



OFFICE OF THE DEPUTY CONSERVATOR OF FOREST
BALLARI DIVISION, BALLARI

03 sets

No.M1/MNG/NMDC/M.L.No.1111/2018-19

Dated: 06.06.2022

To,

The Chief Conservator of Forests,
Ballari Circle, Ballari

Sir,

Sub: Diversion of 75.92 ha forest land for Construction of Screening Plant, Tailing Dam, Slurry pipeline Corridor & Water Pipeline Corridor at Donimalai of M/s, National Minerals Development Corporation Limited, Donimalai, Sandur, (FC Online Application No. FP/KA/OTHERS/14576/2015) – Reg.

- Ref: 1) Letter No. 8-17/2021-FC Dt. 01.02.2022 of the Government of India
2) Letter No.A5(1)/MNG/CR-15/2015-16 Dt.08/10.02.2022 of the Principal Chief Conservator of Forests (Forest Conservation), Bangalore.
3) This office even number letter Dt.11.02.2022.
4) Letter No. ACF/TA/B/NMDC/75.92/2021-22 Dt.11.05.2022 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 regarding diversion of 75.92 ha forest land for Construction of Screening Plant, Tailing Dam, Slurry pipeline Corridor & Water Pipeline Corridor at Donimalai of M/s National Minerals Development Corporation Limited, Donimalai, Sandur (FC Online Application No. FP/KA/OTHERS/14576/2015) vide letter under Ref (1). Further, the Principal Chief Conservator of Forests (Forest Conservation), Bangalore has directed to submit details of information as sought by Government of India vide letter under Ref (2).

In this regard, the undersigned has directed the field officers to submit the information vide letter under Ref (3). The same has been received through Assistant Conservator of Forests, Ballari vide letter under Ref (4).

Hence, I am herewith submitting the following information as sought by Government of India.

Sl. No.	Information sought	Information submitted
1	State Government has not provided any comments with respect to the point No.(ix) of this Ministry's letter dated :17.01.2022. In this regard the State Government is once again requested to clarify whether the nature of violation comes within the purview of Section-3A and or Section-3B of the Forest (Conservation) Act, 1980.	As reported by the Chief Conservator of Forests, Ballari vide letter No.M1/MNG/ RENW/CR-11/1990-91(NMDC) Dt.01.12.2021. The NMDC has already established following structures; <ol style="list-style-type: none">1. The User Agency has already laid pipeline about 400 mtrs (i.e. 0.08 ha) length in the proposed screening Plant-II Area.2. The User Agency has already established washing plant about 0.1 ha in the proposed Screening Plant-II area.3. The User Agency has already established Conveyor belt about 363 mtrs length in the proposed screening plant-II area and about 376 mtrs length in tailing dam-I area.4. The User Agency has already established check dam, silt settling tank and rainwater harvesting pit in the proposed tailing dam-II area. Further, these are related to R&R activities implemented by the User Agency with respect to ML No.2396.

Further, the undersigned has inspected the proposed area of 75.92 ha on 26.02.2022 and the observations are as follows;

A total area of 4.78 ha is under use, without regularisation, out of which 2.57 ha is being used for mining-allied activities and the remaining 2.21 ha is under use for non mining activities.

Land used for mining allied activities	Land used for Non-mining Activities	Total
2.57	2.21	4.78

PART-I Mining allied activities 2.57 ha

The details of area in use for mining allied activities is as follows;

M/s. NMDC has been granted mining lease under MMDR Act in the year 1968 bearing ML No. 839 (New ML No.2396). Subsequently Mining plant in this lease has been established in the year 1977. To support this claim, M/s. NMDC has provided the documents like Audit Report and details of Royalty payment in the year 1977. (**Annexure-1**). From these documents it can be ascertained that, the plant and all these structures (in the area of around 2.57 ha) have been established in the year 1977 (i.e prior to 1980).

Table No.1

Sl. No.	Component	Area Proposed (in ha)	Area in use for mining allied activities (in ha)	Mining allied activities
1	Screening Plant-II	12.96	1.72	Roads, Conveyor, pipeline & Thickeners
2	Tailing Dam-I	40.25	0.85	Roads, Conveyor, pipeline & Thickeners
3	Tailing Dam-II	22.25	-	-
4	Water Pipeline	0.46	-	-
	Total	75.92	2.57	

(The details enclosed as Annexure-2)

Although, these structures (2.57 ha) has been established before 1980, they are in use even after the enactment of Forest (Conservation) Act, 1980 without regularisation of the same. Moreover, for the first time the proposal to regularise this area has been submitted by the M/s. NMDC in the year 2015. Hence, the structures associated to mining activity of Mining Lease No.2396, which are in use without regularisation until now, may be considered as violation of Forest (Conservation) Act, 1980 under Section-2, for which appropriate penalty may

be imposed on User Agency by the competent Authority.

PART-2 AREA IN USE FOR NON MINING ACTIVITIES

Around 2.21 h area in use (without regularisation) for non-mining activities. Area details are as follows,

Table No.2

Sl. No.	Component	Area Proposed (in ha.)	SMC works (R&R activities)	Encroachment by public (ha)	Total In ha
1	Screening Plant-II	12.96	-	-	-
2	Tailing Dam-I	40.25	-	-	-
3	Tailing Dam-II	22.25	0.38	1.83	2.21
4	Water Pipeline	0.46	-	-	-
Total		75.92	0.38	1.83	2.21

Here 0.38 ha area is used for R&R work as per the approved R&R Plan, in the year 2018-19. The copy of ICFRE Dehradun approved R&R plan is enclosed as **ANNEXURE-3**.

Moreover around 1.83 ha area been encroached by public for agricultural purpose. The maps showing encroached area is enclosed **ANNEXURE-2**.

Hence, for the diversion of this 2.21 ha area, User Agency may not be held responsible under Sec-02 of Forest (Conservation) Act 1980.

2 The State Government in response to this Ministry letter Dt.06.08.2021 with respect to point No. (ix) & (x) has forwarded KML file of 554.50 ha with respect to CA land. Out of the 554.50 ha, KML file of 37.50 ha for CA area in 1, Konchigere is not available as per DSS report. In this regard the complete KML file may be forwarded to this Ministry for analysis.

KML file of 37.50 ha for CA area in sy.No.1 of Konchigere Village, Ballari Range, Ballari Distract is enclosed as **Annexure-4**.

This is submitted for your kind information and needful action.

Yours Faithfully,


Deputy Conservator of Forests,
Ballari Division, Ballari

Original

Annexure-1

GOVERNMENT OF MYSORE

MINING LEASE

Registered No. M.L. No 839

Name of Lessee/s M/S. National Mineral Development Corporation Ltd.

Date of grant 4-11-1968

Period Twenty years

421

NO. 655/68-9
CONTAINS 11 SHEETS
11 SHEET

Sub-Registrar
SANDUR

NO 655/68-9 presented in the office of the Sub Registrar of Sandur between the hours of 2 & 3 PM on the 18th December 1968 by Sri. Salegram Singh.



Registration	605.00
Endorsement	50.50
copying	0.90
deposit	1500
Agreement	7.50
Duplicate	7.00
comparing	4.00
Filing	0.00
Total	637.00

Singh

Sub-Registrar
SANDUR.

Salegram Singh aged 33 years S/O Sri. Rameshwar Prasad Rajput -

Deputy Mining Engineer M/S. National Mineral Development Corporation M.D.T.D. New Industrial Township Faridabad (Haryana) admits execution and makes his signature who is personally known to the Sub Registrar.

Sub-Registrar
SANDUR.

Singh

Sub-Registrar
SANDUR.

I have satisfied myself as to the execution of the instrument by Sri. B.P. Radhakrishna Director of Mines and Geology who is exempted from personal appearance u/s 88(1) Regn Act -

Sub-Registrar
SANDUR.

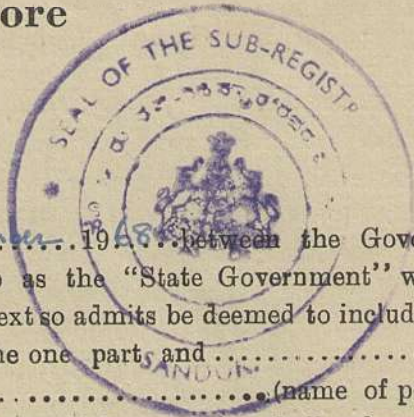
DOCUMENT NO. 421 689-1
CONTAINS 11
221
SUB REGISTRAR



Government of Mysore

Mining Lease.

*Supdt. of Stamps
to Mysore, Bangalore*



This Indenture made this 4th day of November 1968 between the Governor

of Mysore (hereinafter referred to as the "State Government" which When the lessee is an individual expression shall where the context so admits be deemed to include the successors in office and assigns) of the one part, and (name of person with address and occupation) (hereinafter referred to as "the lessee" which expression shall where the context so admits be deemed to include his heirs, executors, administrators, representatives and permitted assigns).

..... (name of person with address and occupations) and (name of person with address and occupation) (hereinafter referred to as "the lessees" which expression shall where the context so admits be deemed to include their respective heirs, executors, administrators, representatives and their permitted assigns).

When the lessees are more than one individual. When the lessee is a registered firm. (name and address of partner son of of son of of all carrying on business in partnership under the firm name and style of (name of the firm) registered under Indian Partnership Act, 1932 (9 of 1932) and having their registered office at in the town of (hereinafter referred to as "the lessee" which expression where the context so admits be deemed to include all the said partners, their respective heirs, executors, legal representatives and permitted assigns (name of company) a company registered under (Act under which incorporated) and having its registered office at (address) (hereinafter referred to as the lessee which expression shall where the context so admits be deemed to include its successor) and permitted assigns) of the other part.

When the lessee is a registered company. M/s. National Mineral Development Corporation Ltd., New Industrial Township, Faridabad (Haryana).

WHEREAS the lessee/lessees has/have applied to State Government in accordance with the Mineral Concession Rules, 1960 (hereinafter referred to as the said Rule) for a mining lease for Iron Ore in respect of the lands described in Part I of the Schedule hereunder written and has/have deposited with the State Government the sum of Rs. 1000/- as security and the sum of Rs. 500/- for meeting the preliminary expenses for a mining lease and whereas the lessee is in possession of a valid certificate of approval and Incometax clearance certificate and WHEREAS the Central Government has approved the grant of the lease.*

*In case of minerals included in the First Schedule of the Mines and Mineral Development Act, 1957.



WITNESSETH that in consideration of the rents and royalties covenants and agreements by and in these presents and the schedule hereunder written reserved and contained and on the part of the lessee/lessees to be paid observed and performed, the State Government (with the approval of the Central Government)* hereby grants and demises unto lessee/lessees.

All those the mines, beds, veins, seams of Iron Ore here state the mineral or minerals) (hereinafter and in the schedule referred to as the said minerals) situated lying and being in or under the lands which are referred to in Part I of the said Schedule, together with the liberties, powers and privileges to be exercised or enjoyed in connection herewith which are mentioned in Part II of the said Schedule subject to the restrictions and conditions as to the exercise and enjoyment of such liberties, powers and privileges which are mentioned in Part III of the said Schedule EXCEPT and reserving out of this demise unto the State Government the liberties, powers and privileges mentioned in Part IV of the ^{said} Schedule TO HOLD the premises hereby granted and demised unto the lessee/lessees from the ^{4th} day ^{of} November 1968 for the term of Twenty years thence next ensuing YIELDING AND PAYING therefor unto the state Government the several rents and royalties mentioned in Part V of the said Schedule at the respective times therein specified subject to the provisions contained in part VI of the said Schedule and the lessee/lessees hereby covenants/covenant with the State Government as in Part VII of the said Schedule is expressed ^{and} the State Government hereby covenants with the lessee/lessees as in Part VIII of the said ^{Schedule} is expressed AND it is hereby mutually agreed between the parties hereto as in Part IX of the said Schedule is expressed.

IN WITNESS WHEREOF these presents have been executed in manner hereunder appearing the day and year first above written.

The Schedule above referred to.

PART I.

