amount towards Compensatory Payment, as per Hon'ble Supreme Court orders for the encroachments of area and offences done by it and recorded by the Joint Team and approved by CEC.
- (x) Complete compliance and fulfillment of the conditions of the earlier lease agreement and that of GoK and GoI conditions.
- (xi) The User agency has violated FC Act and lease conditions on several occasions on several occasions earlier and hence any further violation should entail cancellation and termination of lease.
- (xii) After 5 years, there should be a review regarding compliance of the lease conditions and if it the lessee is found wanting in regard to them or found in violation of them, then penalties shall be imposed and the FC lease may be suspended, till such time all the compliances are fully complied with.

#### **Site Inspection report by the Regional Office, Bangalore**

1. MoEF issued Forest clearance vide letter no.8-83/93-FC dated 7.4.1997 Subject to certain conditions under Section 2 of Forest (Conservation) Act, 1980 in favour of M/s Mineral Enterprises Ltd., for 30 years co-terminus with MMRD Act, 1957 w.e.f. 7.10.1992 and

valid upto 6.10.2012. Lease period under MMRD Act. 1957 ended on 6.10.2012 and therefore, the FC also ended on 6.10.2012.

2. The Principal Secretary to Govt. of Karnataka, Forest, Ecology & Environment Department, Bangalore vide letter no. FEE 23 FFM 2013 dated 26.9.2013 submitted a proposal to obtain approval of Government of India under Section 2 of Forest (Conservation) Act, 1980 for diversion of 109.17 ha of forest land for renewal of Mining Lease No. 2346 to an extent of 103.73 ha for mining and other allied activities (As per CEC approved joint survey sketch) and 5.44 ha for approach roads outside the Mining Lease area (earlier FC clearance dated 7.4.1997 was for 105 ha) i.e., for a total area of 109.17 ha in Nirthadi Reserve Forest, Holalkere Range, Chitradurga Division, Chitradurga District, Karnataka in favour of M/s Mineral Enterprises Limited, Bengaluru subject to certain conditions.

**3. Important observations of the PCCF, Karnataka with regard to the proposal:-**

**(i) Mining in un-broken area and Land use Plan:-**

The PCCF has observed that no mining should be permitted in the un-broken 19.05 ha and the mining should be restricted to 32.59 ha, as mentioned in the “present land use plan” as per mining plan approved for the years 2012-13 to 2016-17. He has also observed that opinion in this regard may be sought by the Government of India from the CEC, in case it is felt necessary. The PCCF has observed that the user agency has proposed for mining in the presently unbroken area. The unbroken area shall not be worked in view of the Hon’ble Supreme Court of India order dated 20.4.2012, wherein it was ordered that “mining which is to resume in Category A however shall not extend to unbroken forest areas”. The approved RR plan also stipulates that mining should not be carried out beyond the existing pit limits.

**(ii) Surrender of 0.50 ha of forest land:-**

The User Agency should be asked to pay the Net Present Value for the 0.50 ha area propose to be surrendered also and should carry out the reclamation and rehabilitation work at their own cost as proposed by the Forest Department.

**(iii) Encroachment found by the Joint Team:-**

The User agency has encroached 3.13 ha of forest land in the form of “Others” as per the survey carried out by the Joint Team and as reported by the CEC in its report dated 3.2.2012. PCCF has observed that Ministry may take appropriate decision as deemed fit with regard to compensatory payment for the encroachments and opinion of CEC may be sought in case felt necessary.

- (iv) Approach road earlier used by the user agency without FC approval:-** The PCCF has recommended that the user Agency should be asked to pay NPV. Further compensatory afforestation area of 5.44 ha of non-forest land in lieu of the approach roads shall be identified by the User Agency, demarcated and get it mutated and handed over to the Karnataka Forest Department and pay the CA charges. MoEF may also take additional necessary action it deems fit with regard to the violation.

