Dated. Bhubaneswar the

9F (MG) - 70/2021 R November, 2023

From

Sri Susanta Nanda, IFS
Principal Chief Conservator of Forests

(Forest Diversion & Nodal Officer, FC Act) O/o the PCCF & HoFF, Odisha, Bhubaneswar

To

The Deputy Inspector General of Forests (FC)

Government of India, Ministry of Environment, Forest & Climate Change (FC Division), Indira Paryavaran Bhawan, Aliganj, Jorbagh road New Delhi-110003

Sub:- Proposal for non-forestry use of 22.697 ha of forest land of Jilling-Langlota Iron Ore Block within total Mining Lease area of 456.100 ha in Keonjhar District of M/s OMC Ltd.- Compliance to GoI observations regarding.

Ref: F.No.8-49/1998-FC(PT1) dated 05.06.2022 of Scientist 'D', Government of India, MoEF & CC, New Delhi.

Sir,

In inviting a reference to the abovementioned subject, this is to inform that basing on Government of India, Ministry of Environment, Forest & Climate Change, New Delhi observations dated 05.06.2022, the DFO, Keonjhar Forest division and RCCF, Rourkela Circle have furnished the required compliance as detailed below-:

Observation-i: Compensatory afforestation has been proposed over an equivalent non-forest area of 22.697 ha. DSS analysis of the CA area revealed the cultivation in the non-forest land identified for CA. Therefore, the State Government needs tore-confirm its suitability and proximity to existing forest keeping in view ease of its management by the Forest Department.

Compliance:- The RCCF, Rourkela Circle has reported that the user agency has intimated vide their letter No.1539 dated 21.04.2023 that a fresh Compensatory Afforestation land has been identified at the village Soroda in Patangi Tahasil of Koraput District instead of the previous Compensatory Afforestation land at village Peturu of Patangi Tahasil of Koraput District. Collectors, Koraput vide L. No. 1535 dt. 21.04.2023 addressed to DFO, Koraput has requested to file requisition in Form No.-1 for processing of alienation proposal of the selected CA land in village Soroda under Potangi Tahasil. The joint verification has been taken up to the identified Compensatory Afforestation land at Soroda & report of joint verification duly signed by the Tahasildar, Patangi and concerned Range Officer is enclosed herewith as Annexure-I. The Cadastral map of the identified CA land in village Soroda is enclosed as Plate No.-I to the compliance. The details of the land identified are furnished below.

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Tahasil	Village	Khata No.	Plot No.	Total area of the plot in Ac.	Area considered in Ac.	Kisam	Type of Plantation recommended
Pottangi	Soroda	71(AAA)	593	30.00	30.00	Patharbania	AR 1000 plants per Ha
			594	22.50	22.50	Patharbania	-do-
			626(p)	22.50	3.58	Pahada	-do-
			Total	75.00	56.08 Ac. or 22.697 ha	A.3	WU 5-

Non-encroachment & non-encumbrance certificate has been furnished by the Tahasildar, Pottangi in respect of the identified CA land in village Soroda. Further, DGPS map has been prepared by the ORSAC & enclosed as Plate No.-II to the compliance. The DGPS map area is found to be 22.708 ha against the RoR land area of 22.697 ha. The CA scheme has been prepared by the DFO. Koraput Division based on the one-time cost norm circulated from this office and it is enclosed as a separate volume to this compliance. The site suitability certificate has been furnished by the DFO, Koraput enclosed to the CA scheme. DFO, Koraput has done DSS analysis. It is revealed from the analysis that 22.0 ha CA land identified in village Soroda is Scrub Forest. The land has been demarcated with 10 field stations. The GPS co-ordinates have been provided and enclosed in the CA scheme. The land finds place in Topo Sheet No. E44K 15. The Topo map, Cadastral map of the site and the DGPS map of the site are enclosed in the CA scheme. It is proposed to plant @ 1000plants /ha. It is proposed to fence the plantation with Chain Link wire mesh fence over 2507.49 Rmt. Provision for Watering the CA plantation with Diesel Pump set fitted to Bore well model has been proposed. Besides this the SMC work over the 22.697 ha is also proposed. The KML file of the CA land has been furnished in CD form enclosed to the CA scheme. The total financial out lay prepared by DFO, Koraput comes to Rs. 1,66,58,439/-. The financial outlay approved by Nodal Officer is Rs.1,40,48,800 at one time cost norm.

