



By E-mail

ବନଖଣ୍ଡ ଅଧିକାରୀଙ୍କ କାର୍ଯ୍ୟାଳୟ : ବଣାଇ ବନଖଣ୍ଡ

OFFICE OF THE DIVISIONAL FOREST OFFICER: BONAI FOREST DIVISION

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Memo No. 5401 /6F-(Mg.) Dt: 18.07.2023

To

The Regional Chief Conservator of Forests,
Rourkela Circle, Rourkela.

Sub: -

Proposal for seeking prior approval of the Central Government under Section 2 (ii) of the Forest (Conservation) Act, 1980 in favour M/s Kashvi Power & Steel Pvt. Ltd. for non-forestry use of 60.508 ha. (including 2.331 ha. safety zone) in Dholta Pahar Iron Ore Block for Iron Ore Mining in Bonai Forest Division under Sundargarh District, Odisha-Gol, MoEF & CC observations regarding (Online Proposal No.FP/OR/MIN/150522/2021).

Ref: -

1. Letter No.8-13/2023-FC dt.1.5.2023 of the MoEF & CC. Gol.
2. Memo No.9542/FE&CC dt.9.5.2023 of the Forest, Environment & Climate Change Department, Govt. of Odisha.
3. Memo No.9007 dt.10.5.2023 of the Conservator of Forests (Nodal), Bhubaneswar.
4. Letter No.40 dt.16.6.2023 of M/s Kashvi Power & Steel Pvt. Ltd.

With reference to above, the point-wise compliance of the observation made vide Letter No.8-13/2023-FC dt.1.5.2023 of the MoEF & CC. Govt. of India is furnished below for needful.

- i. **As per DSS analysis, based upon decision Rule 1 the area falls in High Conservation Value Zone. Moreover, the area is also an important wildlife habitat. The justification for proposing mining in this biodiversity rich area is provided.**

In compliance to said observation, it is to intimate that pursuant to the Mines and Minerals (Development and Regulation) Act, 1957 and the Mineral (Auction) Rules, 2015, Govt. of Odisha issued the notice inviting tender dated 07.07.2021 for commencement of the auction process to grant the mining Lease for Dholta Pahar Iron Ore Block located in Koira Tahasil of Sundargarh district of Odisha. The e-auction process was conducted in accordance with the tender document and the mineral auction rule, 2015 for said mineral block and M/s Kashvi Power & Steel Pvt Ltd was declared as the preferred Bidder under Rule 9(9) (iii) or Rule 10(A) of Auction Rules having quoted a final price offer of 126.55%.

Further, M/s Kashvi Power & Steel Pvt Ltd has made payment of Rs.6,99,89,587 (Rupees Six crore Ninety-Nine lakhs Eighty Nine thousand Five hundred Eighty seven only) through treasury challan on dated 21.10.2021 against the first instalment being twenty percent of the upfront money.

Contd.2...

Accordingly, the Government of Odisha has issued letter of Intent under Rule 10(2) of Mineral Auction Rules 2015 to M/s Kashvi Power & Steel Pvt Ltd for grant of Mining Lease for Dholta Pahar Block for iron ore over an area of 60.508 Ha near Dengula village, Koira Tahasil of Sundargarh district of Odisha for a period of 50years.

This letter of intent is valid subject to the provision of the Act and the rules made there under as amended from time to time and M/s Kashvi Power & Steel Pvt Ltd shall be designated as the Successful Bidder and the subsequently granted the mining lease only upon satisfactory completion of all the requirements under the Act and Rules made there under.

Further, it is to intimate that as per Section 10B (3) MMDR Act,2015 which provide that "In areas where the existence of minerals contains of any notified mineral is established in the matter prescribed by the Central Govt., the State Govt. shall notify such areas for grant of mining leases for such notified minerals, the terms and conditions subject to which such mining leases shall be granted and any other relevant condition, in such matter as may be prescribed by the Central Govt. Accordingly, the State Govt. has notified for e-auction. The relevant page of the MMDR Act,2015 is enclosed as **Annexure-1**.

Accordingly, M/s Kashvi Power & Steel Pvt Ltd. has submitted the application to obtain permission of 60.508 ha. of forest land under Section 2 (iii) of the Forest (Conservation) Act 1980 within their allotted Doltapahad Iron Ore Block of 60.508 ha. located in Sarkunda Reserve Forest in Koira Tehsil and Barsuan Range under Bonai Forest Division of Sundargarh District, Odisha

However, to mitigate the adverse impact of mining in this area, the Site Specific Wildlife Conservation Plan will be prepared as well as the Regional Wildlife Management Plan for Keonjhar & Sundargarh district will be scrupulously implemented.

ii. The state government shall submit a detailed report on the possible impact of mining on forest and wildlife in this area.

