



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. 14930 /9F (MG) – 14/2023
Dated, Bhubaneswar the 24th July' 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 Assistant Inspector General of Forests (FC)
Government of India,
Ministry of Environment, Forests & Climate Change (F.C. Division)
Indira Paryavaran Bhawan, Aliganj, Jor Bagh Road
New Delhi-110003

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 of forest land (including 2.331 ha safety zone) in Dholta Pahar Iron Ore Block for Iron Ore Mining in Bonai Forest Division under Sundargarh District, Odisha – Compliance to GoI, MoEF & CC observations regarding. (Online Proposal No.FP/OR/MIN/150522/2021).

Ref:- Letter No.8-13/2023-FC dated 01.05.2023 of the Assistant Inspector General of Forests, GoI, MoEF & CC (FC Division), New Delhi.

Sir,

In inviting a reference to the letter of GoI, MoEF & CC (FC Division), New Delhi above on the captioned subject, the compliance basing on the reports of the DFO, Bonai and RCCF, Rourkela Circle is furnished below:-

Observation (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 shall be provided.

Compliance:- The RCCF, Rourkela Circle has reported 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 Rule10(A)of Auction Rules having quoted a final price offer of 126.55%.

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Further, as reported by the DFO, Bonai Division, 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.

Accordingly, the Government of Odisha have issued Letter of Intent (LoI) 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 a forest 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, the DFO, Bonai has intimated that as per Section 10B (3) MMDR Act,2015 which provide that "In areas where the existence of minerals contents 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 (ii) of the Forest (Conservation) Act 1980 within their allotted Doltapahar 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 prepared for Keonjhar & Sundargarh district will be scrupulously implemented.

Observation (ii):- The State Government shall submit a detailed report on the possible impact of mining on forest and wildlife in this area.

Compliance:- The RCCF, Rourkela Circle has reported that an area of 60.508 ha. of forest land has been proposed to be diverted under the project which is entirely located in Sarkunda Reserved 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 needs 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 needs 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, in order to mitigate the possible impact of mining in this area, the Site Specific Wildlife Conservation Plan is under preparation addressing all the wildlife issues and their conservation and the same will be scrupulously implemented.

Observation (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.*

Compliance:- The RCCF, Rourkela Circle has reported that 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 stating that presence of wildlife, particularly elephants is observed in the areas surrounding the 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 of radial distance. The entire cost thereof for its implementation will be borne by the Project Proponent for which the undertaking by the Project Proponent 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**.

Observation (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.*

Compliance:- The RCCF, Rourkela Circle has reported that the User Agency has intimated vide their Letter No.41 dt.16.6.2023 that the State Government while forwarding the Forest diversion Proposal to Central Govt have 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 has requested him to ascertain the applicability of Forest Conservation Act,1980. The DFO, Bonai vide letter No. 10081 dated 29.11.2022 has 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 DGPS map of the connecting road has already been authenticated by the ORSAC (Copy of the letters enclosed as **Annexure-4**). and the Collector, Sundargarh vide his letter No 2609 dated 15.03.2023 has requested all Tahasildars to identify land for compensatory afforestation in lieu of Forest Land to be diverted for road connectivity (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, the User Agency will apply online for forest clearance in the Parivesh-II portal under FC Act, 1980.

As regards to electricity, after execution of the lease deed, the User Agency will apply to NESCO to provide them 11 KV power line to their Mines and same will be drawn in the RoW of the proposed connecting road so that requirement of additional forest land will be avoided.

In regard to the requirement of water, the User Agency have already obtained NOC vide No.CGWA/NOC/MIN/ORIG/2023/17542, dated 12.01.2023 from CGWA, GoI to draw groundwater to the tune of 97 m³ /day. A copy of the NOC is enclosed as **Annexure-7**.

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

Compliance:- The RCCF, Rourkela Circle has reported that the User Agency has intimated vide their Letter No.40 dt.16.6.2023 that the mining plan is a voluminous document and to upload the same in the portal, it had 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**.

Observation (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.

Compliance:- The RCCF, Rourkela Circle has reported that 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

Sl No.	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	Area undisturbed/virgin (Green belt & Safety zone)	1.231+ 2.331 = 3.562
8	Magazine with Green Belt (Magazine Area -0.019 ha +Green Belt - 1.231 = 1.250)	1.250		
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**.

