



एन एम डी सी लिमिटेड N M D C Limited

(भारत सरकार का उद्यम / A Govt. of India Enterprise)

दोणिमलै लौह अयस्क खान / Donimalai Iron Ore Mine

ISO 9001:2000
ISO 14001:2004

Donimalai Township – 583 118, Dist: Bellary, Karnataka.
Phones: 08395 – 274654 / 274618, Fax : 08395 – 274687 / 274654

No. DNM/ENV/DIV.167.63/2015/९४५

Date:23.05.2015

To
The Dy. Conservator of Forests,
Bellary Division,
Bellary.

Sub: Diversion of additional area over an extent of 167.63Ha. of Forest Land in ML No.1111 M/s. NMDC Limited., of S.M Block, Sandur South Range, Bellary Dist.- reg.

Ref: Your Letter No. M1/MNG/NMDC/ML NO.1111/2013-14/189 dtd.05.05.2015.

Dear Sir,

With reference to the above, please find enclosed herewith the following documents for further processing of our application pertaining to diversion of 167.63 Ha forest land in ML No.1111 belonging to M/s. NMDC Limited., at S.M. Block, Sandur South Range, Bellary District. The point wise replies are as follows:

Sl.No.	Query raised by DCF, Bellary	Clarification
1.	Safety Zone Map	The copy of Safety Zone Map is enclosed as Annexure- I.
2.	CEC sketch duly signed by Deputy Director, Mines and Geology and lease holder	The map is enclosed as Annexure-II along with copy of letter No.F.No.1-26/CEC/SC/2011-Pt.XXXXXXI dated 13 th November,2013.
3.	Cost benefit analysis.	The Cost benefit analysis copy is enclosed as Annexure-III.
4.	Mining plan & IBM Land use Plan	The Mining Plan / Scheme of Mining copy as well as land use plan details are enclosed as Annexure-IV.

It is requested to process our proposal for diversion of the 167.63Ha forest land of KIOM.