Observation-ii: Elephant Habitat-2 is reported in the area proposed for diversion, therefore, comments of PCCF (Wildlife) and CWLW, Odisha on the likely impacts of the project on the elephant habitat and other schedule species reported in the area may be obtained by the State and may be informed to the Ministry.

Compliance:- The RCCF, Rourkela Circle has reported that the mining lease area comprises of 392.289 ha of forest area. To conserve and improve the flora and fauna of the core area and the forest area coming within 10.0 km of buffer zone, a Site Specific Wildlife Conservation Plan has been technically approved by the PCCF (WL) and CWLW, Odisha vide his letter No.10895/1WL-C-SSP-167/2010 dt 15.12.2010. Provisions have been made towards protection and improvement of elephant habitat to implement the activities by utilizing the funds deposited by the User Agency. The detailed activities undertaken by the user agency vis-a-vis the financial involvement in core zone is given at Annexure-II. The copy of the approval along with approved SSWLCP is enclosed as Annexure-III for kind reference.

It is an old mine functioning since 1954. The whole land scape around the mine also involves mining. It is not a critical elephant movement area connecting distant habitat. Elephant do not visit lease area. There is elephant movement over adjoining forest blocks for which Site Specific interventions have been suggested. Similarly, the movement of elephant in the adjoining lease area of the applied mining lease is also shown in a map enclosed as **Annexure-II/A**. There will not be any visible and major negative impact on the habitat of elephant & other species.

Observation-iii: Approval dated 8.10.2014 was granted over an area of 369.592 ha by the Ministry in the past. Following detail in respect of said approval may be provided by the State:

Observation No. iii. a.: Updated status of compliance of conditions stipulated in the approval dated 8.10.2014 granted in the past needs to be intimated by the State.

Compliance:- The RCCF, Rourkela Circle has reported that the user agency has submitted the updated status of compliance of the conditions stipulated in the approval vide L.No.F.NO.8-49/98-FC dt 08.10.2014 duly countersigned by the DFO, Keonjhar Division are enclosed as Annexure-IV series.

Observation No.iii.(b): An amount of Rs. 196.12 lakh had been realized from the erstwhile user agency towards the implementation of site-specific Wildlife Management Plan in pursuance to approval under FC Act granted in the past. Current status of implementation of various provisions proposed in the Site-Specific Wildlife Management Plan, supported with year wise activities covered and expenditure incurred thereof, photograph etc. may be submitted by the State.

Compliance:- The RCCF, Rourkela Circle has reported that a sum of Rs 196.12 lakh was deposited by the User Agency in 2 spells on dt. 27.06.2009 and 26.11.2016 towards the cost of Regional Wildlife Management Plan @ Rs 43000/-per hectare over 456.100 ha of ML area as per the demand raised by the DFO, Keonjhar Division. On receiving the demand from DFO, the ex-lessee i.e. M/s Essel Mining Industries and Pvt. Ltd. had deposited Rs.196.12 Lakhs in two instalments. The details are as follows. The details of the demand raised and the funds deposited area enclosed at Annexure-V.

Instalment No	D.D/Cheque No& Date	Amount	Account No in which amount is Deposited	Proof of Details	
1 <sup>st</sup>	No.010349 27.06.2009	Rs.91,22,000/-	Compensatory Afforestation fund (CAF), Orissa in Corporation Bank, Lodhi Road, New Delhi	of Payments Enclosed	
2 <sup>nd</sup>	No.013447 26.11.2013	Rs.1,04,90,300/-	A/c No. 344902010105428, IFSC Code UBIN 0534498, Union Bank of India, Sunder Nagar, New Delhi-110003	Enclosed	
Total		Rs.1,96,12,300	1.000 Beini 110005		

Besides, the current status of activities implemented in the lease hold area as per the approved Site Specific Wildlife Conservation Plan is given at Annexure-II.

Observation No.iii. (c).: Detail of safety zone maintained in lieu of diversion of 369.592 ha and activities viz plantation, ANR and afforestation over 1.5 times the area of safety zone has not been informed. The same may be informed by the State along with detail of expenditure incurred on the various activities undertaken in respect of safety zone area.