The Area of this Lease

All that tract of lands situated at Donimalai Range (Description of area or areas).....in (Pargana) in Sandur the Registration District of Bellary Sub-District.....and Thana.....
 Location and area of the lease. bearing Cadastral Survey Nos.....
 containing an area of 2013.35 Hectares or thereabouts delineated in the plan hereto annexed and thereon coloured Red and bounded as follows:—
 On the North by Part of Donimalai State Forest
 On the South by do M.L. area of Sri. H.R. Gowappa
 On the East by do do do do
 On the West by do M.L. area of Sri. K.M. Rudramiah
 hereinafter referred to as "the said lands"

*In case of minerals included in the First Schedule of Mines and Minerals (Regulation and Development Act, 1957).

421 689.0000
CONTAINS 11 SHEETS
3 4th SHEET
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SHEET
REGISTRAR
REGISTRAR

PART II.

**Powers and Privileges to be exercised and enjoyed by the Lessee/Lesseees
subject to the restriction and conditions in Part III.**

1. Liberty and power at all times during the term hereby demised, to enter upon the said lands and to search for mine bore dig drill or win, work, dress, process, convert carry away and dispose of the said mineral/minerals.
To enter upon land and search for win, work, etc.
2. Liberty and power for or in connection with any of the purposes mentioned in this part to sink drive, make, maintain, and use in the said lands any pits, shafts, inclines, drifts, levels, waterways, airways and other works (and to use maintain, deepen or extend any existing works of the like nature in the said lands).
To sink drive and make pits shafts and inclines, etc.
3. Liberty and power for or in connection with any of the purposes mentioned in this part to erect, construct, maintain and use on or under the said lands any engines machinery plant, dressing floors, furnaces, coke ovens, brick-kilns, workshops, storehouses, bungalows, godowns, sheds and other buildings, and others works and conveniences of the like nature on or under the said lands.
To bring to use machinery equipment, etc.
4. Liberty and power for or in connection with any of the purposes mentioned in this part to make any tramways, railways, roads, aircrafts landing grounds and other ways in or over the said lands and to use, maintain and go and repass with or without horses, cattle, wagons, aircraft locomotive or other vehicles over the same (or any existing tramways, railways, roads and other ways in or over the said lands) on such condition as may be agreed to.
To make roads and ways, etc., and use existing roads and ways.
5. Liberty and power for or in connection with any of the purposes mentioned in this part to quarry and get stone gravel and other building and road material and clay and to use and employ the same and to manufacture such clay into bricks or tiles and to use such bricks or tiles but not to sell any such material bricks or tiles.
To get building and road materials, etc.
6. Liberty and power for or in connection with any of the purpose mentioned in this part but subject to the rights of any existing or future lessees and with there written permission of the Deputy Commissioner to appropriate and use water from any streams, watercourses, springs or other sources in or upon the said lands and to divert, step up or dam any such stream or water course and collect or impound any such water and to make, construct and maintain any water-course culverts drains or reservoirs but not so as to deprive any cultivated lands, villages, buldings or watering places for livestock of a reasonable supply of water as before accustomed nor in any way to foul or pollute any streams or springs, Provided that the lessee/lessees shall not interfere with the navigation in any navigable stream nor shall divert such stream without the previous written permission of the State Government.
To use water from streams etc.
7. Liberty and power to enter upon and use a sufficient part of the surface of the said lands for the purpose of stacking, heaping storing or depositing thereon any produce of the mines or works carried on and any tools equipment, earth and materials, and substances, dug or raised under the liberties and powers mentioned in this part.
To use land for stacking, heaping, depositing purposes.

8. (a) Liberty and power to enter upon and use a sufficient part of the said lands to beneficiate any ore produced from the said lands and to carry away such beneficiated ore.
Beneficiation and conveying away of production.

(b) Liberty and power upon the said lands to convert into coke any coal or coal dust produced from the said lands and to carry away such coke.
To make coke. (To be used in case of coal only).

9. Liberty and power for in connection with any of the purposes mentioned in this part and subject to the existing rights of others and save as provided in clause 3 of part III of this Schedule to clear undergrowth and brushwood and to fell and utilise trees, etc.
To clear brush-wood and to fell and utilise any trees or timber standing or found on the said lands provided that the State Government may ask the lessee/lessees to pay for any trees or timber felled and utilised by him/them at the rates specified by the Deputy Commissioner. *Or the State Government*

PART III

Restrictions and conditions as to the exercise of the Liberties, Powers and Privileges in Part II.

1. No building or thing shall be erected, set up or placed and no surface operations shall be carried on in or upon any public pleasure ground, burning or burial ground or place held sacred by any class of persons or any house or village site, public road or other place which the State Government may determine as public ground nor in such a manner as to injure or prejudicially affect any buildings, works, property or rights of other persons and no land shall be used for surface operations which is already occupied by persons other than the State Government for works or purposes not included in this lease. The lessee/lessees shall not also interfere with any right of way well or tank.
No building, etc., upon certain places.

2. Before using for surface operations any land which has not already been used for such operations the lessee/lessees shall give to the Deputy Commissioner of the District two calendar months previous notice in writing specifying the name or other description of the situation and the extent of the land proposed to be so used and the purpose for which the same is required and the said land shall not be so used if objection is issued by the Deputy Commissioner within two months after the receipt by him of such notice unless the objections so stated shall on reference to the State Government be annulled or waived.
Permission for surface operations in a land not already in use.

3. The lessee/lessees shall not without the express sanction of the Deputy Commissioner cut down or injure any timber or trees on the said lands but may without such sanction clear away any brushwood or undergrowth which interferes with any operations authorised by these presents. The Deputy Commissioner or the State Government may require the lessee/lessees to pay for any trees or timber felled and utilised by him/them at the rates specified by the Deputy Commissioner or the State Government.
To cut trees in unserved lands.

4. Notwithstanding anything in this Schedule contained the lessee/lessees shall not enter upon any reserved forest included in the said lands without previous sanction in writing of the District Forest Officer nor fell, cut and use any timber or trees without obtaining the sanction in writing of that Officer nor otherwise than in accordance with such conditions as the State Government may prescribe.
To enter upon reserved forest.

(4 A) The lessee/lessees shall not fell any trees in any forest area covered by this lease without reasonable notice to the Forest Officer and except in accordance with the provisions of the law relating to forests for the time being in force.

5. The lessee/lessees shall not work or carry on or allow to be worked or carried on any mining operations at or to any point within a distance of 50 metres from any railway line except with the previous written permission of the Railway Administration concerned or from any reservoir, canal or other public works such as public roads and buildings or inhabited site except with the previous written permission of the Deputy Commissioner or any other officer authorised by the State Government in this behalf and otherwise than in accordance with such instructions, restrictions and conditions either general or special which may be attached to such permission. The said distance of 50 metres shall be measured in the case of railway reservoir or canal horizontally from the outer toe of the bank or ^{of the outer edge} the edge of the cutting as the case may be and in case of a building horizontally from the plinth thereof. In the case of village roads no working shall be carried on within a distance of 10 metres of the outer edge of the cutting except with the previous permission of the Deputy Commissioner or any other Officer duly authorised by the State Government in this behalf and otherwise than in accordance with such directions restrictions and additions either general or special which may be attached to such permission.

Explanation.—For the purposes of this clause the expression 'Railway Administration' shall have the same meaning as it is defined to have in the Indian Railway Act, 1890, by Clause 6 of Section 3. of that Act, 'Public Road,' shall mean a road which has been constructed by artificially surfaced as distinct from a tract resulting from repeated use. Village road will include any tract shown in the revenue records as village road.

6. The lessee/lessees shall allow existing and future holders of Government licences or leases over any land which is comprised in or adjoins or is reached by the land held by the lessee/lessees reasonable facilities of access thereto

Facilities for adjoining Gov-
ernment licences and leases.

PROVIDED THAT no substantial hindrance or interference shall be caused by such holders of licences or leases to the operations of the lessee/lessees under these presents and fair compensation (as may be mutually agreed upon or in the event of disagreement as may be decided by the State Government) shall be made to the lessee/lessees for all loss or damage sustained by the lessee/lessees by reason of the exercise of the liberty.

Signature
this

PART IV.

Liberties, powers and Privileges reserved to the State Government.

1. Liberty and power for the State Government or to any lessee or persons authorised by it in that behalf to enter into and upon the said lands and to search for To work other minerals win, work, dig, get, raise, dress, process, convert and carry away minerals other than the said minerals and any other substances and for those purposes to sink, drive, make, erect, construct, maintain and use such pits, shafts, inclines, drifts, levels and other lines waterways, airways, water courses, drains, reservoirs, engines, machinery plant, buildings, canals, tramways, railways, roadways and other works and conveniences as may be deemed necessary or convenient.

PROVIDED THAT in the exercise of such liberty and power no substantial hindrance or interference shall be caused to or with the liberties, powers and privileges of the lessee/lessees under these presents and that fair compensation (as may be mutually agreed upon or in the event of disagreement as may

be decided by the State Government) shall be made to the lessee/lessees for all loss or damage sustained by the lessee/lessees by reason or in consequence of the exercise of such liberty and power.

2. Liberty and power for the State Government or any lessee or person authorised by it in that behalf to enter into and upon the said lands and to make upon over or To make railways and roads through the same any railways, tramways, roadways, or pipelines for any purpose other than those mentioned in part II of these presents and to get from the said lands stones, gravel, earth and other materials for making, maintaining and repairing such railways, tramways and roads or any existing railways and roads and to go and repass at all times with or without horses, cattle, or other animals, carts, wagons, carriages, locomotives, or other vehicles over or along any such railways, tramways, roads, lines, and otherways for all purposes and as occasions may require provided that in the exercise of such liberty and power by such other lessee or person, no substantial hindrance or interference shall be caused to or with the liberties powers and privileges of the lessee/lessees under these presents and that fair compensation (as may be mutually agreed upon or in the event of disagreement as may be decided by the State Government) shall be made to the lessee/lessees for all loss or damage sustained by the lessee/lessees by reason or in consequence of the exercise by such lessee or person of such liberty and power.

PART V

Rents and Royalties reserved by this lease.

1. The lessee shall pay for every year except the first year of the lease yearly dead rent as specified in clause 2 of this part in respect of each mineral.

To pay dead rent or royalty whichever is greater

PROVIDED THAT the lessees shall be liable to pay the dead rent or royalty in respect of each mineral whichever is higher in amount but not both.

2. Subject to the provision of Clause 1 of this Part, during the subsistence of this lease the lessee/lessees shall pay to the State Government annual dead rent at the following rate/rates or at such revised rate/rates which may be communicated in writing to the lessee/lessees by the State Government per

Rate and mode of payment of dead rent

(1) 1st year of the lease ..	Nil	
(2) 2nd to 5th year ..	Rs.12-50	Rs.25,167 per year
(3) 6th to 10th year ..	Rs.25-00	Rs.50,334/- "
(4) 11th year and onwards ..	Rs.37-50	Rs.75,501/- "

B. P. Radhakrishna
B. P. RADHAKRISHNA
Director of Mines & Geology

For And on Behalf of National Mineral Development Corporation Ltd., New Delhi

Rate and mode of payment of royalty.

of this lease pay to the State Government at such times and in such manner as the State Government may prescribe royalty in respect of any mineral/minerals removed by him/them from the leased area at the rate for the time being specified in the Second Schedule to the Mines and Minerals (Regulation and Development) Act, 1957.

(3-A) The lessee/lessees shall not remove any ores or minerals from the leased area except under, and in accordance with the conditions of a permit issued by the Director of mines and Geology in Mysore, on payment by the lessee/lessees of the royalty due on the ores or minerals.

4. The lessee/lessees shall pay rent and water rate to the State Government in respect of all parts of the surface of the said lands which shall from time to time be occupied or used by the lessee/lessees under the authority of these presents at the rate of Rs. $\frac{3}{80}$ respectively per annum per hectare of the area so occupied or used and so in proportion for any area less than an hectare during the period from the commencement of such occupation or use until the area shall cease to be so occupied or used and shall as far as possible restore the surface land so used to its original condition, (surface rent and water rate shall be paid as hereinbefore detailed in Clause (2) PROVIDED THAT no such rent water rate shall be payable in respect of the occupation and use of the area comprised in any roads or ways to which the public have full right of access.

PART VI

Provisions relating to the rents and royalties

1. The rent and royalties mentioned in Part V of this Schedule shall be paid free from any deductions to the State Government at Govt. Treasury and in such manner as the State Government may prescribe PROVIDED ALWAYS and it is hereby agreed that Rent and royalties to be free Rs.....the balance standing to the credit of the lessee/lessees on from deductions, etc. account of the deposit made by him/them as a licensee/licensees over an area which included the said lands shall be retained and accepted by the State Government in satisfaction of the rents and royalties mentioned in Part V until they reach that amount.

