

**By Speed Post**

**No. J-11015/119/2018-IA.II (M)**

Government of India  
Ministry of Environment, Forest and Climate Change  
Impact Assessment Division

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Indira Paryavaran Bhavan,  
Vayu Wing, 3<sup>rd</sup> Floor, Aliganj,  
Jor Bagh Road, New Delhi-110 003

Dated: 2<sup>nd</sup> January, 2019

To,

**The Secretary,**  
Department of Environment,  
Government of Odisha,  
Secretariat, Bhubaneswar

**Sub.: Enhancement of production capacity of Iron Ore Mines from 0.998 MTPA to 2.05 MTPA along with Beneficiation Plant by M/s Patnaik Minerals Pvt. Ltd., located at village Palasa, Kha and Jaribahal under Champua Sub Division of Keonjhar Distt- Odisha (MLA 106.533ha)- regarding**

Sir,

This has reference to above mentioned proposal of M/s Patnaik Minerals Pvt. Ltd. is for enhancement in production capacity from 0.998 MTPA to 2.05 MTPA of Iron Ore along with Beneficiation Plant, located in the village Palasa, Kha and Jaribahal under Champua Sub Division of Keonjhar District- Odisha in the MLA of 106.533 ha. The lease area is bounded by Latitude 21°55'21" to 21°55'40" N and Longitude 85°24'18" to 85°24'39" E and falls under toposheet number Topo Sheet No: 73G/5.

2. The proposal was considered by the Expert Appraisal Committee in its meeting held during **October 23-24, 2018** (Minutes of meeting are enclosed herewith for ready reference) wherein the Committee **deferred** the proposal and observed that this is **a violation case of the EIA Notification 2006 as PP has enhanced the production capacity beyond the EC limit during 2008-09 (1007450 TPA), 2009-10 (1010080 TPA).** The Committee noted that it is a violation of provisions of the EIA Notification 2006 and the same may be handled as per the Ministry's Notification's dated **14.03.2017**. The Mine was closed from 2011-2018 and resume the mining operation w.e.f. 20.04.2018. The Committee also observed that the PP could not explain properly the details of waste and dumps handling, material balance, details of benches and mining technology etc. The Committee also mentioned that the Ministry has notified the Notification vide SO No. S.O. 804 (E) on 14.03.2017 for handling such type of violation cases. The EAC suggested that the Ministry may examine the issues.

3. The matter has been examined in the Ministry and **observed that** this is a case of **violation of the EIA Notification** as PP has enhanced the production capacity beyond the EC limit during 2008-09 (1007450 TPA), 2009-10 (1010080 TPA) and the same may be dealt by violation notification S.O. 804(E) dated 14.03.2017.

4. The matter has been examined in the Ministry and undersigned is hereby directed to request the Department of Environment, Government of Odisha, to initiate credible action against the Project Proponent by invoking powers under section 19 of the Environment (Protection) Act 1986 for taking necessary action under section 15 of the Act and the evidence may kindly be provided to the MoEF&CC on the credible action taken for taking further necessary action.

5. These issues with the approval of the Competent Authority.

Yours faithfully,



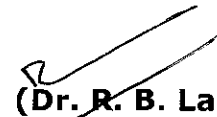
(Dr. R. B. Lal)

Scientist 'E'/Addl. Director

Encl. as above

Copy to:

- 1). **Principal Chief Conservator of Forests (C)**, Ministry of Environment, Forest and Climate Change, Regional Office (EZ), A/3, Chandersekharpur, Bhubaneswar – 751023.
- 2). **The Secretary**, Department of Mines and Geology, Government of Odisha, Secretariat, Bhubaneswar.
- 3). **The Member Secretary**, Odisha State Pollution Control Board, Parivesh Bhawan, A/118 Nilakantha Nagar, Unit-VIII, Bhubaneswar-751012.
- 4). **M/s Patnaik Minerals Pvt. Ltd.**, Baneikela, PO: Joda, District Keonjhar, Odisha.
- 5). **Guard File.**
- 6). **MoEF&CC Website.**



(Dr. R. B. Lal)