Thanking you,



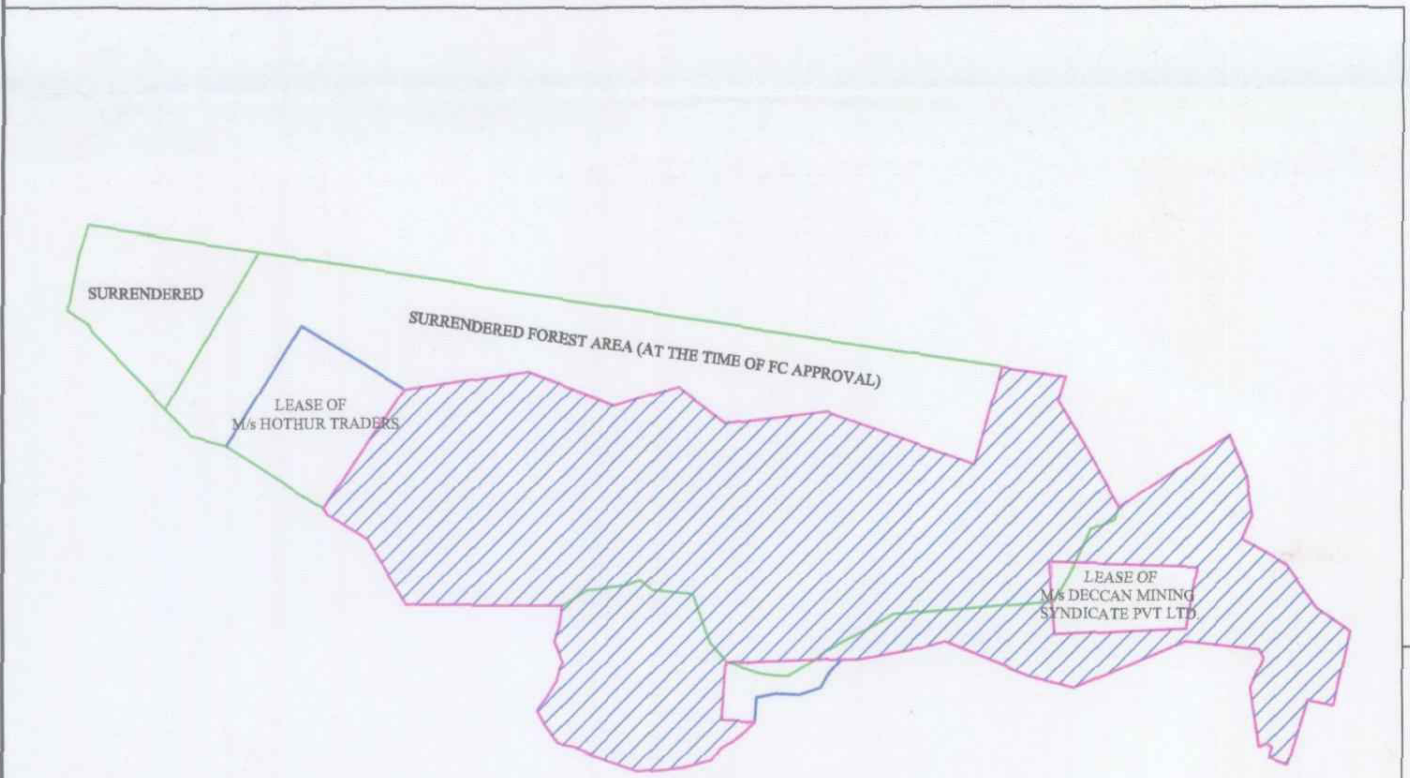
Yours faithfully,

(Signature)
23/5/15

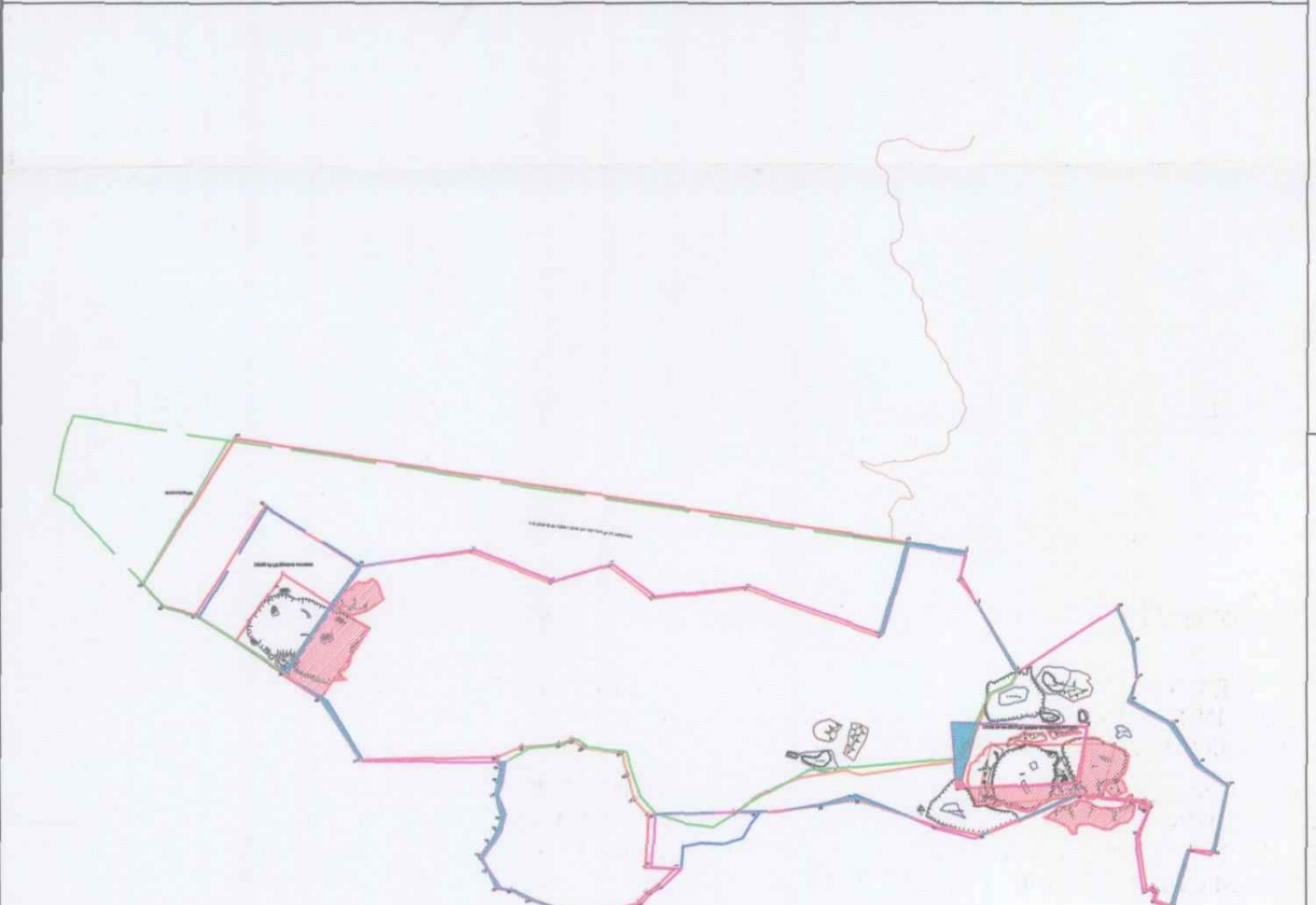
(C.E. Kindo)
Executive Director

Encl: As above.

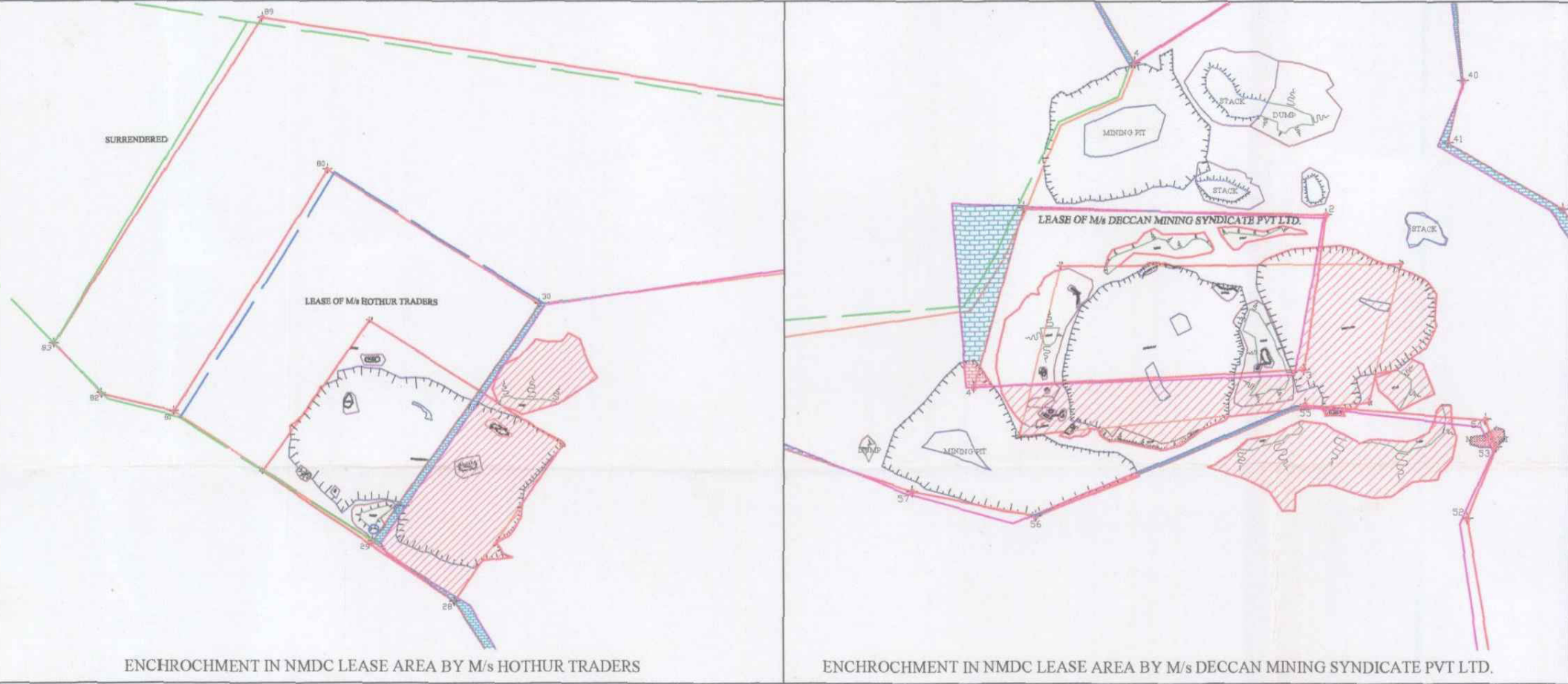
हिन्दी में पत्र व्यवहार को हम प्राथमिकता देते हैं । हिन्दी में पत्र व्यवहार का स्वागत है ।
पंजीकृत कार्यालय :10-3-311/ए खनिज भवन, कैसल हिल्स मासाब टैंक, हैदराबाद 500 173
Regd.Office:10-3-311/A, Khanij Bhavan, Castle Hills, Masab Tank, Hyderabad 500 173