Observation (vii):- All the documents pertaining to Compensatory Afforestation like CA Scheme, KML file, DGPS Map, SOI Topo sheets etc have not been uploaded on the PARIVESH portal.

Compliance:- The RCCF, Rourkela Circle has reported that all the documents related to Compensatory Afforestation like CA Scheme, KML file, DGPS Maps, SoI Topo sheet etc. have been uploaded on the PARIVESH portal.

Observation (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

Compliance:- The RCCF, Rourkela Circle has reported that 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) kizam 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 which 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 is not part of any mining lease and is not proposed for mining. The area is also free from all encumbrances and encroachment.

Observation (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.

Compliance:- The RCCF, Rourkela Circle has reported that the Tehsildar, Gurundia has identified 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**.

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

Compliance:- The RCCF, Rourkela Circle has reported that 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**.

Observation (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.

Compliance:- The RCCF, Rourkela Circle has reported that the User Agency has intimated vide his Letter No.40 dt.16.6.2023 that the entire block is forest land (Sarkunda Reserved Forest) 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 Para 7.8 (c) of Handbook of Guideline under Forest Conservation Act,1980 which 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, the User Agency 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 the User Agency 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 of MCDR,2017– **“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.

Observation (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.*

Compliance:- The RCCF, Rourkela Circle has reported that 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.**

Observation (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.*

Compliance:- The RCCF, Rourkela Circle has reported that 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 endorsing the copy of the Comprehensive Regional Wildlife Management Plan for Keonjhar and Bonai Division which is enclosed herewith as (**Annexure-17**). As reported therein, 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.**

Observation (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.

Compliance:- The RCCF, Rourkela Circle has reported that the 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 Bonai Division. Further, the Scheme for 1.5 times of Safety Zone area & submitted by the DFO, Bonai has been technically approved by the RCCF, Rourkela Circle 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 have been uploaded in the online.

In view of the above, the compliance to the observations dated 01.05.2023 of the GoI, MoEF & CC (FC Division), New Delhi is sent herewith for favour of kind information and necessary action.

Encl: Compliance in one set

Yours faithfully

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

Memo No. **14931** /Dt. **24.07.2023**

Copy along with one set of compliance forwarded to the Deputy Director General of Forests (Central), GoI, MoEF & CC, Integrated Regional Office, Chandrasekharpur, Bhubaneswar-751023 for favour of kind information and necessary action with reference Letter No.8-13/2023-FC dated 01.05.2023 of the Assistant Inspector General of Forests, GoI, MoEF & CC (FC Division), New Delhi.

Encl: Compliance in one set

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

Memo No. **14932** /Dt. **24.07.2023**

Copy along with one set of compliance forwarded to the Additional Chief Secretary to Government, Forest, Environment & Climate Change Department, Odisha, Bhubaneswar for favour of kind information and necessary action with reference to with reference to Letter No.8-13/2023-FC dated 01.05.2023 of the Assistant Inspector General of Forests, GoI, MoEF & CC (FC Division), New Delhi.

Encl: Compliance in one set

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

Memo No. **14933** /Dt. **24.07.2023**

Copy forwarded to the PCCF (WL) & CWLW, Odisha, Prakruti Bhawan, Plot No.1459, Saheed Nagar, Bhubaneswar-751007 for favour of kind information and necessary action with reference to Memo No. 3231 dated 13.07.2023 of RCCF, Rourkela Circle.

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

Memo No. 14934 /Dt. 24.07.2023

Copy forwarded to the RCCF, Rourkela Circle for information and necessary action with reference to his Memo No. 3230 dated 13.07.2023.

S. Panda
13/07/23
Principal Chief Conservator of Forests
Forest Diversion & Nodal Officer, FC Act

Memo No. 14935 /Dt. 24.07.2023

Copy forwarded to the Divisional Forest Officer, Bonai Forest Division for information and necessary action with reference to Memo No. 3232 dated 13.07.2023 of RCCF, Rourkela Circle.

S. Panda
13/07/23
Principal Chief Conservator of Forests
Forest Diversion & Nodal Officer, FC Act

Memo No. 14936 /Dt. 24.07.2023

Copy forwarded to M/s Kashvi Power & Steel (P) Ltd., Kashvi Mall, 4th Floor, Mining Road, Keonjhar, Odisha-758001 for information and necessary action.

S. Panda
21/07/23
Principal Chief Conservator of Forests
Forest Diversion & Nodal Officer, FC Act