2. For the purposes of computing the said royalties, the lessee/lessees shall keep a correct account of the mineral/minerals produced and despatched. The Mode of computation of royalty. accounts as well as the weight of the mineral/minerals in stock or in the process of export may be checked by any Officer authorised by the Central or State Government.

(Here specify the mode of arriving at sale price/prices at pits mouth of mineral/minerals)

3. Should any rent, royalty or other sums due to the State Government under the terms and conditions of these presents be not paid by the lessee/lessees within the prescribed time, the same may be recovered on a certificate of such Officer as may be specified by the State Government by general or special order in the same manner as an arrear of land revenue. Course of action if rents and royalties are not paid in time.

PART VII

The Covenants of the lessee/lessees

1. The lessee/lessees shall pay the rent water rate and royalties reserved by this lease at such times and in the manner provided in PART V and VI of these presents and shall also pay and discharge all taxes, rates, assessments and Lessees to pay rents, royalties, taxes, etc. impositions whatsoever being in the nature of public demands which shall from time to time be charged assessed or imposed by the authority of the Central and State Governments upon or in respect of the premises and works of the lessee/lessees in common with other premises and works a like nature except demands for land revenues.

2. The lessee/lessees shall at his/their own expense erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation to be shown in the plan annexed to this lease. Such marks and pillars shall be sufficiently clear of the shrubs and other obstructions as to allow easy identification.

3. Unless the State Government for good cause permits otherwise, the lessee/lessees shall commence operations within one year from the date of execution of the lease and shall thereafter at all times during the continuance of this lease search for, win, work and develop the said minerals without voluntary intermission in a skilful and workmanlike manner and as prescribed under clause 12 hereinafter without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said lands or the crops, buildings structures, or other property thereon. For the purposes of this clause, operations shall include the erection of machinery laying of a tramway or construction of a road in connection with the mine.

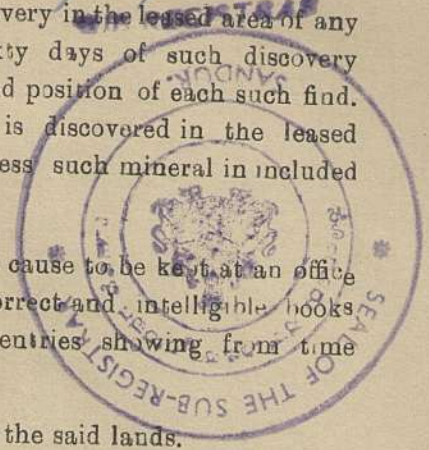
4. The lessee/lessees shall make and pay such reasonable satisfaction and compensation as may be assessed by lawful authority in accordance with the law in force on the subject for all damage, injury or disturbance which may be done by him/them in exercise of the powers granted by this lease and shall indemnify and keep indemnified fully and completely the State Government against all claims which may be made by any person or persons in respect of any such damage, injury or disturbance and all costs and expenses in connection therewith.

5. The lessee/lessees shall during the subsistence of this lease well and sufficiently secure and keep open with timber or other durable means all pits shafts and workings that may be made or used in the said lands and make and maintain sufficient fences to the satisfaction of the State Government round every such pit, shaft or working whether the same is abandoned or not and shall during the period keep all workings in the said lands except such as may be abandoned accessible free from water and foul air as far as possible.

6. The lessee/lessees shall strengthen and support to the satisfaction of the Railway administration concerned or the State Government, as the case may be, any part of the mine which in its opinion requires such strengthening or support for the safety of any railway, reservoir, canal, road and any other public works or structures.

7. The lessee/lessees shall allow any officer authorised by the Central Government or the State Government in that behalf to enter upon the premises including any buildings, excavation or land comprised in the lease for the purpose of inspecting, examining, surveying and making plans thereof sampling and collecting any data and the lessee/lessees shall with proper person employed by the lessee/lessees and acquainted with the mines and works effectually assist such officer, agents, servants and workmen in conducting every such inspection and shall afford them all facilities, information connected with the working of the mines which they may reasonably require and also shall and will conform to and observe all orders and regulations which the Central and State Governments as the result of such inspection or otherwise may from time to time see fit to impose.

8. The lessee/lessees shall without delay send to the Director of Mines and Geology a report of any accident causing death or serious bodily injury or serious injury to property or seriously affecting or endangering life or property which may occur in the course of the operations under this lease.



9. The lessee/lessees shall report to the State Government the discovery in the leased area of any mineral not specified in the lease within sixty days of such discovery along with full particulars of the nature and position of each such find. If any mineral not specified in the lease is discovered in the leased area, the lessee/lessees shall not win and dispose of such mineral unless such mineral is included in the lease or a separate lease is obtained therefor.

To report discovery of other minerals.

10. The lessee/lessees shall at all times during the said term keep or cause to be kept at an office to be situated upon or near the said lands correct and intelligible books of accounts which shall contain accurate entries showing from time to time:—

- (1) Quantity and quality of the said mineral/minerals realised from the said lands.
- (2) Quantity of the various qualities of ores beneficiated or converted (for example coal converted into coke.)
- (3) Quantities of the various qualities of the said mineral/minerals sold and exported separately.
- (4) Quantities of the various qualities of the said mineral/minerals otherwise disposed of and the manner and purpose of such disposal.
- (5) The prices and all other particulars of all sales of the said mineral/minerals.
- (6) The number of persons employed in the mines or works or upon the said lands specifying nationality, qualifications and pay of the technical personnel.
- (7) Such other facts, particulars and circumstances as the Central or the State Governments may from time to time require and shall also furnish free of charge to such officers and at such times as the Central and State Governments may appoint true and correct abstracts of all or any such books of accounts and such information and returns to all or any of the matters aforesaid as the State Government may prescribe and shall at all reasonable times allow such officers as the Central Government or State Government shall in that behalf appoint to enter into and have free access to the said officers for the purpose of examining and inspecting the said books of accounts, plans and records and to make copies thereof and make extracts therefrom.

10. The lessee/lessees shall at all times during the said term maintain at the mine office correct intelligible up-to-date and complete plans and sections of the mines in the said lands. They shall show all the operations and workings and all the trenches, pits and drillings made by him/them in the course of operations carried on by him/them under the lease, faults and other disturbances encountered and geological data and all such plans and sections shall be amended and filled up by and from actual surveys to be made for that purpose at the end of twelve months or any period specified from time to time and the lessee/lessees shall furnish free of charge to the Central and State Governments true and correct copies of such plans and sections whenever required. Accurate records of all trenches, pits and drillings shall show:

- (a) The subsoil and strata through which they pass.
- (b) Any mineral encountered.
- (c) Any other matter of interest and all data required by the Central and State Governments from time to time.

The lessee/lessees shall allow any officer of the Central or the State Government, authorised in this behalf by the Central Government, to inspect the same at all reasonable times. He/they shall also supply when asked for by the State Government/the Coal Controller/the Director, Geologica, Survey of India/the Director, Indian Bureau of Mines, a composite plan of the area showing thickness, dip, inclination, etc., of all the seams as also the quantity of reserves qualitywise.

12. The lessee/lessees shall be bound by such rules as may be issued from time to time by the Government of India under Section 18 of the Mines and Minerals (Regulation and Development) Act, 1957 (Act 67 of 1957) and shall not carry on mining or other operation under the said lease in any way other than as prescribed under these rules.

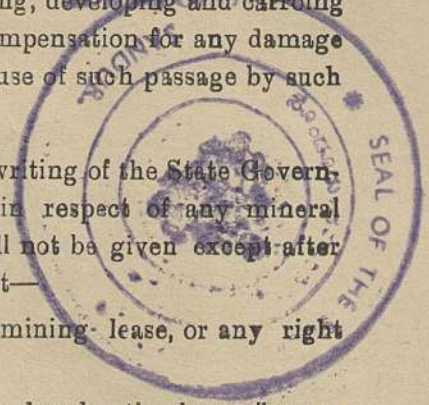
13. Unless specifically exempted by the State Government the lessee/lessees shall provide and at all times keep at or near the pit head or each of the pit heads at which the said minerals shall be brought to bank a properly constructed and efficient weighing machine and shall weigh or cause to be weighed thereon all the said minerals from time to time brought to bank sold, exported and converted and also the converted products shall at the close of each day cause the total weights, ascertained by such means of the said minerals, ores, products raised, sold, exported and converted during the previous twenty-four hours to be entered in the aforesaid books of accounts. The lessee/lessees shall permit the State Government at all times during the said term to employ any person or persons to be present at the weighing of the said minerals as aforesaid and to keep accounts thereof and to check the accounts kept by the lessee/lessees. The lessee/lessees shall give 15 — days previous notice in writing to the Director of Mines and Geology of every such measuring or weighing in order that he or some officer on his behalf may be present thereat.

14. The lessee/lessees shall allow any person or persons appointed in that behalf by the State Government at any time or times during the said term to examine and test every weighing machine to be provided and kept as aforesaid and the weights used therewith in order to ascertain whether the same respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair or order the State Government may require that the same be adjusted, repaired and put in order by and at the expense of the lessee/lessees and if such requisition be not complied with within fourteen days after the same shall have been made, the State Government may cause such weighing machine or weights to be adjusted, repair and put in order and the expense of so doing shall be paid by the lessee/lessees to the State Government on demand and if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the State Government such error shall be regarded as having existed for three calendar months previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

15. The lessee/lessees shall make and pay reasonable satisfaction and compensation for all damage, injury or disturbance of person or property which may be done by or on the part of the lessee/lessees in exercise of the liberties and power granted by these presents and shall at all times save harmless and keep indemnified the State Government from and against all suits claims and demands which may be brought or made by any person or persons in respect of any such damage injury or disturbance.

16. The lessee/lessees will exercise the liberties and powers hereby granted in such a manner as to offer no unnecessary or reasonably avoidable obstruction or interruption to the development and working within the said lands of any minerals not included in this lease and shall at all times afford to the Central and State Governments and to the holders of prospecting licences or mining leases in respect of any such minerals within any minerals or any land adjacent to

the said lands as the case may be reasonable means of access and safe and convenient passage upon and across the said lands to such minerals for the purpose of getting working, developing and carrying away the same provided that the lessee/lessees shall receive reasonable compensation for any damage or injury which he/they may sustain by reason or in consequence of the use of such passage by such lessees or holders of prospecting licences.



17. (1) The lessee/lessees shall not, without the previous consent in writing of the State Government, which in the case of a mining lease in respect of any mineral specified in the first Schedule to the Act shall not be given except after previous approval of the Central Government—

Transfer of lease.

- (a) assign, sublet, mortgage, or in any other manner, transfer the mining lease, or any right title or interest therein, or
- (b) enter into or make any arrangement, contract or understanding whereby the lessee/lessees will or may be directly or indirectly financed to a substantial extent by, or under which the lessee's operations or undertakings will or may be substantially controlled by, any person or body of persons other than the lessee/lessees.

(2) Without prejudice to the above provisions, the lessee/lessees may subject to the conditions specified in the proviso to rule 35 of said Rules, transfer this lease or any right, title or interest therein, to a person holding a certificate of approval and an Income-tax clearance certificate from the Income-tax Officer concerned, on payment of a fee of Rupees One Hundred to the State Government :

Provided that the lessee/lessees shall make available to the transferee the original or certified copies of all plans of abandoned workings in the area and in a belt 65 metres wide surrounding it.

(3) The State Government, may by order in writing, determine the lease at any time if the lessee/lessees has/have in the opinion of the State Government committed a breach of any of the above provisions or has/have transferred the lease or any right, title or interest therein otherwise than in accordance with Clause (2) :

Provided that no such order shall be made without giving the lessee/lessees a reasonable opportunity of stating his/their case.

