



STATE FOREST HEADQUARTERS, ODISHA  
OFFICE OF THE PRINCIPAL CHIEF CONSERVATOR OF FORESTS & HoFF  
PLOT NO. GD-2/12, ARANYA BHAWAN, CHANDRASEKHARPUR  
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No. 19480 / 9F (MG) – 368/2016  
Dated, Bhubaneswar the 25<sup>th</sup> September' 2024

To

**The Deputy Inspector General of Forests (Central)**  
Government of India, Ministry of Environment, Forest & Climate Change  
Regional Office, A/3, Chandrasekharpur  
Bhubaneswar-751023

Sub: **Diversion of 23.80 ha of forest land (as per Sabik records as on 25.10.1980) including 2.240 ha of forest land in safety zone area for Chromite ore mining from their Kalarangiatta Chromite Mines by M/s Ferro Alloys Corporation Ltd. (FACOR) in Cuttack Forest Division coming under jurisdiction of Sukinda Tahasil of Jajpur District, Odisha – Compliance to GoI observations regarding.**

Ref:- Letter No.5-ORC288/2016-BHU dated 23.03.2023 of the Deputy Inspector General of Forests (Central), GoI, MoEF & CC, IRO, Bhubaneswar.

Sir,

In reference to GoI, MoEF & CC, Integrated Regional Office, Bhubaneswar letter cited above on the captioned subject, the compliance/information basing on the reports of the DFO, Cuttack division, RCCF, Angul Circle and the User Agency is furnished below:-

**Observation 1:- Whether, the earlier lease held by TISCO Ltd was granted forest clearance? If granted, whether forest clearance has been transferred to M/s FACOR Ltd and when? What is the total area held by the earlier lessee? Whether in the instant case transfer of forest clearance is required or not?**

**Compliance:-** (a) In compliance to the above, it is to inform that the earlier lease held by TISCO Ltd. was granted Forest Clearance over 73.697 ha by the GoI, MoEF, New Delhi vide letter No. 8-78/96-Fc dated 27.01.1998 and mining lease was granted over 1813 hectares of area by Raja Sukindagarh for a period of 20 years w.e.f. 22.10.1952. Subsequently, it was ratified with Orissa Estate Abolition Act-1952 for a period of 20 years w.e.f. 12.01.1953. In the first renewal of mining lease, TISCO has been granted 1261.476 ha of reduced mining lease area in village Kalarangiatta of Jajpur District for a period of 20 years w.e.f. 12.01.1973 to 11.01.1993. Before the aforesaid lease could expire by efflux of time, TISCO Ltd on 03.10.1991 had applied for second renewal of the mining lease over 1261.476 ha for 20 more years under Section 8(3) of the MMDR-Act 1957.

Meanwhile M/s. Ferro Alloys Corporation Ltd. (FACOR) along with other mining lease holders of Odisha claimed for the mining lease area of TISCO indicating that Second Renewal of lease of the entire chromite mining area in favour of TISCO once again would not be in the interest of development of mineral in the State and also would not be in national interest. As such Ferro Alloys Corporation Ltd. has applied for mining lease in the village Kalarangiatta of Jajpur District Odisha on dated 19.10.1993 out of the 1261.476 ha mining lease area of TISCO. The Central Government, in compliance with the order of the High Court dated 10.05 1995 in the case of SLP (C) No. 10830/95 and as a follow up action, appointed a High Power Expert Committee under the Chairmanship of Shri S.D. Sharma, Joint Secretary in the Ministry of Mines, to consider the submissions filed before the Central Government by various parties.