In compliance to said observation, it is to intimated that an area of 60.508 ha. of forest land is proposed to be diverted under the project is entirely from Sarkunda Reserve forest. This RF is characterized by the presence of wide variety of flora and fauna and hence the impact of the Project on Wildlife and Wildlife habitat need to be addressed. The proposed forest area is having a canopy density of 0.6 and surrounding forest areas are also characterized by variety of flora and fauna. The area is also characterized by movement of wild elephants. Hence, impact of this project on wildlife and wildlife habitat need to be studied and properly addressed. Since the area is characterized by the movement of elephants measures need to be adopted for its protection, monitoring, habitat management and mitigation of HEC issues.

Hence to mitigate the possible impact of mining in this area, the Site Specific Wildlife Conservation Plan is under preparation addressed all the wildlife issued and their conservation and the same will be scrupulously implemented.

- iii. **The area is very dense forest and Elephant Movement is reported in the area proposed for diversion. Therefore, comments of PCCF (Wildlife) and CWLW, Odisha needs to be provided by the State Government.**

In compliance to the above observation, the Principal Chief Conservator of Forests (Wildlife) & CWLW, Odisha, Bhubaneswar has submitted the compliance of the said observation to the Forest, Environment & Climate Change Deptt. Govt. of Odisha vide his Letter No.6462 dt.5.6.2023 with copy to the undersigned that presence of wildlife, particularly elephants is observed in the areas surrounding project. However, with appropriate site specific mitigation measures, the effect of the project on the wildlife may be reduced. Accordingly, the Site Specific Wildlife Conservation Plan will be prepared and implemented to mitigate the effect of the project on the wildlife therein. And, such interventions to be prescribed will be for both project area; and also, within the zone of influence of 10 km radial distance. The entire cost thereof for its implementation will be borne by the Project Proponent for which the undertaking by the PP has already been furnished along with the forest diversion proposal. Copy of Letter No.6462 dt.5.6.2023 of the PCCF (WL) & CWLW, Odisha is enclosed as Annexure-2.

- iv. **The area proposed for mining is within a pristine and very dense forest. Mining activities in this area would require road, electricity and water. However, the proposal does not include the details of how such requirements will be met and whether additional forest land will be required for that or not.**

In compliance to the above, the User Agency was requested vide this office Letter No.4116 dt.16.5.2023 to submit necessary compliance. In response to this office Letter No., the User Agency has intimated vide his Letter No.41 dt.16.6.2023 that the State Government while forwarding the Forest diversion Proposal to Central Govt already mentioned that the allottee has applied for land lease for construction connecting road in form-I (A) under rule 6 (2) of the Odisha Government Land Settlement Rules,1983 to Tahasildar, Koira and the Tahasildar, Koira vide letter No.2741 dated 22.11.2022 requested the DFO, Bonai to ascertain the applicability of Forest conservation Act,1980. The DFO, Bonai vide letter No. 10081 dated 29.11.2022 requested the Kashvi Power & Steel Private Limited to apply for diversion of forest land involved as provided under Forest Conservation Act,1980 through online portal (Annexure-3).

Further, the User Agency informed that the DGPS map of the connecting road already authenticated by the ORSAC (Copy of the letters enclosed as **Annexure-4**), and the Collector, Sundergarh vide his letter No 2609 dated 15.03.2023 requested all Tahasildar to identify land for compensatory afforestation (Copy enclosed as **Annexure-5**). The compliance of the FRA, 2006 is also under process (Copy enclosed as **Annexure-6**). After identifying the CA land, we will apply online for forest clearance in the Parivesh-II portal under FC Act, 1980.

After execution of the lease deed, the User Agency will apply to NESCO to provide us 11 KV power line to our Mines and same will be drawn in the RoW of the connecting so that requirement of additional forest land will be avoided.

In regards to the requirement of water, they have already obtained NOC vide No.CGWA/NOC/MIN/ORIG/2023/17542, dated 12.01.2023 from CGWA, Gol to draw groundwater 97 m³ /day. A copy of the NOC is enclosed as **Annexure – 7**.