18. The lease shall not be controlled and the lessee/lessees shall not allow themselves to be controlled by any Trust, Syndicate, Corporation, Firm or person except with the written consent of the Central Government. The lessee/lessees shall not enter into or make any arrangement compact or understanding whereby the lessee/lessees will or may be directly or indirectly financed by or under which the lessee's/lessees' operations or undertakings will or may be carried on directly or indirectly by or for the benefit of or subject to the control of any Trust, Syndicate, Corporation, Firm or person unless with the written sanction given prior to such arrangement compact or understanding being entered into or made of the Central Government and any or every such arrangement compact or understanding as aforesaid, (entered into or made with such sanction as aforesaid) shall only be entered into or made and shall always be subject to an express condition binding upon the other party or parties thereto that on the occasion of state of emergency of which the President of India in his discretion shall be the sole judge it shall be terminable if so required in writing by the State Government and shall in the event of any such requisition being made be forthwith thereafter determined by the lessee/lessees accordingly.

19. Whenever the security deposit of Rs. 1,000/500 or any part thereof or any further sum hereafter deposited with the State Government in replenishment thereof shall be forfeited or applied by the Central or State Government pursuant to the power hereinafter declared in that behalf the lessee/lessees shall deposit with the State Government such further sum as may be sufficient with the unappropriated par hereof to bring the amount in deposit with the State Government up to the sum of Rs. 1,000/500.

20. The lessee/lessees shall at the expiration or sooner determination of the said term or any renewal thereof deliver up to the State Government all mines, pits shafts, inclines drifts, levels, waterways, airways, and other works now existing or hereafter to be sunk or made on or under the said lands except such as have been abandoned with the sanction of the State Government and in an ordinary and fair course of working all engines, machinery, plant buildings, structures, other works and conveniences which at the commencement of the said term were upon or under the said lands and all such machinery set up by the lessee/lessees below ground which cannot be removed without causing injury to the mines or works under the said lands (except such of the same as may with the sanction of the State Government have become disused) and all buildings and structures of bricks or stone erected by the lessee/lessees above ground level in good repair order and condition and fit in all respects for further working of the said mines and the said minerals.

21. (a) The State Government shall from time to time and all times during the said term have the right (to be exercised by notice in writing to the lessee/lessees) of pre-emption of the said minerals (and all products thereof) lying in or upon the said lands hereby demised or elsewhere under the control of the lessee/lessees and the lessee/lessees shall with all possible expedition deliver all minerals or products or minerals purchased by the State Government under the power conferred by this provision in the quantities at the times in the manner and at the place specified in the notice exercising the said right.

b) Should the right of pre-emption conferred by this present provision be exercised and a vessel chartered to carry the minerals or products thereof procured on behalf of the State Government or the Central Government be detained on demurrage at the port of loading the lessee/lessees shall pay the amount due for demurrage according to the terms of the charter party of such vessel unless the State Government shall be satisfied that the delay is due to causes beyond the control of the lessee/lessees.

(c) The price to be paid for all minerals or products of minerals taken in pre-emption by the State Government in exercise of the right hereby conferred shall be the fair market price prevailing at the time of pre-emption PROVIDED THAT in order to assist in arriving at the said fair market price the lessee/lessees shall if so required furnish to the State Government for the confidential information of the Government particulars of the quantities, descriptions and prices of the said minerals or products thereof sold to other customers and of charters entered into for freight for carriage of the same and shall produce to such Officer or Officers as may be directed by the State Government original or authenticated copies of contracts and charter parties entered into for the sale or freightage of such minerals or products.

(d) In the event of the existence of a state of war or emergency (of which existence the President of India shall be the sole judge and a notification to this effect in the *Gazette of India* shall be conclusive proof) the State Government with the consent of the Central Government shall from time to time and all times during the said term have the right (to be exercised by a notice in writing to the lessee/lessees) forthwith take possession and control of the works, plant, machinery and premises of the lessee/lessees on or in connection with the said lands or operations under this lease and during such possession or control the lessee/lessees shall conform to and obey all direction given by or on behalf of the Central Government or State Government regarding the use or employment of such works, plants, premises and minerals PROVIDED THAT fair compensation which shall be determined in default of agreement by the State Government shall be paid to the lessee/lessees for all loss or damage sustained by him/them by reason or in consequence of the exercise of the powers conferred by this clause and PROVIDED ALSO that the exercise of such powers shall not determine the said term hereby granted or affect the terms and provisions of these presents further than may be necessary to give effect to the provisions of this clause.

22. The lessee/lessees shall not employ, in connection with the mining operations any person who is not an Indian national except with the previous approval of the Central Government.
Employment of Foreign National.

23. If any of the works or matters which in accordance with the covenants in that behalf herein before contained are to be carried or performed by the lessee/lessee be not so carried out or performed within the time specified in that behalf, the State Government, may cause the same to be carried out or performed and the lessee/lessees shall pay the State Government on demand all expenses which shall be incurred in such carrying out or performance of the same and the decision of the State Government as to such expenses shall be final.
Recovery of expenses incurred by the State Government.

24. The lessee/lessees shall furnish.—(a) all geophysical data relating to mining fields or engineering and ground water surveys, such as anomaly maps, sections, plans, structures, contour maps, logging, collected by him/them during the course of mining operations to the Director, Geological Survey of India, Calcutta,
Furnishing of Geophysical data.

(b) all information pertaining to investigations of radio active minerals collected by him/them during the course of mining operations to the Secretary, Department of Atomic Energy, New Delhi

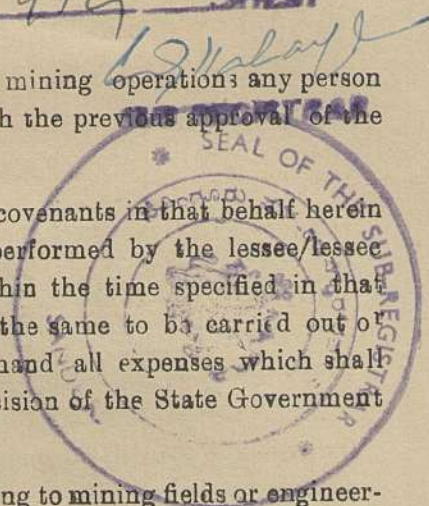
Data or information referred to above shall be furnished every year reckoned from the date of commencement of the period of the mining lease.

PART VIII

The Covenants of the State Government.

1. The lessee/lessees paying the rents, water rate and royalties hereby reserve and observing and performing all the covenants and agreements herein contained and on the part of the lessee/lessees to be observed and performed shall and may quietly hold and enjoy the rights and premises hereby demised for and during the term hereby granted without any unlawful interruption from or by the State Government, or any person rightfully claiming under it.
Lessee/Lessees may hold and enjoy rights quietly.

2. If in accordance with the provision of Clause 4 of Part VII of this Schedule, the lessee/lessees shall offer to pay to an occupier of the surface of any part of the said lands compensation for and damage or injury which may arise from the proposed operations of the lessee/lessees and the said occupier shall refuse his consent to the exercise of the right and powers reserved to the State Government and demised to the lessee/lessees by these presents and the lessee/lessees shall report the matter to the State Government and shall deposit with it the amount offered as compensation and if the Central/State Government are satisfied that the amount of compensation offered is fair and reasonable or if it is not so satisfied and the lessee/lessees shall have deposited with it such further amount as the State and Central Governments shall consider fair and reasonable, the State Government shall order the occupier to allow the lessee/lessees to enter the land and to carry out such operations as may be necessary for the purpose of this lease. In assessing the amount of such compensation the State Government shall be guided by the principles of the Land Acquisition Act.
Acquisition of lands of third parties and compensation thereof.



3. Where the mining lease relates to any mineral not specified in the first Schedule to the Act, it shall be renewable for one period not exceeding the period specified in sub-section (2) of Section 8, at the option of the lessee/lessees :

To renew. Provided that the State Government may for reasons to be recorded in writing reduce the area applied for.

If the lease is in respect of minerals specified in the First Schedule to the Act, renewal will be subject to the prior approval of the Central Government.

If the lessee/lessees be desirous of taking a renewal lease of the premises hereby demised or of any part or parts of them for a further term from the expiration of the term hereby granted and is otherwise eligible, he/they shall prior to the expiration of the last mentioned term give to the State Government ^{twelve} six calendar months previous notice in writing and shall pay the rents, rates and royalties hereby reserved and shall observe and perform the several covenants and agreements herein contained and on the part of the lessee/lessees to be observed and performed up to the expiration of the term hereby granted. The State Government on receipt of application for renewal, shall consider it in accordance with rule 28 of the said rules and shall pass orders as it deems fit. If renewal is granted the State Government will at the expense of the lessee/lessees and upon his executing and delivering to the State Government if required a counterpart thereof execute and deliver to the lessee/lessees a renewed lease of the said premises or part thereof for the further term of 20 years at such rents, rates and royalties and on such terms and subject to such rents, rates and royalties and on such terms and subject to such covenants and agreements, including this present covenant to renew as shall be in accordance with the Mineral Concession Rules, 1960, applicable to Iron Ore (name of mineral) on the day next following the expiration of the term hereby granted.

4. The lessee/lessees may at any time determine this lease by giving not less than 12 calendar months notice in writing to the State Government or to such officer, Liberty to determine the or authority as the State Government may specify in this behalf and lease. upon the expiration of such notice provided that the lessee/lessees shall upon such expiration render and pay all rents, water rates, royalties compensation for damages and other moneys which may then be due and payable under these presents to the lessor or any other person or persons and shall deliver up these presents to the State Government then this lease and the said term and the liberties, powers and privileges hereby granted shall absolutely cease and determine but without prejudice to any right or remedy of the lessor in respect of any breach of any of the covenants of agreements contained in these presents.

4a The State Government may on an application made by the lessee permit him to surrender one or more minerals from his lease which is for a group of minerals on the ground that deposits of that mineral have since exhausted or depleted to such an extent that it is no longer possible to work the mineral economically, subject to the condition that the lessee—

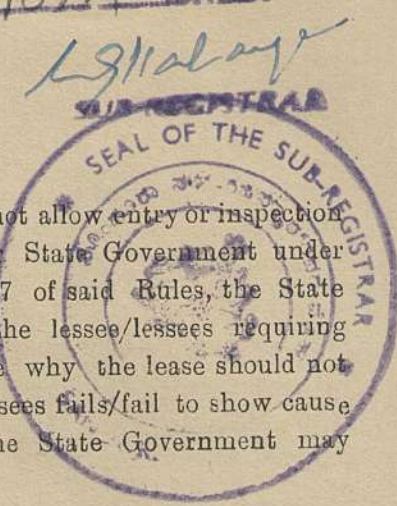
(a) makes an application for such surrender of mineral at least six months before the intended date of surrender ; and

(b) gives an undertaking that he will not cause any hindrance in the working of the mineral so surrendered by any other person who is subsequently granted a mining lease for that mineral.

5. On such date as the State Government may elect within twelve calendar months after the determination of this lease or of any renewal thereof, the amount of the security deposit paid in respect of this lease and then remaining in deposit with the State Government and not required to be applied to any of the purposes mentioned in this lease shall be refunded to the lessee/lessees. No interest shall run on the security deposit.

PART IX.

General Provisions.



1. In case the lessee/lessees/or his/their transferee/assignee does/ do not allow entry or inspection by the Officers authorised by the Central or State Government under clauses (i), (j) or (l) of sub-rule (1) of rule 27 of said Rules, the State Government shall give notice in writing to the lessee/lessees requiring him/them to show cause within such time as may be specified in the notice why the lease should not be determined and his/their security deposit forfeited; and if the lessee/lessees fails/fail to show cause within the aforesaid time to the satisfaction of the State Government, the State Government may determine the lease and forfeit the whole or part of the security deposit.

2. If the lessee/lessees or his/their transferee or assignee makes/make any default in payment of rent or water rate or royalty as required by Section 9 of the Act or commits a breach of any of the conditions and covenants other than those referred to in covenant (1) above, the State Government shall give notice to the lessee/lessees requiring him/them to pay the rent, water rate, royalty or remedy the breach, as the case may be, within sixty days from the date of receipt of the notice and if the rent, water rate and royalty are not paid or the breach is not remedied within such period, the State Government may without prejudice to any proceedings that may be taken against him/them, determine the lease and forfeit the whole or part of the security deposit.

3. In cases of repeated breaches of covenants and agreements by the lessee/lessees for which notice has been given by the State Government in accordance with clauses (1) and (2) aforementioned on earlier occasion, the State Government without giving any further notice, may impose such penalty not exceeding twice the amount of annual dead rent specified in Clause 2, Part V.