Compliance:- The RCCF, Rourkela Circle has reported that an amount of Rs. 7, 34,474/- has been deposited by the Ex-lessee vide DD No. 371128, 371129, 371130 and 371131 towards the cost of fencing, protection and regeneration of the Safety Zone area over 29.598 ha pertaining to diversion of 369.592 ha of forest land. The scheme includes barbed wire fencing and plantation all along inner side of the 7.5 meter strip of the ML area. Copy of the Safety Zone scheme along with the photographs of the plantation undertaken in safety zone within mining lease area are enclosed as Annexure-VI. Safety Zone plantation has been carried out by the Forest Department during the year 2011-12 by planting 47357 nos. of seedlings with an expenditure of Rs.6,67,509/-.

Further, it is reported by the RCCF, Rourkela that a scheme over 44.397 ha of degraded forest land identified in Kalapat R.F under Talkoi forest Range of Keonjhar Forest Division instead of Benamunda RF under Telkoi Range of Keonjhar Forest Division for 1.5 times of safety zone plantation. A copy of 1.5 times Safety zone plantation approved by the RCCF, Rourkela Circle for Rs.5, 12,563/- is enclosed as Annexure-VII.1.5 times Safety Zone plantation has been carried out in the identified degraded forest land in Kalapat RF over 44.397 ha by planting 13319 nos. of seedling during 2009-2010 with an expenditure of Rs.4,17,893/-. Further fencing over 1.06 Km pertaining to 1.5 Safety Zone has been carried out with a cost of Rs.68,075/-.The photographs of the 1.5 times plantation is enclosed as Annexure-VII.

Observation No.iii. (d).: Detail of NPV realized from the user agency in lieu of diversion of forest land accorded in the past and in pursuance to Ministry's guidelines dated 31.03.2020 may be informed by the State.

Compliance:- The RCCF, Rourkela Circle has reported that the ex-lessee had deposited Rs.34,70,46,888/- & Rs.1,01,61,201/- towards NPV over 369.592 ha of forest land involved in the mining lease. Besides, OMC has also deposited Rs.27,71,46,750/- towards NPV over 369.592 ha vide UTR No. SBINR12021011106076046 dt. 11.01.2021. An undertaking has also been submitted by the OMC Ltd. to deposit the additional amount of NPV, if so determined, as per the final decision of the Hon'ble Supreme Court of India and transfer the same to Ad-hoc CAMPA under intimation to the Ministry. The details of NPV deposited by Ex-lessee and M/s OMC Ltd along with the said undertaking are given in Annexure-VIII series along with the undertaking submitted by M/s OMC Ltd. for reference.

Observation No.iii.(e): As evident from the detail provided in the proposal, the mining lease was auctioned to successful bidder, detail of documents/information pertaining to transfer of approval in favour of the new lessee, if any, accorded by the State in terms of guidelines dated 31.03.2020 is not provided in the proposal, the same needs to be informed by the State.

Compliance:- The RCCF, Rourkela Circle has reported that that during the online auction process, M/s Shyam Ores (Jharkhand) Pvt. Ltd had been selected as L1 bidder and accordingly the State Government had issued conditional grant order in their favour. The State Govt. cancelled the grant order due to non-fulfillment of the conditions stipulated therein. Subsequently, the State Govt. vide letter No.338/SM/IV (B)SM-11/2020 dt 11.01.2021 granted the same mining lease in favour of OMC

subject to fulfillment of conditions stipulated therein. M/s OMC Ltd. complied all the conditions and the lease was granted in favour of M/s OMC Ltd. vesting with all the already approved statutory approvals communicated by the State Govt. in Steel and Mines Dept. vide their letter No. 317/SM/IV(AB)SM-01/2021 dt. 11.01.2021. The copy of all the correspondences in this regard are enclosed as Annexure-IX for reference.

Observation No.iii. (f): Cost benefit Ratio has been estimated as 1:16411.5 which is exorbitantly high. It seems appropriation of cost and benefits components has not been done properly i.e. cost corresponding to 22.697 ha have been estimated while the benefits to be accrued from the entire mining lease area have been accounted for in the analysis. The analysis needs to be recasted by accounting CB parameters either only in respect of 22.697 ha or for entire mining lease area.