- v. ***Legible copy of the approved mining plan has not been uploaded on the PARIVESH portal which is required to be done.***

In compliance to the above, the User Agency was requested vide this office Letter No.4112 dt.16.5.2023 to submit necessary compliance. In response to this office Letter No., the User Agency has intimated vide his Letter No.40 dt.16.6.2023 that the mining plan is voluminous document and to upload the same in the portal it has to be compressed and because of compression it is not legible. However, the legible copy of the Mining Plan is enclosed herewith vide **Annexure-8**.

- vi. ***The State Govt shall ensure that the proposed component wise land-use is in conformity with the land use in the approved mining plan. A comparative analysis of the same shall be made and justification for variation if any shall be provided.***

In compliance to the above, the User Agency was requested vide this office Letter No.4112 dt.16.5.2023 to submit necessary compliance. In response to this office Letter No., the User Agency has intimated vide his Letter No.40 dt.16.6.2023 that the format of Mining plan for conceptual land use is in consonance with the Forest diversion Proposal. The comparative analysis is as follows.

Comparison Table between Mining Plan & Forest Diversion Proposal

	Forest Diversion Proposal	Area in Ha.	Mining Plan	Area in Ha.
1	Mining including mines road and mobile mineral processing unit	40.201	Mined Out area in the Lease	40.201
2	Waste dump with safeguard measures like retaining wall, garland drain and settling pond, check dam etc.	7.265	Area under Dumps (Waste dump & Ore Stack yard)	7.265+ 6.021= 13.286
3	Mineral stacking yard	6.021		
4	Road	0.657	Area under utility services (Road+ infrastructure +Crushing Screening + Magazine+ Entry & Exit	0.657+ 1.498 + 1.281+ 0.019 +0.004 = 3.459
5	Infrastructure (Office, work shop, fuel station, parking plaza etc.)	1.498		
6	Crushing and screening area	1.281		
7	Entry and exit within safety zone area	0.004		
8	Magazine with Green Belt (Magazine Area -0.019 ha +Green Belt – 1.231 = 1.250)	1.250	Area undisturbed/virgin (Green belt & Safety zone)	1.231+ 2.331 = 3.562
9	Safety zone around ML boundary	2.331		
Grand Total		60.508	60.508	60.508

The relevant page of approved mining plan is enclosed as Annexure-9.

- vii. All the documents pertaining to Compensatory Afforestation like CA Scheme, KML file, DGPS Map, SOI Toposheets etc have not been uploaded on the PARIVESH portal.**

All the documents related to Compensatory Afforestation like CA Scheme, KML file, DGPS Maps, Sol Toposheet etc. have been uploaded on the PARIVESH portal.

- viii. Kachha road and mined area is visible in the area proposed for Compensatory Afforestation. The areas proposed for CA must be free from all encumbrances. The State Govt. shall also ensure that the proposed CA areas are not part of any mining lease and are not proposed for mining**

In compliance to the above, the Tehsildar, Gurundia was requested vide this office Letter No.4113 dt.16.5.2023 to submit necessary compliance of the said observation. In response to this office Letter No., the Tehsildar, Gurundia vide his Letter No.929 dt.18.5.2023 (**Annexure-10**) has intimated that one joint field visit was conducted along with the Range Officer, Bonai on dated 18.5.2023 to verify the Kachha road and mined area visible in the area proposed for Compensatory Afforestation in village San-Sibnathpur under jurisdiction of Gurundia Tehsil in lieu of diversion of 60.508 ha. of forest land in Dholta Pahar Iron Ore Block of M/s Kashvi Power & Steel Pvt. Ltd. and it is observed that the Kachha road visible in the area does exist as a Godharsa road (Chala Path) kisam of which is not recorded as Rasta as revealed from the village Map of San-Sibnathpur.

Further the portion of the proposed land for compensatory afforestation seems as mined area is area with depth as some quantity of soil was excavated from those areas during construction of Rukura Irrigation Project (Dam) in the year 2011 and the proposed area 58.575 ha. For the purpose of Compensatory Afforestation are not part of any mining lease and are not proposed for mining. Also free from all encumbrances and encroachment.