4. Failure on the part of the lessee/lessees to fulfil any of the terms and conditions of this lease shall not give the Central or State Government any claim against the lessee/lessees or be deemed a breach of this lease, in so far as such failure is considered by the said Government to arise from *force majeure*, and if through *force majeure* the fulfilment by the lessee/lessees of any of the terms and condition of this lease be delayed, the period of such delay shall be added to the period fixed by this lease. In this clause the expression "Force Majeure" means Act of God, war, insurrection, riot, civil commotion, strike, tide, storm, tidal wave flood, lightning, explosion, fire, earthquake and any other happening which the lessee/lessees could not reasonably prevent or control.

5. The lessee/lessees having first paid and discharged rents, rates and royalties payable by virtue of these presents may at the expiration or sooner determination of the said term or within six calendar months thereafter (unless the lease shall be determined under clauses 1 and 2 of this Part and in this case at any time not less than three calendar months nor more than six calendar months after such determination) take down and remove for his/ their own benefit or any engines, machinery plant, buildings, structures, tramways, railways and other works erections and conveniences which may have been erected, set up or placed by the lessee lessees in or upon the said lands and which the lessee/lessees is/are not bound to deliver to the State Government under clause 20 of Part VII of this Schedule and which the State Government shall not desire to purchase.

6. If at the end of six calendar months after the expiration or sooner determination of the said term under the provision contained in clause 4 of Part VIII of this Schedule b come effective there shall remain in or upon the said land any engines, machinery plant, buildings, structures tramway, railways and other work erections and more than six months after determination of lease. lessees in connection with operations in any other lands held by him/ them under prospecting licence or mining lease the same shall if not removed by the lessee/lessees within one calendar month after notice in writing requiring their removal has been given to the lessee/lessees by the State Government be deemed to become the property of the State Government and may be sold or disposed of in such manner as the State Government shall deem fit without liability to pay any compensation or to account to the lessee/lessees in respect thereof.

7. Every notice by these presents required to be given to the lessee/lessees shall be given in writing to such person resident on the said lands as the lessee/lessees may appoint for the purpose of receiving such notice and if there shall have been no such appointment then every such notice shall be sent to the lessee/lessees by registered post addressed to the lessee/lessees at the address recorded in the lease or at such other address in India at the lessee/lessees may from time to time in writing to the State Government designate for the receipt of notices and every such service shall be deemed to be proper and valid service upon the lessee/lessees and shall not be questioned or challenged by him.

8. If in any event the orders of the State Government are revised, reviewed or cancelled by the Central Government in pursuance of proceedings under Chapter VII of Mineral Concession Rules, 1960, the lessee/lessees shall not be entitled to compensation for any loss sustained by the lessee/lessees in exercise of the powers and privileges conferred upon him/them by these presents.

9. For the purpose of stamp duty the anticipated royalty from the demised land is Rs. 25,167/- per year.

IN WITNESS WHEREOF these presents have been executed in the manner hereunder appearing the day and year first above written.

Signed by

B. P. Radhakrishna
 B. P. RADHAKRISHNA
 Director of Mines & Geology, 4.11.68

for and on behalf of

the Governor of Mysore

In the presence of

Keeravalli Debr & King & Co. Secy Bangalore
 (M. N. R. APPA)
 For And on Behalf of National Mineral
 Development Corporation Ltd., New Delhi

Signed by

Saligram Singh
 4/11/68
 (Saligram Singh)

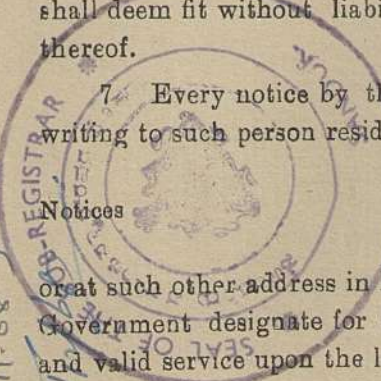
for and on behalf of

in the presence of

WD 02976—GPB—5,000—Booklets of 16 p.p. each—9-2-68

Sanadas (B. DAMADAS) Department of Mines & Geology, Bangalore

Corfile filed that a beam of No 3172.50 (Rupees Three thousand one hundred and seventy two & Pairs Some been & the deficit - Stamp duty - has been remitted to the State Bank of Mysore under challan No 4 dated 29.11.68 by Sri. Saligram Singh, Sub-Registrar, Mysore.



DOCUMENT NO. 421 OF 1968-9 BOOK 1
CONTAINS 11 SHEETS
11th SHEET
L. Mahajan

10 of copies Registered with
the original one.

SUB REGISTRAR

L. Mahajan
Sub-Registrar
SANDUR.

Registered as no 421 of 1968-9 of Book 1
Volume 69 pages 21 to 40.

18th December 1968


L. Mahajan
Sub-Registrar
SANDUR.



-: NMDC Ltd :-

Please find enclosed herewith Government of Mysore Mining Lease No.839 (in original) , which has been granted in respect of Donimalai Iron Ore Project on November 4,1968 for a period of 20 years. This document was in the safe custody of the undersigned so far.

2. Please acknowledge receipt.


(S.N. Beri)
Personnel Officer
10/9/1971

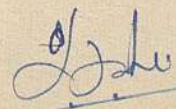
Shri M.S. Prakass Rao,
Mineral Dressing Engg.

Encl : 1 as above :

This one belongs to Donimalai Project.
Shri. Tadva may pl. see. and may acknowledge
the same for to Shri. Beri.



Shri. Tadva
Sr. M. E


13/9

13/9/71

Date 9-6-1978.


AUDITOR'S REPORT

We have audited the Balance Sheets of the Donimalai Iron Ore Project and Pellet Plant of National Mineral Development Corporation Ltd. as at 30th April 1978 and the annexed Profit & Loss Accounts of the Donimalai Iron Ore Project and Pellet Plant for the period ended 30th April 1978, and have to report that:-

1. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
2. In our opinion, proper books of accounts as required by law, have been kept by the Project so far as it appears from our examination.
3. The said Balance Sheets and Profit & Loss Accounts dealt with by this report are in agreement with the books of account.
4. In our opinion and to the best of our information and according to the explanations given to us, the accounts read in conjunction with the schedules and notes annexed thereto, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - a) In the case of Balance Sheets of the state of affairs of Donimalai Iron Ore Project and Pellet Plant as at 30th April 1978; and
 - b) In the case of Profit & Loss Account of Donimalai Iron Ore Project of the loss for the period ended 30th April 1978 and in the case of Profit & Loss Account of Pellet Plant of the expenditure for the period ended 30th April 1978.

The statement of matters to be included in this report under Section 227(4-A) is separately appended.

for D.V. SAROVAR & COMPANY



(M.V. Ramachar),
Chartered Accountants.

Date 9-6-1978.

MATTERS FORMING PART OF AUDITOR'S REPORT
DATED 9TH JUNE 1978 UNDER SEC.227(4-A)
OF COMPANIES ACT.

Donimalai Iron Ore Project of National Mineral Development Corporation Limited, the construction of which was completed on 30th September 1977, started production from 1st October 1977.

- (i) The company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets and these fixed assets have been physically verified by the Management and no serious discrepancies were noticed on such verification.
- (ii) None of the fixed assets have been revalued during the year.
- (iii) Physical verification has been conducted by the management at reasonable periods in respect of stores, spare parts and discrepancies noticed on such verification as compared to book records have been properly dealt with in the books of account. The valuation of these stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the earlier years.
- (iv) The company has taken unsecured loans from SAIL and Government of India. The rate of interest and the terms and conditions of such loans are prima facie not prejudicial to the interests of the company.
- (v) No loans or advances in the nature of loans, have been given by the company in the year of accounts.
- (vi) There is adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of stores, raw materials, components, plant and machinery, equipment and other assets.
- (vii) The company during the year purchased components exceeding Rs.10,000/- from the firms or companies in which the Directors are interested and the prices paid for such items are reasonable as compared to the prices of similar items supplied by other parties.

(contd..2)

Date

-- 2 --

- (viii) There are no unserviceable or damaged stores or raw materials, but provision has been made in the accounts for unserviceable spare parts.
- (ix) There are no fixed deposits accepted by the company from the public.
- (x) The construction of the plant was completed on 30th September 1977 and from 1st October 1977 production has started. There are no sales or disposal of realisable by-products and scraps of significant value.
- (xi) The company has internal audit system commensurate with its size and nature of business.
- (xii) No cost-records have been prescribed by the Central Government under Sec.209(1) (d) of Companies Act, 1956.
- (xiii) The company is regular in depositing Provident Fund dues with the appropriate authority.
- (xiv) The company is a mining company.

For D.V. SAROVAR & COMPANY

JCC. [Signature]

(M.V. Ramachar),
Chartered Accountants.

CHARTERED ACCOUNTANTS.
Mallikarjun Cinema Compound,
Maddur, (Dist. Dharwar)

DONIMALAI IRON ORE MINE
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDING 30TH APRIL 1978

	Schedule	For the year ended 30th April 1978	For the year ended 31st March 1977
		a.	b.
I N C O M E :			
1. Sales		1,13,99,459	23,06,611
2. Other Income		16,64,366	20,23,977
3. Adjustment relating to earlier years	13	21,92,812	...
Total		1,52,56,637	43,30,588
E X P E N S E S :			
1. Increase (-) Decrease (+) in stock	14	(-) 3,78,716	(-) 25,10,000
2. Raising and transportation charges		42,79,917	37,02,444
3. Consumption of Stores and Spares		45,83,798	13,42,581
4. Power and Electricity		11,05,363	4,58,566
5. Payments and Benefits to Employees	15	99,02,235	73,06,031
6. Repairs and Maintenance	16	42,57,468	22,30,701
7. Royalty and Cess		7,78,919	1,44,600
8. Selling Expenses		11,300	...
9. Interest	17	1,86,11,720	1,50,42,810
10. Other Expenses	18	25,32,653	19,22,533

(Continued..)

T S Kt

M. J. M. V. S. S. S.
 Financial Adviser
 Donimalai Iron Ore Project

H. V. M. V. S. S.
 GENERAL MANAGER
 DONIMALAI IRON ORE PROJECT

F. O. D. V. S. S. S. S. S.
S. C. C. S. S. S. S. S.

Chartered Accountants

Gross Block as on 30.4.78

1	G R O S S B L O C K					6	7
	2	3	4	5	Internal Transfer		
	As at 31st March 1977	Additions/Adj- ments during the year	Deductions adj- ments during the year.	Transfer to/ from other units	As at 30th April 1978		
a) Land (Freehold)	510265	669	(-)			509615	
b) Land (Leasehold)	3773					3773	
c) Roads, Bridges & Culverts	3241196	6151006				9392202	
d) Buildings	13823346	7431423	(-)	(-)	46321	20877753	
e) Cess Fund Quarters	729465	384739				1114204	
f) Dams, Wells & Pools	1873085	1071564	(-)			2886490	
g) Adit & Tunnel	7726738	1043000				2768738	
h) Railway siding		7105918				7105918	
i) Plant & Machinery (a) (b)	7676406	3425389	(-)	(-)	2734 (-)	10982807	
j) Heavy Mobile Equipment	41397121	205774037				205774037	
k) Furniture & Fittings	858795	22123905	(-)	(-)	10095430 (+)	53532977	
l) Vehicles	1280985	198483	(-)	(-)	23961	1000709	
m) Cess Fund Vehicles	nil	348891				1629576	
n) Locomotives	nil	nil				nil	
o) Electrical installations	4465303	4363439				nil	
p) Sanitary & water supply installations	3473779	9780069	(-)	(-)	15065	8828742	
q) Other Assets	1404149	(312319)322349	(-)	(-)	69	13227101	
TOTAL	82458406	268913791	(-)	(-)	(-)	340878648	