Compliance:- The RCCF, Rourkela Circle has reported that the mining lease has been granted over 456.10 ha out of which 392.289 ha is forest land. M/s OMC Ltd. has proposed to work within 22.697 ha of forest land in addition to the already diverted forest area. The DFO, Keonjhar Division has reassessed the cost of forest over 22.697 ha proposed for diversion. It comes to Rs. 717.0 Lakh. Further, the user agency has estimated the benefits of the forest diversion over 22.697 ha proposed forest land for diversion. It comes to Rs. 196089.0 Lakh. The cost benefit ratio comes to 1:273.48 .The Cost and the Benefit assessment are enclosed as Annexure-X and Annexure-X A respectively.

<u>Observation No.(iv):</u> Examination of the Mining Plan submitted along with the proposal revealed the following: Mining Plan revealed the following:

Observation No.(iv) (a). State Government, in its forwarding letter, mentioned total lease area and forest area thereof is 392.289 ha, respectively while the corresponding forest areas indicated in the approved Mining Plan are 342.199 ha. Discrepancy in the Mining Plan needs to be rectified by the State.

Compliance:-The RCCF, Rourkela Circle has reported that the State Government executed the mining lease in favour of M/s OMC Ltd. to commence the mining operation immediately to meet the raw material demand of the local industries as many iron ore mines of Odisha has been terminated by 31<sup>st</sup> March, 2020. Therefore, while preparing the mining plan, HAL Kissam land schedule was considered for designing the land use plan. In order to ascertain the exact forest area, M/s OMC Ltd. vide letter no. 338/SM dt. 11.01.2021 requested Tahasildar, Barbil to provide land schedule of the total ML area as per SABIK kissam. Tahasildar, Barbil vide letter No. 1281 dt. 09.04.2021 provided the status of land involved in the Jilling-Langalota Iron Ore Mines of M/s OMC Ltd., wherein the total forest land came to 392.289 ha. Out of 392.289 ha of total forest land, 26.990 ha of forest land was acquired for Daitari-Banspani Rail link project and Stage-II FC granted over the balance 342.602 ha of forest land in favour of the ex-Lessee. Therefore, M/s OMC Ltd. Has submitted the forest diversion proposal over 22.697 ha of SABIK kissam forest land.

Observation No.(iv) (b.) Area of various land uses mentioned in the approved Mining Plan and extant proposal is observed to be at variance. Moreover, component of magazine and safety zone involving area of 81.280 ha is not mentioned in the land uses indicated in the mining plan. Discrepancies in the areas of land uses may be justified and if needed be rectified by the State Government;

Compliance:- The RCCF, Rourkela Circle has reported that in the current diversion proposal, the purpose-wise break up of 22.697 ha of forest land has been proposed whereas mining plan has been prepared for the entire ML area over 456.100 ha. The proposed land use over 22.697 ha of forest land is a part of the land use proposed over entire ML area of 456.100 ha. Hence, he has requested to drop the discrepancies so observed.

In compliance, it is submitted that the mining plan approved by IBM is over 456.100 ha and the instant proposal is for diversion of 22.697 ha of forest land. The land use mentioned against 22.697 ha is a sub-set of the total land use mentioned in the mining plan.

The breakup of 81.280 ha as per the approved mining plan compared with that of the extant proposal as submitted by M/s OMC Ltd is given as under:

As per the approved mining plan				As per extant proposal		
SI. No.	Description Description	Area in ha	Sl. No.	Item of works	Area in ha	
	Others (Water harvesting)	0.693	7	Magazine & safety zone	81.280	
	Others (Green belt/safety zone)	10.314				
	Others (Magazine)	0.713				
	Others (SE Railways acquired area)	34.967				
	Others (Nalla with safety zone)	11.899				
	Others (NH with safety zone)	10.982				
	Others (HT line)	3.102				
	Roads	4.482				
	Void utilized for backfilling (Out of 300 m X 280 m i.e. 8.400 ha)#	3.128				
-	Area afforested#	1.000				
	Total	81.280				

The relevant pages (No.111 & 118) of the Mining Plan are enclosed as Annexure-XB.

