



OFFICE OF THE DEPUTY CONSERVATOR OF FOREST
BALLARI DIVISION, BALLARI

No.M1/MNG/MSPL/Karthikeya/ML No.2559/2021-22

Dated: 31.01.2022

To,

The Chief Conservator of Forests,
Ballari Circle, Ballari

Sri,

Sub: Diversion of 28.299 ha of forest land (26.699 ha for mining and 1.60 ha for approach road) for mining purpose in favour the successful bidder i.e. M/s. MSPL Ltd, Hosapete, Ballari District (erstwhile 'C' Category, MLNo.2559 of M/s. Karthikeyas Manganese & Iron Ore Pvt Ltd) in Subbarayanahalli Village, Sandur South Range, Ballari District- Reg.

- Ref:** 1) Online Application No. FP/KA/MIN/31348/2018 [FORM-A]
2) Letter No.4-KRC1203/2019-BAN Dt.22.11.2021 of the Government of India
3) Email received from the Principal Chief Conservator of Forests (Forest Conservation), Bangalore on 02.12.2021
4) This office even number Dt.02.11.2021.
5) M/s. MSPL Ltd, Hosapete letter Dt.09.10.2021
6) Letter No. ACF/TA/Karthikeya/M.L.2559/2021-22 Dt.13.12.2021 of the Assistant Conservator of Forests, Ballari Sub-Division, Ballari

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With Reference to the above subject, the Government of India has sought certain information/clarification regarding Diversion of 28.299 ha of forest land (26.699 ha for mining and 1.60 ha for approach road) for mining purpose in favour the successful bidder i.e. M/s. MSPL Ltd, Hosapete, Ballari District (erstwhile 'C' Category, M.L.No.2559 of M/s. Karthikeyas Manganese & Iron Ore Pvt Ltd) in Subbarayanahalli Village, Sandur South Range, Ballari District vide letter under Ref(2). Further, the Principal Chief Conservator of Forests (Forest Conservation), Bangalore and the Chief Conservator of Forests, Ballari Circle, Ballari have directed the undersigned to submit information / documents as sought by Government of India vide letter under Ref (3) & (4).

Office of the undersigned had directed the User Agency and field officers to submit information / documents vide letter under Ref (5). The same has been received vide letters under Ref (5) & (6). Upon perusal of the said information and documents available with the office of the undersigned, I am herewith submitting the following information along documents as sought by Government of India;

Sl. No.	Observation	Information
(i)	The detailed status of implementation of R & R plan along with activities undertaken.	The User Agency (M/s. MSPL Ltd, Hosapete) has not started implementation of the prescribed R & R works. However, they have submitted an undertaking stating that, they would implement the R&R works as stipulate (enclosed as Annexure-1).
(ii)	The civil liabilities of erstwhile lessee.	M/s Karthikeyas Manganese & Iron Ore Pvt Ltd had operated the mines in the said area without Forest Clearance. Civil liabilities to be cleared by the erstwhile lessee (M/s. Karthikeyas

Manganese & Iron Ore Pvt Ltd) are as hereunder;

1. NPV amount of Rs. 2,27,24,097/- as per existing rates (i.e. Rs. 8,03,000/- per hectares) may be recovered from previous lessee i.e. M/s. Karthikeyas Manganese & Iron Ore Pvt Ltd.
2. The Loss to the Forest & Environment in Mining area (forest area with 0.4 Density class) by the erstwhile User agency as decided by the Hon'ble Supreme Court in its order in its WP(C) No. 202/1995 Dt. 26.09.2005 is calculated for the violations by the erstwhile lessee (as indirect loss of Forest & Environment) is to the tune of **Rs.78,87,31,420/-(@ Rs. 50.696 lakhs per hectares** (Details of said court order enclosed **Annexure-2**).

Further, as no Forest Clearance was obtained by the previous Lessee for operating said mine, it may be deemed as encroachment of Forest area and penal measures may be prescribed accordingly.