DIGITIZED LEASE DEED SKETCH



KEY PLAN



REMARKS:

1. THE FOREST AREA SURRENDERED BY THE LESSEE CONTINUES TO BE PART OF THE LEASE SKETCH APPROVED UNDER THE MMRD ACT
2. ILLEGAL MINING ON MASSIVE SCALE DONE BY M/s DECCAN MINING SYNDICATE PVT LTD. (SHOWN IN THE SKETCH OF THE LATTER. THE ROLE OF THE NMDC IN THIS REGARD NEEDS INVESTIGATION PARTICULARLY WHEN THE NMDC LEASE AREA IS VERY WELL PROTECTED BY DEPLOYMENT OF 'CISF'
3. THE SKETCH OF M/s DECCAN MINING SYNDICATE PVT LTD. IS TO BE REVERIFIED WITH REFERENCE TO ITS LOCATION AS GIVEN IN THE ORIGINAL LEASE SKETCH OF NMDC AS WELL AS IN THE LATTER'S ORIGINAL LEASE SKETCH. WHILE DOING SO THE MINING PIT (ILLEGAL) IN THE SOUTH EAST CORNER OF NMDC LEASE SKETCH ALSO IS TO BE INCLUDED IN AREA UNDER ILLEGAL MINING BY M/s DECCAN MINING SYNDICATE PVT LTD.
4. THE LOCATION OF THE LEASE SKETCH OF M/s DECCAN MINING SYNDICATE PVT LTD. IS WRONGLY SHOWN IN THE LEASE SKETCH PREPARED BY NMDC FOR THE PURPOSE OF OBTAINING FC APPROVAL FOR ADDITIONAL FOREST AREA & WHICH MATERIALY DIFFERS FROM THE LOCATION OF THE LEASE SKETCH OF THE LATTER IN THE ORIGINAL LEASE SKETCH OF NMDC. THIS ALSO NEEDS INVESTIGATION

BOUNDARIES:

NORTH : SANDUR STATE FOREST
SOUTH : M. L. AREA OF M/s SM & IO, SRI. M. K. NARAYANACHAR & SRI. V.S. LAD
EAST : M. L. AREA OF SM & IO & SRI. SRINIVASA ORES
WEST : M. L. AREA OF M/s SM & IO