As per the said Sharma Committee Report, the Second Renewal of TISCO lease was recommended for a reduced area of 406.0 ha and the balance area of 855.476 ha to be released by TISCO, on the basis of proportionate requirements of the chrome ore for these parties as assessed by the committee, in a fair, just, equitable and contiguous manner in consultation with Indian Bureau of Mines. Finally out of 1261.476 ha of TISCO Land, an area of 855.476 ha was retrieved and granted in favour of M/s Jindal Strips Ltd (89.00 ha), M/s Ispat Alloys Ltd (64.463 ha), M/s IMFA (116.76 ha) and 39.318 ha in favour of M/s Ferro Alloys Corporation Ltd (M/s FACOR).

M/s FACOR vide its representation dated 18.06.2004 has prayed before the Govt. of Odisha to split the granted 39.318 ha lease area into two Blocks i.e Block No 1 for 23.80 ha Non-forest land and Block No. 2 for 15.512 ha which consists both forest and non-forest land. Further, FACOR has surrendered Block No.2 of 15.512 ha area to the Government.

The aforesaid representation of FACOR has been accepted by the Government on 10.06.2005 and Department of Steel and Mines vide Proceedings No.6177 dtd. 17.07.2007 has granted 23.80 ha of non-forest land to FACOR for 30 years. Pursuant to the said grant order, the lease deed has been executed by Collector Jajpur on dated 18.04.2008. Subsequently, Surface Right has been granted by Collector Jajpur vide its letter dated 05.05.2010 and mining operation of Kalarangiatta Chromite Mines of M/s. FACOR has commenced w.e.f 01.11.2011. Copies of the Surface right order and notice intimating commencement of mining operation are enclosed as **Annexure-1 & 2**.

(b) The Forest Clearance over 73.697 ha granted to TISCO Ltd on 27.01.1998 has not been transferred to M/s. FACOR Ltd because the mining lease area of 23.80 ha of Kalarangiatta Chromite Mines is located outside of the mining lease area of TISCO lease area of 406.0 ha. Further, the mining lease granted to FACOR was non-forest land up to the time of execution of lease deed in the year 2008, hence forest clearance was not required for Kalarangiatta Chromite



Mines at that time. As far as the forest land of 73.697 ha of TISCO Ltd. is concerned, Forest Clearance was granted for the said area in the year 1998 during Second Mining Lease (406 ha) Renewal period.

Subsequently, TISCO has also submitted before MOEF for re-diversion of the same forest area vide its proposal No. FP/OR/MIN/3817/2011 on dated 07.01.2011. Upon superimposing the forest clearance map of TISCO Ltd. certified by ORSAC, over the mining lease area of Kalarangiatta Mines (23.80 ha) of FACOR, it is evident that the forest area of TISCO is outside of mining lease area of Kalarangiatta Mines. of FACOR.

(c) The total area held by earlier lessee i.e. TISCO Ltd was 1813 ha.

(d) In the instant case transfer of Forest Clearance is not required as Kalarangiatta Chromite Mines is a Non-auctioned Mine. In this context, it is pertinent to mention here that the provision of transfer of forest clearance to the subsequent lessee has been inserted in the MMDR Act-1957 vide Gazette Notification dated 10.01.2020 as Section-8B of Act. This provision is applicable only for those mines which have been allotted through Auction process. Copy of the Gazette Notification is enclosed herewith as **Annexure-3**.

***Observation 2:- The Hon'ble High Court of Orissa on 25.01.2023 has passed order that "this court is not inclined to entertain this writ petition, as the quarry is going on without any forest clearance, which is the mandatory requirement for its operation. Accordingly, the writ petition stands disposed of". The State Government has recommended the proposal when the case was pending in the High Court and the user agency was doing mining operation as per the Interim order of the Hon'ble High Court.***

***Because of the final order of Hon'ble High Court of Orissa, the State Govt. may state their views with respect to mining beyond 31.12.2016 as per Ministry's letter No 8-78/1996-FC (Pt.) dated 30.09.2016 without prior approval of the Central Govt. and accordingly Penal NPV, Penal CA and applicability of WP (C) No 114 / 2014 (Common Cause -vrs- Union of India in the instant case.***