H. K. Bhanu Prasad & Co.,
24, L. Apparajji,
CHARTERED ACCOUNTANTS,
Malikarjuna Chinnam Compound,
HUBLI, (Dist. Raichur)

H. K. Kandy,
GENERAL MANAGER
DONIMALAI IRON ORE PROJECT

Financial Adviser
Donimalai Iron Ore Project

Chartered Accountants

Profit and Loss Account for the period 1st May 1978 to 31st March 1979

Doubtful from the sales

Schedule	£s.	For the year ended 31st March 1979 £s.	For the year ended 30th April 1978 £s.
SALES:			
Sales	1,76,88,224	2,71,28,063	1,13,99,459
Other income	1,07,13,000	2,10,04,906	16,64,365
Adjustment relating to earlier years:	17	69,75,224	21,92,812
Less - transfer to I.E.D.C	LS 57	5,51,08,193	1,52,56,637
Total :::			
25.1.1979:			
Increase(-)/decrease(+) in stock	14	32,70,476	3,78,716
Rising and transportation charges	LS 29	11,79,873	42,79,917
Consumption of Stores & Spares	LS 30	80,22,048	45,83,798
Power & Electricity	LS 31	17,52,980	11,05,363
Payment & to Benefits to Employees	15	1,03,77,467	1,04,40,235
Repairs & Maintenance	16	72,38,496	42,57,468
Royalty & Cess	LS 39-	19,55,941	7,78,919
Selling expenses	LS 40	92,740	11,300
Interest	17	1,81,22,752	1,86,11,720
Other expenses	18	20,71,487	25,32,653

Mujar

DONIMALAI IRON ORE MINE

Profit and Loss Account for the year ended 31st March, 1980

Schedule	For the year ended 31st March '80	For the year ended 31st March, 1979
<u>INDCOME:</u>		
Salos	367,40,911	271,28,063
Other Income	227,93,132	210,94,906
Total	595,34,093	481,32,969
<u>Expenses :</u>		
Increase (-)/Decrease (+) in stock	3,64,931	(-)
Raising and Transportation charges	7,19,945	32,70,476
Consumption of stores and spares		11,79,873
Provision for Replacement of conveyor belts	99,21,237	
Power and Electricity	128,51,237	80,22,048
Payment and benefits to employees	18,20,663	17,52,960
Repairs and Maintenance	131,42,577	103,77,467
Royalty and Cess	94,49,875	72,38,496
Selling expenses	27,24,530	19,55,941
Total	1,61,128	92,740

Financial Adviser
Donimalai Iron Ore Project

FOR PARKEA & CO.,
CHARTERED ACCOUNTANTS
G. A. PATNAIK 24.6.80
PARTNER.

GENERAL MANAGER
DONIMALAI IRON ORE MINE

Project Code : 0501 DONIMALAI IRON ORE MINE	Year: 01-04-1977 to 31-03-1978
Major Code (GL): 1440 F.A-GENERAL-PLANT AND MACHINERY	Status : ACTIVE
Sub-Major Code: M02 MINING EQUIPMENT- GENERAL	Asset Id Code: 0501/1440/00296
Minor Code : M02001 MINING EQUIPMENT- GENERAL	IT Group : C
Sub-Minor Code:	IT Sub-group : C14
CostCentre Code: 16 LOADING PLANT (ELECTRICAL)	
Location Code : 16	

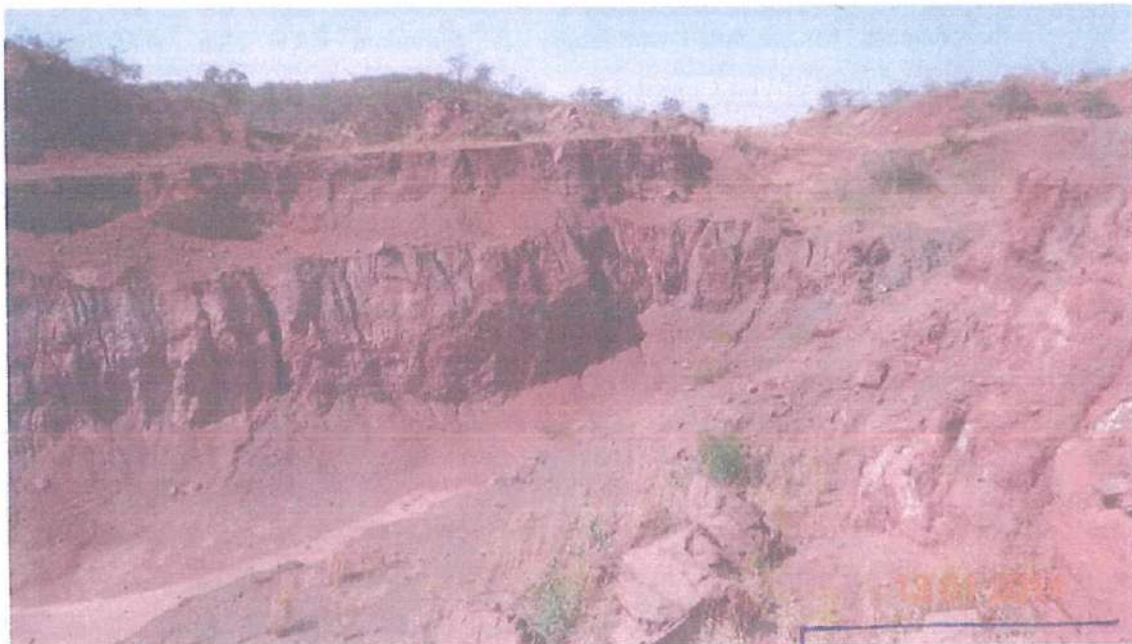
Description : ORE DRESSING PLANT	
Short Name : ORE DRESSING PLANT	
Parent Code : p	Engine No : NONE
Proj.Id No : 0350	Chassis No: NONE
No.of Units : 1	Model No : NONE
Balance Qty : NO	

Date of Commissioning: 01-10-1977	Mine Life Restriction: RESTRICTED	Status changed Date:
-----------------------------------	-----------------------------------	----------------------

Normal Life : 180	Gross Block : 22,86,17,959	Remarks:
Deprciable Life : 180	Adj. Gross Block : 22,86,17,959	
Adj.Depr Life : 180	Effect Adj Date :	
(in months)		Signature:
		Designation:

Year Block : 01-04-2020 to 31-03-2021			
	Gross Block	Depreciation	Net Block
Op.Gross block	22,86,17,959	Op.Deprcn block :	22,86,17,959
Addition :		Prev.Year :	0
Adjustment :		Adjustment :	
Transfer In :		Transfer-In :	
Transferout :		Transfer-Out :	
Int Transfer :		Int.Transfer :	
		Current Year :	0
Gross Block Total:	22,86,17,959	Deprn. Total :	22,86,17,959
		Net bal:	0

**RECLAMATION AND REHABILITATION PLAN FOR
Donimalai Iron Ore Mine of M/s. NMDC Ltd. (ML No:2396)
Sandur Taluk, Bellary District, Karnataka
CECCATEGORY - 'A' Area-597.54ha.**



Submitted by



Phone No. - 560 001
Bangalore - 560 001

10-1 MAY 2016

Office of the Director
Dept. of Mines and Geology

ENVIRONMENT MANAGEMENT DIVISION

Directorate of Extension

Indian Council of Forestry Research and Education

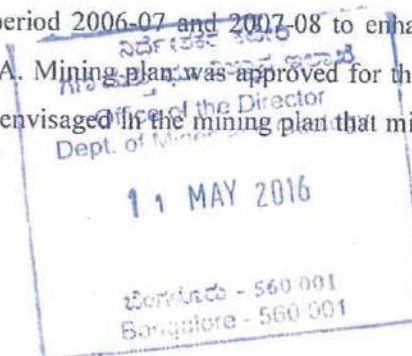
(An autonomous body of the Ministry of Environment and Forests, Govt. of India)

P.O.-New Forest, Dehradun-248006 (UK)

Website: www.icfre.gov.in

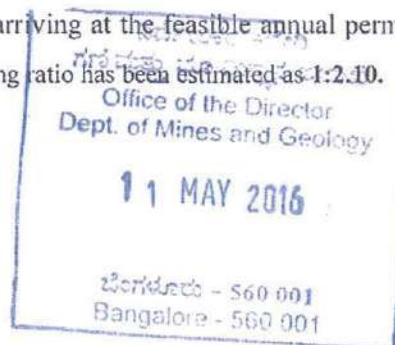
EXECUTIVE SUMMARY

1. The Hon'ble Supreme Court of India has directed the Government of Karnataka to formulate Reclamation and Rehabilitation Plan (R&R) for the mine affected districts viz. Bellary, Chitradurga and Tumkur. The Government of Karnataka, keeping in view the National Environmental Standards and commitment for sustainable management of environment has awarded the study to formulate R&R plan, vide letter No. DMS/MLS/R&R/2011-12 dated 27.12.2011, to the Indian Council of Forestry Research and Education (ICFRE), Dehradun. In this context, Donimalai Iron Ore Mine of M/s. NMDC Ltd. (M.L. 2396), Bellary District, Karnataka was visited from 11.01.2014 to 13.01.2014.
2. The scope of the study included collection and assessment of the existing scenario and environmental status data, such as topography, production technology, overburden dump, top soil, soil conservation measures and environmental quality; assessment of the impacts and formulation of site specific R&R plan.
3. Considering the time limit and constraints in collection of baseline data on the existing environmental status, the study had to mainly rely on the secondary sources of information viz., EIA/EMP reports, Mining Scheme, environmental monitoring conducted by external agencies such as the SPCB, Department of Mines and Geology and the mine owner.
4. Donimalai Iron Ore Mine of M/s. NMDC Ltd. (M.L. 2396) with a lease area of 608 ha is situated in Sandur Taluk, in Bellary District, Karnataka. Initially mining lease was granted on 04-11-1968 for a period of 20 years for an area of 2012.55 ha, under ML No.839. First renewal was granted by Govt. of Karnataka vide Notification No.C1-33/MMM.98, dated 02-09-2002 for a period of 20 years, w.e.f. 04-11-1988 for an area of 608 ha under ML No.2396. Second renewal of ML was granted by the Govt. of Karnataka vide letter No. C1-349/MMM.2008, dated 23-10-2008 for a period of 20 years w.e.f. 04-11-2008 for an area of 608 ha.
5. The SoM was approved for the period from 01-04-2003 to 31-03-2008. Subsequently modified SoM was approved for the period 2006-07 and 2007-08 to enhance production capacity from 5.0 MTPA to 5.50 MTPA. Mining plan was approved for the period 01-04-2008 to 31-03-2012 (4 years) as it was envisaged in the mining plan that mineable reserves

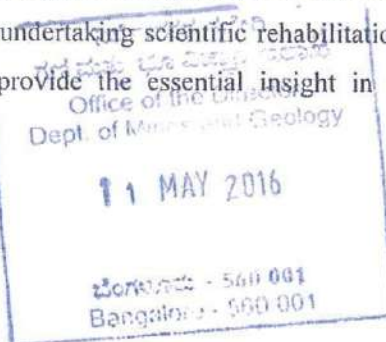


will be exhausted in 2011-12. The SoM was approved for the period 01-04-2012 to 31-03-2017 (5 years) *vide* letter No. KNT/BLR/MS/Fe-178-SZ dated 18/24.09.2012. The Modified Scheme of Mining for the above period has also been approved *vide* letter No. KNT/BLR/MS/Fe-178-SZ dated 17.12.2014.

6. The ML area under lease deed is 608 ha. But, the area as per lease deed sketch (after digitalizing) is **597.54 ha**. As per the recommendations of CEC Joint Survey Team, an area of **52.33 ha** has been identified as encroachment area, comprising of mine pit (**1.19 ha**), OB dumps (**1.65 ha**) and others (**49.49 ha**), including the area under Tailing Pond.
7. For the sake of convenience, the mine has been divided into North and South Blocks. Altogether, there are 7 mine pits available, 5 in North Block and 2 in South Block. The North block has four independent ore bodies named as 2E, 2W, 3E and 3W deposit. In South block up to MM x-section main ore body has 1 and 1A deposits, while recently 1B has also been identified and exploited. Deposit beyond MM x-section is worked independently through contractor as it has 4 narrow ore bodies identified as A, B, C & D.
8. There are 5 Inactive Dumps (ID -1 to ID-5) and 2 Encroached Inactive Dumps (EID-1 & EID-5) present in the mine lease area. There are also 3 Active Dumps (AD-1 to AD-3) available in the lease.
9. Mining operations were started in 1977. It is a highly mechanised mine and excavation is carried out by deep hole drilling and blasting and deploying hydraulic excavators and heavy duty rear dump trucks as major mining equipments. The mine is operated for all the three shifts/ day of 8 hours each and for 357 days a year. The entire ore is transported through conveyor system and no trucks are used for transportation. The whole production from this mine is used for domestic consumption. Beneficiation and Pelletisation Plants are under construction and are likely to be commissioned soon.
10. The reserves and resources under various UNFC categories have been estimated based on the extensive exploration data in all the deposits. The reserves as on 1.4.2013 were estimated to be **73.14 million tonnes**. The reserves blocked in safety zone and depletion due to production from 2013 to 2014 (up to January) have been worked out to be **1.14 million tonnes** and **4.34 million tonnes**, respectively. The balance reserves of **67.66 million tonnes** were considered for arriving at the feasible annual permissible production capacity based on reserves. The stripping ratio has been estimated as **1:2.10**.