INDEX		
PARTICULARS	EXTENT	
	HECTARE	ACRE
FIRST LEASE AREA	647.50	1599.33
AREA AS PER LEASE DEED INCLUDING 155.17 HA NON FOREST LAND	647.50	1599.33
AREA APPROVED UNDER FC ACT (MINING)	324.70	802.01
FOREST AREA SURRENDERED	167.63	414.05
AREA APPROVED UNDER FC ACT FOR ROAD & CONVEYOR BELT OUTSIDE THE LEASE.	15.80	39.03
AREA SANCTIONED UNDER FC ACT FOR POWER LINE OUT SIDE THE LEASE	0.70	1.73
AREA AS PER LEASE DEED SKETCH (AFTER DIGITIZING & EXCLUDING SURRENDERED FOREST AREA)	480.79	1187.55
AREA AS PER EXISTING BOUNDARY PILLARS	648.49	1601.77
AREA UNDER ACTUAL ENJOYMENT	648.59	1602.02
ENCROACHMENT IN NMDC LEASE AREA BY M/s HOTHUR TRADERS	11.95	29.52
ENCROACHMENT IN NMDC LEASE AREA BY M/s DECCAN MINING SYNDICATE PVT LTD.	15.53	38.36
AREA UNDER ENCROACHMENT		
a. MINING PIT	0.29	0.72
b. OVER BURDEN DUMPS	-	-
d. OTHERS	10.12	25.00
TOTAL	10.41	25.72

INDEX	
SYM.	PARTICULARS
	AREA AS PER LEASE DEED SKETCH
	AREA AS PER EXISTING BOUNDARY PILLARS
	AREA UNDER ACTUAL ENJOYMENT
	AREA UNDER ENCROACHMENT
	MINING PIT
	OVER BURDEN DUMPS
	ROADS
	OTHERS
	BOUNDARY POINTS
	OVER BURDEN DUMP TOP
	OVER BURDEN DUMP BOTTOM
	MINING PIT
	STACK TOP
	STACK BOTTOM

Karnataka Mining Dept.	
Karnataka Forest Dept.	
Representative, Lokayukta	
Member, CEC	
Technical Support by N.I.T.K. Surathkal along with Mining, Forest & Revenue Dept. of Karnataka	

COST BENEFIT ANALYSIS

A. PARAMETERS FOR EVALUATION OF LOSS OF FORESTS:

Sl.No.	PARAMETERS	MEDIUM & MAJOR IRRIGATION, HYDRO ELECTRIC, LARGE MINING & OTHER MISC. PROJECTS.
1	Loss of value of timber, fuel wood and minor forest produce on annual basis including loss of man hours per annum of people whose livelihood and wages form the harvest of these commodities.	The loss of fuel wood to a tune of 3T/Ha @Rs. 300/Ton. For 167.63Ha, i.e. $167.63 \times 3 \times 300 \times 20 \text{ years} = \text{Rs. } 30,17,340/-$ No loss of man hours as no one depends for livelihood on this land.
2	Loss of animal husbandry productivity including loss of fodder.	The loss of fodder estimated for 167.63Ha will be (Hill grass cost @5T/Ha @ Rs.100/Ton.) $167.63 \times 5 \times 100 \times 20 \text{ years} = \text{Rs. } 16,76,300/-$.
3	Cost of human resettlement	There is no human settlement in the Mining lease area. Hence, the cost of human re-settlement does not apply.
4	Loss of public facilities and administrative infrastructure on forest land, or which would require forest land if these were diverted due to project.	There are no roads and electrical lines passing in the proposed area. There is no loss of public facility in the area.
5	Environmental losses: (Soil erosion, effect on hydrological cycle, wild life habitat, Microclimate, upsetting or Ecological balance).	The estimated loss as per the guidelines, for a tree density of 1.0 will be Rs.126.74Lakhs to accrue over a 50 years period. Therefore, the environmental loss for 167.63ha, for a density of 0.1 over a period of 20 years (Life of mine) would be $167.63 \times 126.74 \times 0.1 \times 20/50 = 849.8 \text{ Lakhs}$.
6	Suffering to oustees.	Nil. There are no oustees from this area.