**Compliance:-** The RCCF, Angul Circle has reported that the mining lease of Kalarangiatta Chromite Mines over 23.80 ha was granted by Department of Steel & Mines vide proceeding No. IV(CR)SM6/2006/6177/SM dated 17.07.2007 as non-forest land (HAL Settlement). Subsequently, in the year 2015 the lessee came to know that, the entire land under mining lease (23.80ha) was of Forest kissam as on 25.10.1980 (Sabik Settlement). The Lessee has applied for diversion of Forest land as per provisions of the Forest (Conservation) Act,1980 vide **Proposal No FP/OR/MIN/16453/2015** (State SI No OR-012/2016 dated 01.03.2016). The State Government vide their letter No 10F (Cons) 228/2016- 13769/F&E dated 27.07.2016 has recommended for diversion of 23.80 ha forest land under provisions of the Forest (Conservation) Act,1980. The copy is enclosed as **Annexure-4**.



The User agency has filed Writ Petition vide W.P. (C) No 19486 of 2016 dated 07.11.2016 i.e. after the State Govt. recommended for diversion of forest land. Subsequently, the State Govt. has furnished compliances / clarifications on issues raised after recommendation. Hence, it is not a fact that the State Govt. has recommended the diversion proposal during subjudice period of Hon'ble High Court. The recommendation letter of State Government, compliance and the copy Writ Petition No.19486/2016 is enclosed as **Annexure-5, 6 & 7 respectively.**

The DFO, Cuttack Forest division has also reported that it is a fact that the Kalarangiatta Chromite Mines of M/s FACOR Ltd. was on operation from 31.12.2016 to 25.01.2023 by virtue of interim stay order granted by Hon'ble High Court in consideration of WP (C) No.19486/2016 vide order No.03 dt.20.12.2016 & No.04 dt. 16.01.2017. Finally, vide order No.05 dt.25.01.2023 (enclosed as **Annexure-8**) in Para 7 & 8 the Hon'ble High Court denied interim stay order & opined that, **"7. Having heard learned counsel for the parties and after going through the records, this Court finds that though the petitioner has sought permission for environmental clearance, but it has not received the same. Consequentially, it cannot operate the quarry. Therefore, in absence of forest clearance certificate if any order has been passed by the Divisional Forest Officer, Cuttack Forest Division, vide letter dated 11.03.2016 under Annexure-15, to submit the proposal for diversion of forest land for onward transmission, no illegality or irregularity has been committed by the authority so as to warrant interference of this Court. Furthermore, a similar matter was considered by the apex court in M/s Balasore Alloys Ltd. (Supra) which was withdrawn by the petitioner therein. Similarly, relying upon the order of apex Court in the aforesaid case, W.P. (C) No.12830 of 2016 filed by M/s TATA Steel Lid. and W.P.(C) No.3996 of 2016 filed by M/s Indian Metal and Ferro Alloys Ltd. have already been withdrawn by the respective parties.**

**8. In the above view of the matter, this court is not inclined to entertain this writ petition, as the quarry is going on without any forest clearance, which is the mandatory requirement for its operation. Accordingly, the writ petition stands disposed of".**

It is worthwhile to mention here that the Hon'ble High Court of Orissa has **"not inclined to entertain this writ petition"** in consideration of W.P. (C) No.19486/2016 as the quarry is going on without any forest clearance which is the mandatory requirement for operation vide order No.05 dated 25.01.2023. In this context the interim order granted by Hon'ble High Court, Orissa vide order No.03 dated 20.12.2016 and No.04 dated 16.09.2017 have no merit.

The User Agency i.e. M/s Ferro Alloys Corporation Ltd. (FACOR) has admitted in their letter dated 17.04.2023 addressed to DFO, Cuttack Forest Division that the Mining Operation from 31.12.2016 up to 25.01.2023 was continuing. So, it is clearly evident that the User Agency

has violated the Forest (Conservation) Act, 1980 from 31.12.2016 up to 25.01.2023 for which he is liable pay Penal NPV and Penal CA over 23.80 ha for mining without forest clearance.