11. The process of mining has changed the physical, biological and sociological environment in terms of land degradation and large unscientific overburden dumps. The proposed R and R plan has been aimed for topographic reconstruction with engineering and biological measures for erosion control.
12. The EIA/EMP Reports showed that the ambient air quality observed during the study period was well within the prescribed air quality standards. It was also reported that the noise levels in and around the mine lease was also within the prescribed limits. The surface water and ground water qualities were also found to be within the prescribed standards.
13. The vegetation occurring in the area belongs to Southern Tropical Dry Deciduous Forests according to Champion and Seth's 'Revised Classification of Forest Types of India' (1968).
14. Engineering measures have been proposed, based on the hydrological condition on the micro-watershed basis and compatibility of the surrounding area, stability and drainage density. The plan includes the enlisting of the existing and proposed engineering structures within and outside the mine lease, along with indicative cost.
15. Biological measures for management of overburden dumps, mine pit area, refractory sites, mine drainage, haul roads etc. have been suggested by providing an exhaustive list of indigenous species. Suitable plant species having timber, fodder, fuelwood and medicinal uses have been recommended for restoration of the mined out areas and overall ecosystem development.
16. The production capacities based on Reserves, OB dump, Conveyor and Railway Siding have been estimated as 3.38, 4.19, 8.76 and 11.68 million tonnes, respectively. Considering the present available information or facilities, the annual production limit of 3.38 million tonnes of iron ore based on reserves capacity may be considered, which is minimum among the four criteria.
17. All the conditions stipulated by various statutory agencies, viz., MoEF, SPCB, IBM, DMGS, DMG, etc. in their various approvals should be complied and clearance accorded, if required, accordingly before commencement of mining.
18. Rehabilitation and Reclamation plan will be useful in providing a framework and process to various target groups - the Industry, Regulatory Agencies, the Mine Companies and others interested in Iron Ore Mining for undertaking scientific rehabilitation and reclamation of mined out areas. This will also provide the essential insight in environmentally safe



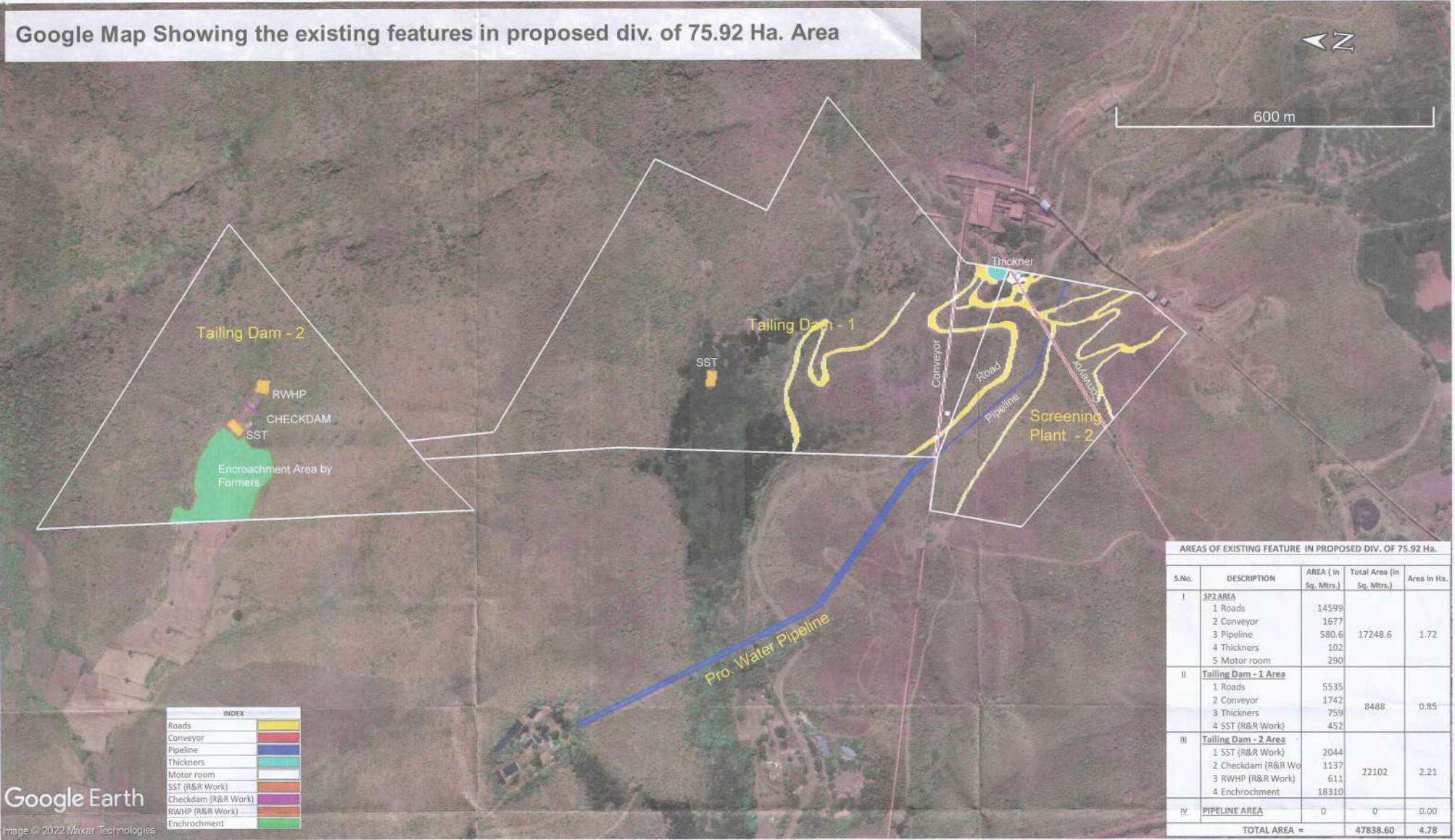
planning of mining activities in future. The estimated cost of the Reclamation and Rehabilitation plan proposed has been worked out to be **Rs. 2361.06 (Rupees Twenty Three Crores, Sixty One Lakhs and Six Thousand only)**, excluding the cost for Biodiversity Management Plan, Monitoring and Evaluation, Capacity Building, development of common infrastructure etc.

19. The reclamation and rehabilitation programme aims at developing an ecosystem with floral, faunal and soil characteristics to a certain extent similar to that of the pre-mining stage. The success of the R and R plan depends on proper implementation and rigorous monitoring, which can be ensured only through a specialized institution that has the requisite competence, composite scientific expertise and professional skills. Regular monitoring of the R and R programme has twin objectives. First, to obtain valuable reference data for authorities to ensure and demonstrate compliance with regulatory requirements. Second, to assist in decision-making on operational parameters essential for site specific land use for sustainable management. The capacity building of the personnel involved in implementation of this plan by an expert scientific organization is also an essential input required for the successful implementation of this plan. *Further, as proposed in Chapter-5 of the report, the quality of the material used for implementation of R&R including planting material, geo-mat and others should be ensured. The material used should be a certified material by the National reputed organization having experience in the field of R&R.*

XXXX



Google Map Showing the existing features in proposed div. of 75.92 Ha. Area



Google Earth
Image © 2022 Maxar Technologies

INDEX	
Roads	
Conveyor	
Pipeline	
Thickners	
Motor room	
SST (R&R Work)	
Checkdam (R&R Work)	
RWHP (R&R Work)	
Encroachment	

AREAS OF EXISTING FEATURE IN PROPOSED DIV. OF 75.92 Ha.				
S.No.	DESCRIPTION	AREA (in Sq. Mtrs.)	Total Area (in Sq. Mtrs.)	Area in Ha.
I	SP2 AREA			
	1 Roads	14599	17248.6	1.72
	2 Conveyor	1677		
	3 Pipeline	580.6		
	4 Thickners	102		
5 Motor room	290			
II	Tailing Dam - 1 Area			
	1 Roads	5535	8488	0.85
	2 Conveyor	1742		
	3 Thickners	759		
4 SST (R&R Work)	452			
III	Tailing Dam - 2 Area			
	1 SST (R&R Work)	2044	22102	2.21
	2 Checkdam (R&R Work)	1137		
	3 RWHP (R&R Work)	611		
4 Encroachment	18310			
IV	PIPELINE AREA	0	0	0.00
TOTAL AREA =			47838.60	4.78

Range Forest Officer, Bellary South Range, Bellary
 Assistant Conservator of Forests, Bellary Sub-Division, Bellary
 Deputy Conservator of Forests, Bellary Division, Bellary.

MONITORING COMMITTEE

No.DMG/R&R Plan/2016-17/88 & 89

Khanija Bhavan, Race Course Road,
Bangalore-1, dated: 10.05.2016.

Annexure-3

To,

Dr U.V.Singh, IFS,
Additional Principal Chief Conservator of Forest,
CEO, KSMPA,
Vanavikas Building,
Malleshwaram, Bangalore

Sir,

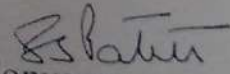
Sub: Submission of copy of final R&R Plan of Two
mines - reg.
Ref: CEC approval letter vide No. 2-61/CEC/SC/
2012-Pt.II, dated: 05.02.2016.

With reference to the above cited subject, Indian Council of Forestry Research and Education, Dehradun, has submitted the hard copies of final R&R Plans of Two mines as listed below. CEC vide letter cited at reference has approved the R and R plans submitted by the ICFRE. I am herewith forwarding the copies of R and R plans of two mines for your perusal. Kindly acknowledge receipt of this report.

List of R&R Plan enclosed

Sl. No.	Name of the Lessee	ML No.
1.	M/s. NMDC Limited	ML No. 1111
2.	M/s. NMDC Limited	ML No. 2396

Yours faithfully,


Convener,
Monitoring Committee.



**RECLAMATION AND REHABILITATION PLAN FOR
Donimalai Iron Ore Mine of M/s. NMDC Ltd. (ML No:2396)
Sandur Taluk, Bellary District, Karnataka
CECCATEGORY - 'A' Area-597.54ha.**



Submitted by



Workplace - 560 001
Bangalore - 560 001

1019 MAY 2016

Office of the Director
Dept. of Mines and Geology

ENVIRONMENT MANAGEMENT DIVISION

Directorate of Extension

Indian Council of Forestry Research and Education

(An autonomous body of the Ministry of Environment and Forests, Govt. of India)

P.O.-New Forest, Dehradun-248006 (UK)

Website: www.icfre.gov.in

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ನಿರ್ದೇಶಕರ ಕಛೇರಿ
ಗಣಿ ಮತ್ತು ಭೂ ವಿಜ್ಞಾನ ಇಲಾಖೆ
Office of the Director
Dept. of Mines and Geology

31 MAY 2016

ಬೆಂಗಳೂರು - 560 001
Bangalore - 560 001

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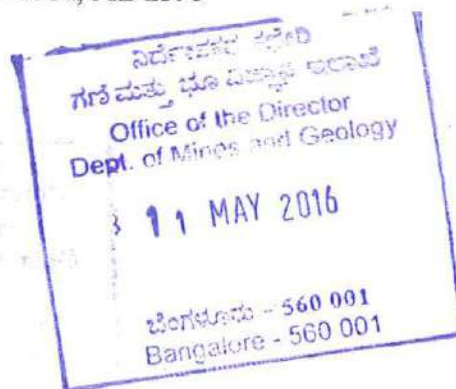
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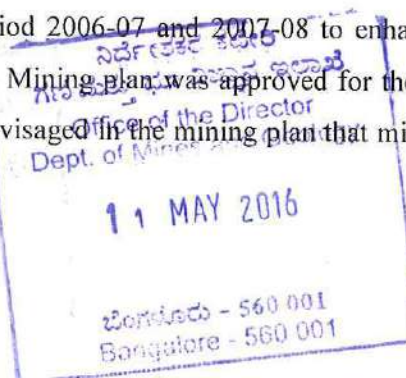
ABBREVIATION