Observation No.(iv)(c). As per land use details provided in the Mining Plan, out of total lease area of 456.100, an area of 269.241 ha has been utilized so far for mining and allied activities while 186.859 ha is unutilized, out of which 106.108 ha has been proposed to be utilized during the next conceptual period while 80.751 ha is proposed to unutilized (Pg 352/c). State Government may therefore explore the possibility to handover the forest land involved in the unutilized area to Forest Department.

Compliance:-The RCCF, Rourkela Circle has reported that as per the condition No. 2. (i) of the Stage-II Forest Clearance over 342.602 ha, legal status of forest land shall remain unchanged. As per the approved progressive mine closure plan, reclamation activity is being undertaken by OMC only. When the entire mineral is completely exploited by M/s OMC Ltd. and the same is certified by IBM then reclamation will be carried out as per the approved final mine closure plan.

Further, The RCCF, Rourkela Circle has reported that the unutilized area over 80.751 ha as per the approved mining plan within Jilling-Langalota ML comprises 70.209 ha of forest land and 10.542 ha of non-forest land. Out of the said total forest land, 1.069 ha has been acquired by Railways and 1.886 ha has been earmarked for safety zone (earlier proposal in Patch-I & current proposal in patch-IV). The plan showing the unutilized area in Jilling-Langalota Iron Ore mines in five patches is enclosed as Plate No.-III. The major chunk of balance unutilized forest area over 67.254 ha under "Mining" land use has already been diverted and included within the forest area of 342.602 ha approved by MoEF & CC vide letter No.8-49/98-FC (pt.) dt. 08.10.2014. The copy of the land use map approved by MoEF & CC and submitted by the ex-lessee is enclosed as Plate No.- IV.

For the aforesaid unutilized forest area, NPV has been paid by the user agency. The user agency have intimated in their compliance vide letter No.21366 dated 22.12.2022 that the said unutilized forest land will be used once the quality of Ore is established through exploration & hence this fact may be considered in this regard.

Observation No.(v): Current status of 22.297 ha i.e. whether the area has been mined already or proposed to be mined during the conceptual period may be clarified by the State.

Compliance:- The RCCF, Rourkela Circle has reported that out of 22.297 ha of SABIK forest land proposed for diversion, 5.70 ha was utilized for mining by the ex-lessee as it was non-forest land. In order to utilize the entire SABIK forest land, OMC has proposed for diversion.

Observation No.(vi): Examination of phase wise reclamation plan submitted along with the proposal mentioned consolidated area of 372.222 ha will be reclaimed technically and biologically. Year wise detail of reclamation in consonance with the provisions provided in the Progressive Mine Closure Plan may also be intimated by the State.

Compliance:- The RCCF, Rourkela Circle has reported that the year wise reclamation schedule as approved in the progressive mine closure plan and the year wise reclamation taken thereof has been furnished by the user agency enclosed as **Annexure-XI** to the compliance.

Observation No.(vii): Ministry's vide its guidelines dated 10.03.2015 clarified that areas which were recorded as forest in Sabik land records and subsequently changed to non-forest land as per Hal records should be considered as forest for the purpose of FC Act, 1980 and prior approval. Therefore, in view of the said guidelines, the State Government may submit its considered opinion on 'why should the lease executed between Collector Keonjhar and M/s OMC on 12.01.2021, despite Ministry's standing instructions in guidelines dated 10.03.2015, without prior approval of Central Government under the Forest (Conservation) Act, 1980 in respect of 22.697 ha of forest land, not be treated as a violation of Forest (Conservation) Act, 1980.

Compliance:-The RCCF, Rourkela Circle has reported that ML executed between Collector, Keonjhar and M/s OMC Ltd. on12.01.2021, includes forest land of 22.697 ha. Regarding execution of lease without prior approval of the Central Govt., the clause No.7.3 (vi) of the letter by MoEF& CC dt. 31.03.2020 keeps a provision which reads as under:-

"a. A new lessee of the mining leases expiring under the provisions of sub-section (5) and (6) of Section 8A of Mines and Minerals (Development and Regulation) Amendment Act,2015,shall be deemed to have acquired all valid rights, approvals, clearances, licenses and like vested with the previous lessee for a period of two years...."