B. PARAMETERS FOR EVALUATION OF BENEFITS, NOTWITHSTANDING LOSS OF FORESTS

Sl.No.	PARAMETERS	NATURE OF PROPOSAL: MINING PROJECT
1	Increase in productivity attributable to the specific project	The area has a good iron ore deposit amounting to 600Lakh tones approximately. This area can produce 30Lakh tons per annum tentatively.
2	Benefits of Economy	As a result of mining of Kumaraswamy Iron Ore, a multitude of Government Departments, agencies and the like, including local population will derive direct benefit by way of : Earnings for state Govt. of Karnataka. A. Royalty on tonnage basis to Dept of Mines & Geology. B. Electricity charges to KEB C. Electricity charges to Tungabhadra Reservoir Dvn, PWD. D. Cess on welfare department. E. Port charges on export F. Transportation charges to the railways G. Rents, taxes etc. to the Govt. H. Miscellaneous (includes setting up of Community hall, free medical treatment, co-operative societies for the nearby villages). Apart from above, every year a quantity of 30Lakh tons could be produced fetching 600Crore rupees.

3	No. of Population benefited	About 5000 people will be benefited.
4	Employment potential.	Direct employments to the 1000 people are generated, besides indirect and ancillary employment to more than 1000 people is likely to arise.
5	Cost of acquisition of facility on non forest land wherever feasible.	Not applicable since it is site specific project.
6	Loss of (a) agricultural (b) animal husbandary production due to diversion of forest land.	There are no agricultural and animal husbandry operations in the mine lease area. Though it is a forest land, the tree growth is poor due to hostile rocky conditions. Due to hilly terrain inadequate nutrient availability and water, the land is not amenable to agriculture. Since there is no habitation within forest areas applied for diversion, animal husbandry operations are also not observed.
7	Cost of rehabilitating the displaced persons as different from compensation amount given for displacement.	As there is no human habitation in the mine lease area, rehabilitation does not arise.
8	Cost of supply of free fuel-wood to workers residing in or near forest area during the period of construction.	The workers would be provided with kerosene oil and LPG for cooking purposes. Subsidized electricity would be provided for lighting purposes. As such dependence on forest wealth for fuel purposes would be discouraged.

C. SUMMARY OF COST BENEFIT ANALYSIS FOR THE PROJECT OVER A PERIOD OF MINES LIFE

Loss (A)	Rs. In Crores	BENEFIT (B)	Rs. In Crores
1. Environmental Loss	8.49	Profit from mining after	9000
2. Loss of Fuel Wood	0.30	Deducting the expenses	
3. Loss of Fodder	0.16	(@Rs.1500 per tonne)	
4. Supply of Fuel wood	Nil	i.e 600LT X 1500	
TOTAL	8.95		9000

Net benefit from the project over 20 years period = 9000-8.95

= Rs. 8991.05Crores.

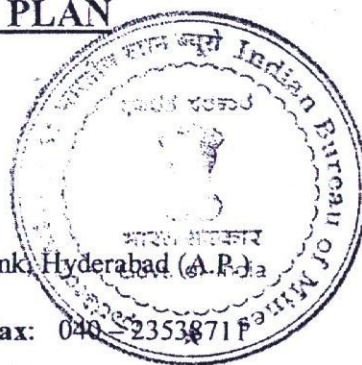
Hence cost benefit Ratio =1: 1005


अधिकासी निदेशक
Executive Director
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10.0 PROGRESSIVE MINE CLOSURE PLAN

10.1: Introduction: -

Name of Lessee : NMDC Limited, Hyderabad
Status of applicant : Public Sector Undertaking
Registered Office : 10-3-311/A, Castle Hills, Masab Tank, Hyderabad (A.P.)
Phone: 040 – 23538713
Grams: "MINDEV" Hyderabad, **Fax:** 040 – 23538711
Owner' Name and Address : Shri S. Bose, Director(Production)
N.M.D.C. Ltd, 10-3-311/A, Castle Hills,
Masab Tank, Hyderabad (A.P.)
Phone: 040-23538706, 23538707, **Fax:** 040 23538711



Location and extent of mining lease area:

Topo sheet no: 57 A/12 and 57 B/9
Lease No : 1111
Longitude : 76° 33' 55" to 76° 37' 10"
Latitude : 15° 00' 00" to 15° 01' 20"
Area of leasehold: 647.50 hectares

Details of lease area and proposed land use pattern as per the approved Mining Plan