- (v) Non-payment of Forest Development Tax (FDT) dues:-** There is a writ petition with regard to payment of FDT is pending (WP No. 13654 of 2008). In the

Government of India guidelines, it has been advised not to consider/process cases which are pending in Courts and are sub-judice. Since this case regarding payment of FDT is pending in the Hon'ble High Court appropriate decision needs to be taken by the Government of India.

- (vi) **Non-submission of notification/Letter of intent regarding renewal:-** The User Agency has not submitted Notification issued by Government of Karnataka as per the provisions of the MMRD Act, 1957 or a Letter of Intent for renewal of the Mining lease and in view of this the lease should not be renewed unless the user agency submits the requisite notification.
- (vii) **Safety Zone:-** Clarification is needed from the MoEF regarding whether the user agency should deposit funds with regard to the protection and regeneration of Safety zone with the Forest Department or the user agency may be given the responsibility and be exempted from depositing the funds.
- (viii) **Non-compliance of the stipulated conditions:-** Based on the reports of Addl PCCF(FCA) and DCF, Chitradurga, PCCF has observed that user agency has failed to comply with the stipulated conditions of the earlier FC and agreement lease condition despite the fact that they had 16 years of lease period to comply, which fact may have to be viewed seriously. Lease may be considered for renewal only if the user agency complies with the above state conditions and Government of India may also take appropriate penal action as deemed fit for non-compliance of the conditions stipulated in the earlier approval.
- (ix) **Payment of NPV:-** The UA shall have to pay NPV for the entire forest land sought for diversion of 109.17 ha since the same was not paid earlier. The use agency shall also have to pay any additional amount of NPV as per the directions of the Hon'ble Supreme Court/Ministry of Environment and Forests.
- (x) **Compliance to stipulation regarding Compensatory afforestation:-** The user agency shall have to get the 20 ha of CA land of the previous FC clearance, mutated in favour of the Forest Dept in order to get it notified as PF/RF.

The specific conditions and the general conditions recommended by the PCCF to be complied by the user agency are enumerated in the Annexure A.

#### **4. Observations based on site inspection and perusal of records:**

Site inspection of the area proposed for renewal of FC has been done by the undersigned along with Shiri S.M.Somashekar, CCF (Central) of the Regional Office, Bangalor on 27<sup>th</sup> December 2013. The CCF, Bellary, DCF, Chitradurga and representatives of the User agency were also present during inspection. Based on site inspection and perusal of records, observation are as under:-

- (i) **Mining in unbroken area** – The previous FC was granted for 105 ha, (85.95 ha broken-up and the remaining 19.05 ha unbroken). Even this 19.05 ha continues to remain unbroken practically. As per the present proposal, mining is to be continued in 47.44 ha including the current pit. But the current mining has to be restricted to mining in the current pit of 32.59 ha only. The representatives of the project have explained that there is enough mineral in the existing pit itself and mineral will last for more than 15 years at the rate of removal of 0.38 MTPA, which is the permissible limit as per the



orders of the Hon'ble Supreme Court. Therefore renewal can be considered with a specific condition that mining shall be restricted to the existing pit and mining shall not extend to unbroken area

