

Government of India
Ministry of Environment, Forest and Climate Change
(Forest Conservation Division)

Indira Paryavaran Bhawan,
Aliganj, Jor Bag Road,
New Delhi - 110003.

Dated: 3rd June, 2022

To

The Addl. Chief Secretary (Forests),
Government of Odisha,
Bhubaneswar.

Sub: Proposal for non-forestry use of 194.683 ha of forest land in favour of M/s Odisha Mining Corporation (OMC) involved in total mining lease area of 358.258 ha of Guali Opencast Iron Ore Mines located in District Keonjhar (Odisha) – reg.

Sir,

I am directed to refer to the State Government's letter no. FE-DIV-FLD-0034-2022-8065/FE&CC dated 30.04.2022, received on 5.05.2022, on the above subject seeking prior approval of the Central Government and to say that examination of said proposal in the Ministry revealed the following:

- i. 27 ha of non-forest land out of 194.683 ha identified for CA falls under MDF category. Detail of degraded forest land identified for raising afforestation in lieu of 27 MDF non-forest CA land has not been submitted along with the proposal. The same needs to be submitted along with complete detail of supporting attributes such as afforestation scheme, suitability certificate, KML files, etc.
- ii. Detail of degraded forest identified in lieu of 1.5 times the area of safety zone of 6.469 ha of land of the mining leases for raising afforestation has not been submitted along with the proposal. Same needs to be submitted along with complete detail of supporting attributes such as afforestation scheme, suitability certificate, KML files, etc.
- iii. Elephant Habita-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.
- iv. A Nallah named Topadihi flows inside the ML area and it has been proposed to be diverted. Comments of the Water Resource Department of the State on the efficacy of proposed diversion of nallah needs to be informed by the State.
- v. Cost benefit Analysis of the project has been estimated to be 1:1786.67 which appears to be exorbitantly high. Total cost to be incurred on the project has been estimated to be Rs. 46.46 crores while benefits estimated to the tune of Rs. 83,011.84 crores. The same needs to be revisited and estimated using appropriate techno-economic tools for estimation of all parameters and their discounting to arrive at same present values of cost and future benefits.

- vi. Proposal involves 136 project affected families wherein 99 families have been proposed to be displaced. It is proposed to rehabilitate the displaced families in re-settlement colonies. Detail of R&R Plan, as approved by the State, has not been submitted along with the proposal.
- vii. Status of transfer of approvals granted under the Forest (Conservation) Act, 1980 from M/s S. P. Rao to M/s OMC Ltd, in accordance with the relevant guidelines issued by the Ministry, has not been intimated by the State. Detail of the same needs to be shared by the State.
- viii. Detail of NPV paid by the previous lessee i.e. M/s R. P. Sao in lieu of approvals accorded in the past may be intimated by the State.
- ix. Examination of Mining Plan revealed the following:
 - a. As per details of the area involved in the Mining Plan, forest area has been indicated as 229.524 ha while the proposal submitted online indicated the area as 332.10 ha. Similarly, land use provided in the Mining Plan for conceptual period at page 92 is corresponding to area of 339.709 ha while the total area of lease is 358.258 ha. Discrepancy in the area needs to be rectified by the State.
 - b. Further, Mining lease has been granted for a period of 10 years while the Mining Plan has been submitted only for 5 years. State Government may intimate the detail of Mining Plan, if any prepared for the entire lease period addressing the excavation of the entire mineable reserve in the lease.
 - c. Figures of different land uses in the mining lease as provided in the proposal and in Progressive Mine Closure Plan cannot be tallied for want of consolidated detail of land use in the proposal. Reconciled detail of land use in proposed in the forest and non-forest land may therefore be provided by the State.
 - d. As per detail furnished in the Mining Plan, in the ongoing project, area earmarked for dumping is 6.959 ha while an area of 0.093 ha is earmarked for storage of top soil. Area for dumping in the extant project has been increased to 56.90 including additional area of 49.051 ha, a justification for abrupt increase in the area earmarked for dumping may be furnished by the State.
- x. The State Government may also submit their considered opinion or justification on the following:
 - a. The State Government may comments on observation of DFO contained in part-II of Form-A reporting apparent violation of Forest (Conservation) Act, 1980 by using Sabik forest land of 38 ha for dumping without prior approval under the FC Act, 1980.
 - b. The State Government may comments on observation of DFO contained in part-II of Form-A reporting apparent violation of Forest (Conservation) Act, 1980 by using Sabik forest land of 38 ha for dumping without prior approval under the FC Act, 1980.

- c. M/s Deepak Steel has purchased and established a Steel Plant over 8.0 ha of Sabik land within the ML area. Therefore comments are desired on whether sale purchase within ML area after lease execution is permissible, impact of such activities on lease sanctity and reasons for not including the same into the detail of project components submitted along with the proposal.
- d. whether the lease executed between Collector Keonjhar and M/s OMC on 12.01.2021, includes forest land of 194.683 ha and if so, why execution of lease without the prior approval of the Central Government under the FC Act for 194.683 ha should be treated as a violation of Forest (Conservation) Act, 1980 and relevant orders of Hon'ble Supreme Court.

In view of the above, the State Government is requested to submit the information/documents, as indicated above, for further necessary action in the matter.

Yours faithfully,
sd/-
(Charan Jeet Singh)
Scientist 'D'

Copy to:-

1. Principal Chief Conservator of Forests, Government of Odisha, Bhubaneswar
2. Regional Officer (Central), Integrated Regional Office of the MoEF&CC at Bhubaneswar
3. Nodal Officer (FCA), Government of Odisha, Bhubaneswar
4. Monitoring Cell of FC Divisions, MoEF&CC, New Delhi
5. Guard file.