Further, in course of compliance to EDS the applicability of WP(C) No.114/2014 (Common Cause vs. Union of India) in the instant case i.e. working of Kalarangratta mines from 31.12.2016 to 25.01.2023 which attract the provision for violation, the matter has been referred by PCCF (FD & NO) FC Act, O/o PCCF & HoFF, Odisha, Bhubaneswar to Director of Mines & Geology vide letter no.8711/9E (MG)-368/2016 dt.06.05.2023 & letter no.20507/9E (MG)-368/2016 dt.16.10.2023 are enclosed as **Annexure-9 & 10 respectively**.

In the meantime, the user agency has submitted an undertaking dt.05.08.2024 wherein the user agency has furnished their commitment to pay any legal demand if so arrived out of violation if any in light of WP (C) No.114 of 2014 (Common Cause vs. Union of India). The undertaking is enclosed as **Annexure-11**.

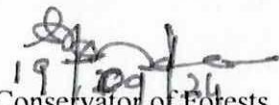
**Observation 3:- Whether mining operation is still continuing or not after the order of High Court of Orissa.**

**Compliance :-** In compliance to the above, the Hon'ble High Court vide order dated 25.01.2023 (Copy enclosed as **Annexure-8**) have dismissed the Writ Petition as the quarry was going on without any forest clearance which is the mandatory requirement for its operation. Accordingly, the Deputy Director of Mines, Jajpur Road Circle has submitted the report vide letter No.928/Mines dated 17.04.2023 which is enclosed as **Annexure-12**.

In this context, the compliance to the observations dated 23.03.2023 issued vide Letter No. 5-ORC288/2016-BHU dated 23.03.2023 of the Deputy Inspector General of Forests (Central), GoI, MoEF & CC, IRO, Bhubaneswar is sent herewith for consideration and grant of "Stage-I/in Principle approval" for diversion of 23.80 ha of forest land (as per Sabik records as on 25.10.1980) including 2.240 ha of forest land in safety zone area for Chromite ore mining from their Kalarangiatta Chromite Mines by M/s Ferro Alloys Corporation Ltd. (FACOR) in Cuttack Forest Division coming under jurisdiction of Sukinda Tahasil of Jajpur District, Odisha.

**Encl: Compliance in one set**

Yours faithfully


  
Principal Chief Conservator of Forests  
(Forest Diversion and Nodal Officer, FC Act)



Memo No. 19481 /Dt. 25.09.2024


Copy alongwith the compliance report forwarded to the Additional Chief Secretary to Government, Forest, Environment and Climate Change Department, Odisha, Bhubaneswar for favour of kind information and necessary action with reference to Letter No.5-ORC288/2016-BHU dated 23.03.2023 of the Deputy Inspector General of Forests (Central), GoI, MoEF & CC, IRO, Bhubaneswar.

**Encl: Compliance in one set**

  
Chief Conservator of Forests (Nodal)


Memo No. 19482 /Dt. 25.09.2024

Copy forwarded to the Regional Chief Conservator of Forests, Angul Circle for information and necessary action with reference to his Memo No.3394 dated 06.09.2024.

  
Chief Conservator of Forests (Nodal)


Memo No. 19483 /Dt. 25.09.2024

Copy forwarded to the Divisional Forest Officer, Cuttack Forest Division for information and necessary action with reference to Memo No.3395 dated 06.09.2024 of RCCF, Angul Circle to his address.

  
Chief Conservator of Forests (Nodal)

Memo No. 19484 /Dt. 25.09.2024

Copy forwarded to the Authorised Signatory, Kalarangiatta Chromite Mines, M/s FACOR Ltd., At/Po-Kalarangiatta, Dist-Jajpur for information and necessary action.

  
Chief Conservator of Forests (Nodal)