- ix. **The copy of the ownership/revenue record and the documentary evidence regarding allotment of Non-Forest Govt. land for the purpose of Compensatory Afforestation shall be submitted.**

In compliance to the above, it is to intimate that the Tehsildar, Gurundia has identified over an area of 58.757 ha. of Govt. non-forest land in village San-Sibnathpur under Gurundia Tehsil in Sundargarh District for the purpose of Compensatory Afforestation as intimated by the Addl. District Magistrate, Sundargarh vide his Letter No.10986 dt.17.09.2022. The copy of the same is enclosed as **Annexure-11.**

- x. **The KML file of the proposed area indicating the land use plan / component wise breakup / mineralized and non-mineralized zonation shall be submitted.**

In compliance to the above, the User Agency was requested vide this office Letter No.4064 dt.12.5.2023 to submit necessary compliance. In response to this office Letter No., the User Agency has submitted the KML file of the proposed area indicating the land use plan /component wise breakup/ mineralized and non-mineralized zonation vide his Letter No.40 dt.16.6.2023 in **CD form.** The CD is enclosed herewith as **Annexure-12.**

- xi. **Many non-site-specific activities like Mineral stackyard, OB Dump, Mineral processing etc. are proposed on forest land. The justification for proposing non-site-specific activities on forest land shall be submitted.**

In compliance to the above, the User Agency was requested vide this office Letter No.4112 dt.16.5.2023 to submit necessary compliance. In response to this office Letter No., the User Agency has intimated vide his Letter No.40 dt.16.6.2023 that the entire block is forest land and MMDR Act do not allow to take up ancillary activities outside the lease hold area. The Mineral stack yard, OB Dump, Mineral processing etc has been proposed in accordance with conceptual land use of Mining Plan.

Further, as per Rule 12 (3) of Mineral Conservation & Development Rule, 2017 which provides that **the holder of a mining lease shall carry out detailed exploration (G-1 level) over the entire potentially mineralised area under the mining lease, within a period of five years from the date of opening of the mine after execution of such mining lease (Annexure-13).** In the approved mining plan it has been proposed & to carry out 42nos exploratory boreholes during the plan period to complete the exploration upto G-1 level.

It would be pertinent to mention that as per 7.8 (c) of Handbook of Guideline under Forest Conservation Act, 1980 provides that **as per the MMDR (Amendment) Act 2015 & Mineral (Evidence of Mineral content) Rules, 2015, a mining lease can be granted pursuant to ensuring G-2 level of exploration (prospecting) and lessee has to prove the mineral up to G-1 level in next 5 years of time, hence land use in the mining plan should be prepared up to a conceptual period and the land use of diversion proposal should be same as land use in the Mining plan. After G-1 level of exploration, the mining plan/scheme should be modified accordingly and final land use pattern should be submitted to MoEF & CC for information and record (Annexure-14).** After G-1 level of exploration, we will submit the final land use considering mineralisation zone.

The area earmarked for dumping is 7.265 ha as because during plan period ore will not be exhausted in any place and hence the waste generated during mining operation has to be kept in the external dump. After exhaust of mineral we will not use any forest land for dumping purpose and waste materials will be used for reclamation.

The area earmarked for storing of minerals is 6.021 ha. for the purpose of storing of sub-grade ore (45%fe to 55%fe) which has no market and it has to be preserved as per Rule 14 – **“Separate stacking of non-saleable minerals. – (1) All the non-saleable or unusable minerals or ores above the threshold value of the mineral, as may be notified by Indian Bureau of Mines from time to time, or otherwise shall be stacked separately on the ground earmarked for the purpose (Already enclosed as Annexure-13).”**

The balance area is for stacking & storing of Minerals. Considering the grade wise and size wise requirement of the consuming industries, the ore raised is to be segregated and stacked separately for sale purpose. Considering from the mineral conservation point of view, the Indian Bureau of Mines, Govt. of India is emphasizing on assessment of the iron ore reserve with the cut-off grade of 45%Fe and stacking of the sub grade ore properly. Presently, the good quality ore is only marketable and the sub-grade ore raised are normally not sold presently, which are required to be stacked separately for the future use. Again for removal of ore from mining lease hold area, stacking of minerals is essential.

The State Government vide notification 3973 dated 28.04.2021 (**Annexure-15**) have issued operational guideline for Stacking, Sampling & Chemical Analysis. As per the guideline each stack should not be more than 20000 MT and the height should not be more than 3 meter. To accommodate 20000MT, the required surface area is approximately more than 2500Sq.M. Road has to be kept in between the stacks, so considering all the above, area required for each stack is 5000 Sq.M or 0.5 ha. Depending on the placement of Rakes, the average time for removal of one stacks take about a month. We have to dispatch 1 lakh ton of material every month and to achieve the quantity, 7 to 8 nos. of stack of different grade and size are required. So minimum 3 ha of land is required for stacking of Ore of processed ore. Again, some area is required for un-processed ore. Looking to the above, 6.021 ha. has been earmarked for Mineral storage.