S.No.	Abbreviation	Full form
1.	BDL	Below Detectable Level
2.	BHQ	Banded Hematite Quartzite
3.	CEC	Central Empowered Committee
4.	CPCB	Central Pollution Control Board
5.	DGMS	Directorate General Of Mines Safety
6.	DIOM	Donimalai Iron Ore Mine
7.	DMG	Director, Mines and Geology
8.	DTH	Down the Hole
9.	EC	Environment Clearance
10.	EIA	Environment Impact Assessment
11.	EMP	Environment Management Plan
12.	FC	Forest Clearance
13.	FIMI	Federation of Indian Mineral Industries
14.	FYM	Farmyard Manure
15.	HEMM	Heavy Earth Moving Machinery
16.	IBM	Indian Bureau of Mining
17.	ICFRE	Indian Council of Forestry Research and Education
18.	KSPCB	Karnataka State Pollution Control Board
19.	Leq	Equivalent Sound Level
20.	MCM	Million Cubic Meter
21.	MIZ	Mining Impact Zone
22.	MoEF	Ministry of Environment and Forests
23.	msl	Mean Sea Level
24.	MTPA	Million Ton Per Annum
25.	NH	National Highway
26.	OB	Over Burden
27.	PGPR	Plant Growth Promoting Rhizobacteria
28.	ppm	Part Per Million
29.	R & R	Reclamation and Rehabilitation
30.	ROM	Run-of-Mine
31.	SEMP	Supplementary Environment Management Plan
32.	SMC	Soil Moisture Conservation
33.	SMP	Social Management Plan
34.	SOM	Soil Organic Matter
35.	SoM	Scheme of Mining
36.	SPCB	State Pollution Control Board
37.	UNFC	United Nation Framework Classification
38.	VAM	Vesicular Arbuscular Mycorrhizal



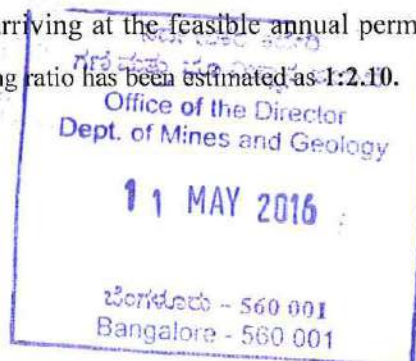
EXECUTIVE SUMMARY

1. The Hon'ble Supreme Court of India has directed the Government of Karnataka to formulate Reclamation and Rehabilitation Plan (R&R) for the mine affected districts viz. Bellary, Chitradurga and Tumkur. The Government of Karnataka, keeping in view the National Environmental Standards and commitment for sustainable management of environment has awarded the study to formulate R&R plan, *vide* letter No. DMS/MLS/R&R/2011-12 dated 27.12.2011, to the Indian Council of Forestry Research and Education (ICFRE), Dehradun. In this context, Donimalai Iron Ore Mine of M/s. NMDC Ltd. (M.L. 2396), Bellary District, Karnataka was visited from 11.01.2014 to 13.01.2014.
2. The scope of the study included collection and assessment of the existing scenario and environmental status data, such as topography, production technology, overburden dump, top soil, soil conservation measures and environmental quality; assessment of the impacts and formulation of site specific R&R plan.
3. Considering the time limit and constraints in collection of baseline data on the existing environmental status, the study had to mainly rely on the secondary sources of information viz., EIA/EMP reports, Mining Scheme, environmental monitoring conducted by external agencies such as the SPCB, Department of Mines and Geology and the mine owner.
4. Donimalai Iron Ore Mine of M/s. NMDC Ltd. (M.L. 2396) with a lease area of 608 ha is situated in Sandur Taluk, in Bellary District, Karnataka. Initially mining lease was granted on 04-11-1968 for a period of 20 years for an area of 2012.55 ha, under ML No.839. First renewal was granted by Govt. of Karnataka *vide* Notification No.C1-33/MMM.98, dated 02-09-2002 for a period of 20 years, w.e.f. 04-11-1988 for an area of 608 ha under ML No.2396. Second renewal of ML was granted by the Govt. of Karnataka *vide* letter No. C1-349/MMM.2008, dated 23-10-2008 for a period of 20 years w.e.f. 04-11-2008 for an area of 608 ha.
5. The SoM was approved for the period from 01-04-2003 to 31-03-2008. Subsequently modified SoM was approved for the period 2006-07 and 2007-08 to enhance production capacity from 5.0 MTPA to 5.50 MTPA. Mining plan was approved for the period 01-04-2008 to 31-03-2012 (4 years) as it was envisaged in the mining plan that mineable reserves

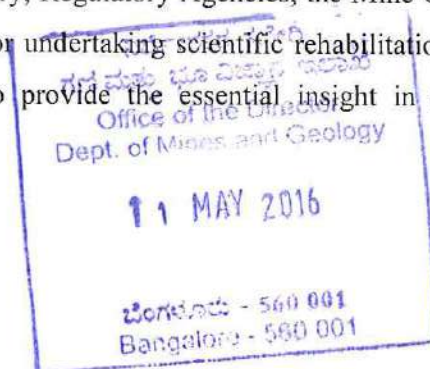


will be exhausted in 2011-12. The SoM was approved for the period 01-04-2012 to 31-03-2017 (5 years) *vide* letter No. KNT/BLR/MS/Fe-178-SZ dated 18/24.09.2012. The Modified Scheme of Mining for the above period has also been approved *vide* letter No. KNT/BLR/MS/Fe-178-SZ dated 17.12.2014.

6. The ML area under lease deed is 608 ha. But, the area as per lease deed sketch (after digitalizing) is **597.54 ha**. As per the recommendations of CEC Joint Survey Team, an area of **52.33 ha** has been identified as encroachment area, comprising of mine pit (**1.19 ha**), OB dumps (**1.65 ha**) and others (**49.49 ha**), including the area under Tailing Pond.
7. For the sake of convenience, the mine has been divided into North and South Blocks. Altogether, there are 7 mine pits available, 5 in North Block and 2 in South Block. The North block has four independent ore bodies named as 2E, 2W, 3E and 3W deposit. In South block up to MM x-section main ore body has 1 and 1A deposits, while recently 1B has also been identified and exploited. Deposit beyond MM x-section is worked independently through contractor as it has 4 narrow ore bodies identified as A, B, C & D.
8. There are 5 Inactive Dumps (ID -1 to ID-5) and 2 Encroached Inactive Dumps (EID-1 & EID-5) present in the mine lease area. There are also 3 Active Dumps (AD-1 to AD-3) available in the lease.
9. Mining operations were started in 1977. It is a highly mechanised mine and excavation is carried out by deep hole drilling and blasting and deploying hydraulic excavators and heavy duty rear dump trucks as major mining equipments. The mine is operated for all the three shifts/ day of 8 hours each and for 357 days a year. The entire ore is transported through conveyor system and no trucks are used for transportation. The whole production from this mine is used for domestic consumption. Beneficiation and Pelletisation Plants are under construction and are likely to be commissioned soon.
10. The reserves and resources under various UNFC categories have been estimated based on the extensive exploration data in all the deposits. The reserves as on 1.4.2013 were estimated to be **73.14 million tonnes**. The reserves blocked in safety zone and depletion due to production from 2013 to 2014 (up to January) have been worked out to be **1.14 million tonnes** and **4.34 million tonnes**, respectively. The balance reserves of **67.66 million tonnes** were considered for arriving at the feasible annual permissible production capacity based on reserves. The stripping ratio has been estimated as **1:2.10**.



11. The process of mining has changed the physical, biological and sociological environment in terms of land degradation and large unscientific overburden dumps. The proposed R and R plan has been aimed for topographic reconstruction with engineering and biological measures for erosion control.
12. The EIA/EMP Reports showed that the ambient air quality observed during the study period was well within the prescribed air quality standards. It was also reported that the noise levels in and around the mine lease was also within the prescribed limits. The surface water and ground water qualities were also found to be within the prescribed standards.
13. The vegetation occurring in the area belongs to Southern Tropical Dry Deciduous Forests according to Champion and Seth's 'Revised Classification of Forest Types of India' (1968).
14. Engineering measures have been proposed, based on the hydrological condition on the micro-watershed basis and compatibility of the surrounding area, stability and drainage density. The plan includes the enlisting of the existing and proposed engineering structures within and outside the mine lease, along with indicative cost.
15. Biological measures for management of overburden dumps, mine pit area, refractory sites, mine drainage, haul roads etc. have been suggested by providing an exhaustive list of indigenous species. Suitable plant species having timber, fodder, fuelwood and medicinal uses have been recommended for restoration of the mined out areas and overall ecosystem development.
16. The production capacities based on Reserves, OB dump, Conveyor and Railway Siding have been estimated as **3.38, 4.19, 8.76 and 11.68 million tonnes**, respectively. Considering the present available information or facilities, the annual production limit of **3.38 million tonnes of iron ore based on reserves capacity** may be considered, which is minimum among the four criteria.
17. All the conditions stipulated by various statutory agencies, viz., MoEF, SPCB, IBM, DMGS, DMG, etc. in their various approvals should be complied and clearance accorded, if required, accordingly before commence of mining.
18. Rehabilitation and Reclamation plan will be useful in providing a framework and process to various target groups - the Industry, Regulatory Agencies, the Mine Companies and others interested in Iron Ore Mining for undertaking scientific rehabilitation and reclamation of mined out areas. This will also provide the essential insight in environmentally safe



planning of mining activities in future. The estimated cost of the Reclamation and Rehabilitation plan proposed has been worked out to be **Rs. 2361.06 (Rupees Twenty Three Crores, Sixty One Lakhs and Six Thousand only)**, excluding the cost for Biodiversity Management Plan, Monitoring and Evaluation, Capacity Building, development of common infrastructure etc.

19. The reclamation and rehabilitation programme aims at developing an ecosystem with floral, faunal and soil characteristics to a certain extent similar to that of the pre-mining stage. The success of the R and R plan depends on proper implementation and rigorous monitoring, which can be ensured only through a specialized institution that has the requisite competence, composite scientific expertise and professional skills. Regular monitoring of the R and R programme has twin objectives. First, to obtain valuable reference data for authorities to ensure and demonstrate compliance with regulatory requirements. Second, to assist in decision-making on operational parameters essential for site specific land use for sustainable management. The capacity building of the personnel involved in implementation of this plan by an expert scientific organization is also an essential input required for the successful implementation of this plan. *Further, as proposed in Chapter-5 of the report, the quality of the material used for implementation of R&R including planting material, geo-mat and others should be ensured. The material used should be a certified material by the National reputed organization having experience in the field of R&R.*

XXXX



CA Land Plantation (37.5Ha.) At Sy. No.1, Kochigere Against DIOM ML No. 2396





900 m

COORDINATES OF AREA IN WGS84 DATUM

POINT ID	LATITUDE	LONGITUDE
1	15.4165459	76.8743774
2	15.4163346	76.8746795
3	15.4153829	76.8756142
4	15.4163109	76.8765191
5	15.4146076	76.8785560
6	15.4131541	76.8795592
7	15.4128734	76.8796156
8	15.4127399	76.8793956
9	15.4120877	76.8795977
10	15.4120572	76.8794829
11	15.4105541	76.8795839
12	15.4101788	76.8805775
13	15.4051618	76.8851308
14	15.4028753	76.8865941
15	15.4023700	76.8866930
16	15.4020600	76.8868600
17	15.4017560	76.8869090
18	15.4015592	76.8849539
19	15.4041221	76.8834031
20	15.4068131	76.8818507
21	15.4100706	76.8795476
22	15.4114773	76.8786560
23	15.4137945	76.8773430
24	15.4145911	76.8764103
25	15.4141057	76.8757229
26	15.4129017	76.8762699
27	15.4120979	76.8749736
28	15.4129269	76.8743766
29	15.4147026	76.8740510
30	15.4146982	76.8735827
31	15.4164981	76.8741934
32	15.4166153	76.8744152

Legend

-  37.5 Ha CA Land
-  Feature 1

Google Earth

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