As per the directions of Hon'ble Supreme Court of India in WP No.562/2009, the Central Empowered Committee (CEC) had conducted Joint Survey of the mines operated by M/s. Karthikeyas Manganese & Iron Ore Pvt Ltd(ML No. 2559) and confirmed the following encroachments/violations;

1)	Mining Pit	-
2)	O.B. Dumps	-
3)	Others	-
4)	Roads	23.44 hectares
Total		23.44 hectares

Based on this report of CEC, the mine has been categorised as Category-C Mine. Further, as per recommendations of the CEC report (vide Dt.03.02.2012 in Page No.56), Hon'ble Supreme Court of India has cancelled the mining lease of Category-C mines and passed the order (vide Dt. 18.04.2013 in its WP No.562/2009 at para No. 50(7) (8) in Page No.84 to 86 para) is as below :

"(7) The recommendations contained in paragraphs VI and VII (pg. 56 to 57) of the CEC Report Dt. 03.02.2012 are accepted, meaning thereby, the leases in respect of "C" Category mines will stand cancelled and the recommendations of the CEC (para VII pg.56)

(iii)

The Action Taken Report by the State Government against the violation of IFA, 1927 / Karnataka Forest Act, 1963 including the details of cases lodged, complaint filed by the Forest Officials and orders of the Courts.

		<p>of Report dated :03.02.2012 with regard to the grant of fresh leases are accepted.</p> <p>(8) The proceeds of the sales of the Iron Ore of the 'C' Category mines made through the Monitoring Committee will stand forfeited to the State. The Monitoring Committee will remit the amounts held by it on this account to the SPV for utilization in connection with the purposes for which it had been constituted"(Copy of the said order is enclosed as Annexure-3).</p> <p>Forest offence cases has been booked against M/s. Karthikeyas Manganese & Iron Ore Pvt Ltd, (ML No. 2559) for the illegalities vide FOC No. 13/2012-13 Dated 03.10.2012, charge-sheet has been filed in JMFC Court, Sandur vide Criminal Case (CC) No. 296/2021 Dt. 05.08.2021. Case is pending in JMFC Court; next hearing is scheduled on 11.03.2022 (Annexure-4).</p>															
(iv)	State Government may clarify whether any orders have been issued by the State Authorities for issue of additional forest land other than the area approved under Forest (Conservation) Act, 1980 in respect of this lease to the erstwhile lessee. If so, the details of such orders issued and officials responsible for the same may be furnished.	No order/direction is issued by the State Authorities for allotment of additional forest land other than the area approved under Forest (Conservation) Act, 1980.															
(v)	How the "Conservation loss" due to illegal mining in the instant case, related to Category 'C' Mine has been taken in to account while recommending the proposal by the State Government.	<p>It is seen from the reports of the CEC that, the User Agency has committed following violations/encroachments;</p> <table border="1"> <tr> <td>1)</td> <td>Mining Pit</td> <td>-</td> </tr> <tr> <td>2)</td> <td>O.B. dumps</td> <td>-</td> </tr> <tr> <td>3)</td> <td>Others</td> <td>-</td> </tr> <tr> <td>4)</td> <td>Roads</td> <td>23.44 hectares</td> </tr> <tr> <td colspan="2" style="text-align: center;">Total</td> <td>23.44 hectares</td> </tr> </table> <p>The Loss to the Forest & Environment in Mining area (Forest with 0.4 Density class) as decided by the Hon'ble Supreme Court in its order in its WP(C) No. 202/1995 Dt. 26.09.2005 is calculated for the violations by the erstwhile lessee (as indirect loss of Forest & Environment) is to the tune of Rs.78,87,31,420/- (@ Rs. 50.696 lakhs per hectares (Annexure-2).</p>	1)	Mining Pit	-	2)	O.B. dumps	-	3)	Others	-	4)	Roads	23.44 hectares	Total		23.44 hectares
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This is submitted for your kind information and needful action.

Yours Faithfully,
Sd/-
Deputy Conservator of Forests,
Ballari Division, Ballari

- 1) Copy submitted to the Principal Chief Conservator of Forests (Forest Conservation), Bangalore for kind information.
- 2) Copy to M/s. MSPL Ltd, Hosapete Ballari District for information and necessary action.


Deputy Conservator of Forests,
Ballari Division, Ballari