- xii. **The Cost-benefit ratio has been mentioned as 1:186 which is very high. The State govt. shall recheck the same. Further, the CB analysis has to be prepared keeping in view the parameters and format prescribed in the FCA Handbook of guidelines.**

In compliance to the above, the CB analysis is 1 : 94 and prepared as per the format prescribed in the FCA handbook of guideline. The copy of CB analysis is enclosed **Annexure-16**.

- xiii. **A copy of the approval of Regional Wildlife plan and the basis of calculation of the money proposed to be realized from the User Agency in this regard shall be submitted.**

In compliance to the above observation, the Principal Chief Conservator of Forests (Wildlife) & CWLW, Odisha, Bhubaneswar has submitted the compliance of the said observation to the Forest, Environment & Climate Change Deptt. Govt. of Odisha vide his Letter No.6462 dt.5.6.2023 with copy to the undersigned that the copy of the Comprehensive Regional Wildlife Management Plan for Keonjhar and Bonai Division is enclosed herewith as (**Annexure-17**). The plan was approved by the Govt. of Odisha vide Letter No.22295/F&E dt.30.12.2005 (**Annexure-18**) with provision for deposition of ₹15,000/- per ha. and ₹11,000/- per ha. of mining lease area, as the case may be, for implementation of mitigative measures. Subsequently, due to enhancement of minimum wage rate and escalation of material cost, the cost norm has been revised to ₹82,000/- per ha. to be realized over the entire mining lease area vide Letter No.26159/F&E dt.5.12.2018 (**Annexure-19**). The said norm is still continuing. During the intervening period, the Wildlife Trust of India was entrusted by the State Govt. with preparation of Odisha State Comprehensive Wildlife Management Guidance (OSCOW-MAG), and now based on the said Guidance submitted by WTI on 25.01.2021, various management interventions are being carried out every year, on priority, in those areas from where the approved cost towards RWLMP @ ₹ 82,000/ ha. has been realized. Copy of Letter No.6462 dt.5.6.2023 of the PCCF (WL) & CWLW, Odisha has already enclosed as **Annexure-2**.

xiv. **CA Scheme, Site Suitability Certificate, KML file of CA land in lieu of 1.5 times of safety zone may be provided/ uploaded on portal.**

In compliance to above observation, it is to inform you that total 2.331 ha. of forest land has been earmarked as Safety Zone. An area of 3.496 ha. (2.331 X 1.5 times) is required for afforestation over 1.5 times of the Safety Zone area. Accordingly, an area of 3.500 ha. of degraded forest land for raising of afforestation in lieu of 1.5 times area of Safety Zone has been identified in Nagaria Proposed Reserve Forest in Kuliposh Range of this Division. Further, the Scheme for 1.5 times of Safety Zone area has been prepared which is enclosed herewith as **Annexure-20**. The Site suitability certificate, KML file of CA land, shape file are enclosed herewith in CD form vide (**Annexure-21**). Besides, the Toposheet Map, GPS Map and DSS Map of the degraded forest land for 1.5 times Safety Zone area has been uploaded in the online.

This is for favour of kind information and necessary action.

Encl:- As above.

Memo No. 5402 /6F-Dt: 12.07.2023

Copy forwarded to the Principal Chief Conservator of Forests, Forest (Wildlife) & CWLW, Odisha, Bhubaneswar for favour of kind information and necessary action with reference to his Memo No.6464 dt.5.6.2023.


Divisional Forest Officer,
Bonai Division.

Memo No. 5403 /6F-Dt: 12.07.2023

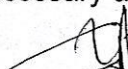
Copy forwarded to the Principal Chief Conservator of Forests, Forest Diversion & Nodal Officer, F.C. Act' O/O the P.C.C.F., Odisha Bhubaneswar for favour of kind information and necessary action with reference to his Memo No.9007 dt.10.5.2023.


Divisional Forest Officer,
Bonai Division.

Memo No. 5404 /6F-Dt: 12.07.2023

Copy forwarded to M/s Kashvi Power & Steel (P) Ltd., Kashvi Mall, 4th Floor, Mining Road, Keonjhar, Odisha for information and necessary action with reference to his Letter No.40 dt.16.6.2023.


Divisional Forest Officer,
Bonai Division.


Divisional Forest Officer,
Bonai Division.