- (ii) **encroachment found by the Joint Team** – in violation of condition no. 12 of FC approval, the user agency has encroached 3.13 ha forest land in the form of “Others” as per the survey carried out by the Joint Team and as reported by the CEC in its report dated 3.2.2012 and this mine has been kept in the Category A. It may be considered to impose a condition that the user agency shall bear the cost of afforestation in double the extent i.e., 6.26 ha of degraded forestland to be identified by the Forest Department.
  - (iii) **Approach Road used by the user agency without FC approval** – The approach road appears to have been in existence since a long time as per the Survey of India Toposheet. However in addition to stipulation f providing 5.44 ha of non-forest land for compensatory afforestation, CA in double the degraded forest land i.e., 10.88 ha at the cost of user agency may also be stipulated.
  - (iv) **Non-submission of notification/Letter of Intent regarding renewal** – The user agency informed that they have applied in Form –J in 2009 and hence renewal of FC may be granted subject to obtaining renewal of mining lease under MMRD Act and FC can be granted for a period of 20 years or co-terminus with renewal period of lease under MMRD Act whichever is earlier.
  - (v) **Compliance to stipulation regarding Compensatory afforestation** - to ensure transfer and mutations is done in the name of the Forest Department and the area is declared as PF/RF, it is proposed to stipulate a condition in the Stage I approval that Stage II approval shall be granted only after the 20 ha CA land provide in the time of the FC is mutated in favour of the Forest Department and notified as PF/RF.
  - (vi) **Change in scope of working** – In violation of condition no. 16, User agency has changed the scope of working by undertaking dump mining to the tune of 6.5 million tones. In the Environment clearance dated 31.3.2006, it is clearly mentioned that there is a 2 million m overburden already existing and 32000 tonnes per month proposed to be generated and EC stipulated that this accumulated overburden will be used to backfill the mining pit in order to reclaim the area. As per this condition, mining company was supposed to use the overburden for back filling of the mining pit for reclamation. In the process they have also exceeded the permissible quantity of 1 MTPA to be handled in a given year.
  - (vii) **Benefits due to mining-** The mine is having extractable ore and extraction of the same will meet the requirement of the steel industry. Mining activity will generate employment to the local people and generate revenue for the Government.
  - (viii) **Protection of adjoining Forest and promotion of Agro-forestry** – The user agency may be entrusted with the responsibility of special fire protection measure in the forest area adjoining to the lease area at the cost of user agency in consultation with the forest department. The user agency can also be entrusted the responsibility of promoting agro forestry in the surrounding areas, which is a drought prone area.
5. The Regional Office, has also submitted monitoring report in respect of compliance of conditions stipulated earlier by the MoEF while according diversion of forest land. A copy of the same is placed in the file for kind perusal at Pg 570-574/c.
6. Looking to the need for providing raw material for the industry and socio-economic benefits to the society and the need to restrict the mining to the existing pit in order to preserve the remaining greenery, the proposal for renewal of 103.73 ha and grant of fresh diversion for 5.44 ha may be considered favorably with the stipulation of the following additional conditions:-
- (i) The mining shall be restricted to the existing pit of 32.59 ha.

- (ii) the annual production of ore shall not exceed 0.38MTPA.
- (iii) afforestation shall be carried out wherever possible in the lease area.
- (iv) the user agency shall meet the cost of rehabilitation works and special fire protection measures in the forest area adjacent to the mining lease area every year as per the scheme prepared by the concerned DCF.
- (v) the user agency shall pay the cost of afforestation in 40 ha of degraded forest land elsewhere to be identified by the Forest Department as compensation for the violations.
- (vi) the user agency shall promote agro forestry in the surrounding villages.
- (vii) Copy of notification as PF/PF of already handed over 20 ha CA land in Sy. No. 62 of Yalladakere village of Hiriyur taluk, Chitradurga distt shall be furnished.
- (viii) The Net Present Value for the 0.50 ha area proposed to be surrendered shall be paid by the user agency. Undertaking shall be furnished that the reclamation and rehabilitation work in the surrendered 0.50 ha shall be carried out by the user agency at its cost.
- (ix) NPV for the entire forest land sought for diversion of 109.17 ha shall be paid by the user agency.
- (x) Additional amount of NPV of the diverted forest land if any becoming due after revision of the same by the Hon'ble Supreme Court of India in future, shall be charged by the State Government from user agency. The user agency shall furnish an undertaking to this effect.
- (xi) Letter of Intent for renewal of mining lease shall be furnished.
- (xii) 7.5 meters strip from the boundary inside the lease area shall be maintained as safety zone at the cost of user agency.

In view of the above facts related to the proposal, if approved, the proposal may be submitted to the FAC for its consideration in its forthcoming meeting.

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