Purpose of usage	<u>Land usage Area</u> (In Hectares)		
	Forest land	Revenue Land	Total
Lease hold area	492.33	155.17	647.50
For Mining operations in B Block	Nil	17.23	17.23
<u>Planned Usage pattern in C Block</u>			
For mining operations in C Block	133.2	Nil	133.2
For hill top roads and approach	15.72	Nil	15.72
Cable belt conveyor (With in lease area)	27.1	Nil	27.1
Main mine road from C Block to crusher	3.30	Nil	3.30
Crushing plant	3.00	Nil	3.00
Dynamic stock pile	2.5	Nil	2.5
Service roads western side	8.5	Nil	8.5


Vinay Kumar
Regd No. RQP/BNG/236/2006/A

For waste dumps, garland drains etc	50.1	Nil	50.1
Sub grade stock pile	16.00	Nil	16.00
Mine office, canteen, service center etc	2.00	Nil	2.00
Others (Area in between infrastructure existing and proposed afforestation)	33.87	Nil	33.87
Check dams	22.50	Nil	22.50
Girdle wall at toes of waste rock dumps	4.50	Nil	4.50
Garland drains/storm water drainage arrangements	6.00	Nil	6.00
Protective green belt and slope stabilization	34.4	Nil	34.4
Forest area proposed for diversion	167.63	Nil	167.63

10.1.1 Reason for closure: The mine is presently in operation and no closure operations are envisaged during scheme period 2007-12.

IBM approved the last Mining Plan, vide their letter no: 279/290/91/BNG Dated 29th July 1992. Subsequently the next Mining Plan of Kumaraswamy Mine was approved by IBM vide their letter No MP/BLR/Fe-27-SZ dated 18-10-2002; During the year 2006-07 IBM observed certain deviations in the approved mining plan and they were corrected and were modified and the same were approved vide the letter No: MP/BLR/Re-162-SZ dated 6-02-2007.

10.1.2 Statutory Obligation: There are no legal obligations, which the lessee is bound to implement like special conditions. However the special conditions issued by the India Bureau of Mines while approving the last mining plan are listed already. As directed by CEC, a comprehensive Reclamation & Rehabilitation (R & R) Plan is under preparation with the guidance of ICFRI / CEC for the surrounding area as well as for mine area. The same shall be executed for Reclamation & Rehabilitation of NMDC area also.

Conditions issued by IBM during the approval of last mining plan.

The following conditions were imposed during approving the Mining Plan.

to the existing screening plant to take care of the additional throughput from Kumaraswamy. The lump ore (-30 + 10 mm) and fine ore (-10 mm) thus processed from the screening plant, will be stacked in the existing stockpile at loading plant of Donimalai. Action for augmenting the stacking capacity of the loading plant from the existing 4.00 MTPA to 7.00 MTPA in view of commissioning of Kumaraswamy mine is on hand. There will be no separate township for Kumaraswamy. The existing infrastructure including township of Donimalai will be utilised for Kumaraswamy also.

Post mining land use pattern of Kumaraswamy Iron Ore Mine (B & C Blocks) is given below in the table:-

Sl. No.	Particulars	Area in Ha	Land use planned at Post-Mining stage
1	Mining / Area under direct excavation (B & C Blocks)	150.43	Biological reclamation including 1.73 ha water body = 135.93 Ha haulage roads = 14.50 Ha.
2	Waste dumps – C Block including its surrounding area	111.55	Biological reclamation = 100.00 Ha Check dams, garland drains, storm water drainage, toe wall, etc. = 11.55 Ha.
3	Waste dump – B – Block including its surrounding area	6.00	Biological reclamation = 6.00
4	Approach roads upto pits	40.55	Avenue plantation = 4.05 Ha. Approach roads = 36.50 Ha.
5	Infrastructure	45.40	Afforestation = 23.0 Ha. For future use = 22.40 Ha.
6	Afforestation already done	4.58	Afforestation undisturbed = 4.58 Ha.
7	Existing undisturbed forest	167.63	Undisturbed forest = 167.63 Ha.
8	Area in between infrastructure	121.36	Afforestation = 59.98 Ha Outer area encompassing infrastructure = 61.38 Ha.
Total		647.5	647.50

Vinay
Vinay Kumar
 Regd. No. 100/100/2007/2007