Subsequently, as per MMDR Amendment Act, 2021 dt 28.03.2021, the following is reproduced for clarity:

"8B. (1) Notwithstanding anything contained in this Act or any other law for the time being in force, all valid rights, approvals, clearances, licenses and the like granted to a lessee in respect of a mine (other than those granted under the provisions of the Atomic Energy Act, 1962 and the rules made there under) shall continue to be valid even after expiry or termination of lease and such rights, approvals, clearances, licenses and the like shall be transferred to, and vested; subject to the conditions provided under such laws; in the successful bidder of the mining lease selected through auction under this Act:

Provided that where on the expiry of such lease period, mining lease has not been executed pursuant to an auction under provisions of sub-section (4) of section 8A, or lease executed pursuant to such auction has been terminated within a period of one year from such auction, the State Government may, with the previous approval of the Central Government, grant lease to a Government company or corporation for a period not exceeding ten years or till selection of new lessee through auction, whichever is earlier and such Government company or corporation shall be deemed to have acquired all valid rights, approvals, clearances, licenses and the like vested with the previous lessee:

Provided further that the provisions of sub-section (1) of section 6 shall not apply where such mining lease is granted to a Government company or corporation under the first proviso:

Provided also that in case of atomic minerals having grade equal to or above the threshold value, all valid rights, approvals, clearances, licenses and the like in respect of expired or terminated mining leases shall be deemed to have been transferred to, and vested in the Government company or corporation that has been subsequently granted the mining lease for the said mine.

(2) Notwithstanding anything contained in any other law for the time being in force, it shall be lawful for the new lessee to continue mining operations on the land till expiry or termination of mining lease granted to it, in which mining operations were being carried out by the previous lessee."

As reported by the DFO, Keonjhar Division, Ministry of Mines vide letter no.4/1/2020-M.VI dt. 05.01.2021 reserved Jilling- Langalota Iron Ore Mines and Guali Iron Ore Mines. Accordingly, Mining Lease was granted and executed in favour of OMC to produce iron ore as per the raw material requirement of the industries. The area of operation is strictly confined within approved forest area of 342.602 ha, excluding 22.697 ha of forest area to be utilized after grant of Stage-II Forest clearance.

In view of the above, the compliance to the observations to GoI letter F.No.8-49/1998-FC(PT1) dated 05.06.2022 of Scientist 'D', Government of India, MoEF & CC, New Delhi is enclosed herewith for favour of kind information and necessary action.

Encl: Compliance in one set

Yours faithfully

Principal Chief Conservator of Forests Forest Diversion & Nodal Officer, FC Act

Memo No. 23379 /Dt. 30·11·2023
Copy along with one set of compliance forwarded to the Deputy Director General of Forests (Central), Gol, MoEF & CC, Regional Office, Chandrasekharpur, Bhubaneswar-751023 for favour of kind information and necessary action with reference to F.No.8-49/1998-FC(PT1) dated 05.06.2022 of Scientist 'D', Government of India, MoEF & CC, New Delhi.

Encl: Compliance in one set

Principal Chief Conservator Forests Forest Diversion & Nodal Officer, FC Act

Memo No. 23380 /Dt. 30-11-2023
Copy along with one set of compliance forwarded to the OSD-cum-Special Secretary to Government, Forest, Environment & Climate Change Department, Odisha, Bhubaneswar for favour of kind information and necessary action with reference to F.No.8-49/1998-FC(PT1) dated 05.06.2022 of Scientist 'D', Government of India, MoEF & CC, New Delhi.

Encl: Compliance in one set

Principal Chief Consociator of Forests Forest Diversion & Nodal Officer, FC Act

Memo No. 23381 Dt. 30-11 2023 Copy forwarded to the RCCF, Rourkela Circle for information and necessary action with reference to his Memo No. 3984 dated 19.11.2022.

> Principal Chief Con Vator of Forests Forest Diversion & Nodal Officer, FC Act

Memo No. 23382 Dr. 30-11. 2023

Copy forwarded to the Divisional Forest Officer, Keonjhar Forest Division for information and necessary action with reference to Memo No. 3985 dated 19.11.2022 of RCCF, Rourkela Circle.

> Principal Chief Constructor of Forests Forest Diversion & Nodal Officer, FC Act

Memo No. 23383. Dt. 3011. 2023
Copy forwarded to the Managing Director, M/s OMC Ltd., OMC House, Bhubaneswar-Memo No. 751001 for information and necessary action.

> Principal Chief ( Forest Diversion & Nodal Officer, FC Act

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