Scientist 'E'/Addl. Director

01/04/17

**Enhancement of production capacity of Iron Ore Mines from 0.998 MTPA to 2.05 MTPA along with Beneficiation Plant by M/s Patnaik Minerals Pvt. Ltd., located at village Palasa, Kha and Jaribahal under Champua Sub Division of Keonjhar Distt- Odisha (MLA 106.533ha) (File No. J-11015/119/2018-IA.II(M); Proposal No. IA/OR/MIN/76023/2018)-Consideration of TOR**

The proposal of M/s Patnaik Minerals Pvt. Ltd. is for enhancement in production capacity from 0.998 MTPA to 2.05 MTPA of Iron Ore along with Beneficiation Plant, located in the village Palasa, Kha and Jaribahal under Champua Sub Division of Keonjhar District- Odisha in the MLA of 106.533 ha. The lease area is bounded by Latitude 21°55'21" to 21°55'40" N and Longitude 85°24'18" to 85°24'39" E and falls under toposheet number Topo Sheet No: 73G/5. The PP presented the KML file during the presentation to indicate the location of mine lease on Google Earth/ DSS. The Committee deliberated the same.

Project Proponent reported that total mine lease area is 106.533ha. Out of the total lease area 99.099ha is forest land and remaining 7.434ha is non-forest land. The mine will be operated by Fully Mechanized Method. Processes of excavation and loading of overburden/waste will be done by deploying hydraulic excavators and dumpers. The mining operation closed since 2011 after the expiry of the lease period for want of Forest Clearance. After obtaining all the statutory clearances with the payment of compensation the supplementary lease deed executed on 16.04.2018. Subsequently, the mining operation has been re-started on 20.04.2018. Ore will be transported from quarry site to screen and crushing site for processing by use of 10/35 ton dumpers whereas waste materials will be dispatched from quarry to dumping site by using same capacity dumpers. The proposed mining will have 6m height benches and will be drilled for blast holes by 100 mm dia crawler mounted pneumatic drills fed by compressed air and Sandvik DP 1100 hydraulic drills will be used. During the plan period, it is proposed to use the excavator of capacity of 3.2 Cu.m for mining operation in pits. Dumpers of capacity of 35MT/15 Cu.m will work in combination with those excavators for RoM removal. Loading will be done by mechanized method. The dispatchable ore, sub grade and waste material will be loaded by the loader to the dumper. The bucket capacity of the loader will be 2.5Cu.m. Drinking water supply is from bore well within the project site. Drinking water requirement will be approx. 10000 Liters per day. The installation of jigging plant will start after obtaining statutory clearance. Estimated project is Rs. 4500 Lakhs.

Project Proponent reported that presently the mine is in operation and the details are as follows:

<b>S. No.</b>	<b>Issues</b>	<b>PP' submission</b>
1.	Details of demand, if any, raised by	Demand Note No, 4114/Mines dated 02.09.2017 for Rs. 479,81,60,413/- (Rupees four hundred Seventy-

	Department of Mining & Geology, Govt. of Odisha in compliance of the order dated 02.08.2017 in CWP No. 114/2014 of Hon'ble Supreme Court	<p>Nine Crore eighty-one Lakhs sixty Thousand four Hundred Thirteen only) was raised by Department of Steel &amp; Mines, Govt. of Odisha vide letter No. 4114/Mines, dated 02.09.2017, towards compensation under section 21(5) of MMDR Act, 1957.</p> <p>Further, the Department of Steel &amp; Mines, Govt. of Odisha, vide letter No. 4598/Mines, dated 26.09.2017, has demanded Rs. 96,36,09,639/= towards compensation under section 21(5) of MMDR Act, 1957 for production made in excess of the lower of the approved limits under mining plan and Consent to Operate.</p>
2.	Details of payment, if any, made to Department of Mines & Geology, Govt. of Odisha.	<p>The Project Proponent has deposited Rs. 484,57,69,553.00/- (Rupees four hundred eighty four Crore fifty seven Lakhs sixty nine Thousand five Hundred fifty three only) vide treasury e-challans no. 29EFB4FA65, dated 15.01.2018 (for Rs.25,00,00,000/-), no. 29FOAA43B4, dated 31.01.2018 (for Rs.448,00,00,000/-), no.29F4D666C3, dated 01.02.2018 (for Rs.6,81,60,413/), and no. 29F4D6671C, dated 01.02.2018 (for Rs.4,76,09,140/-).</p> <p>The Project Proponent has not paid Rs. 96,36,09,639/= and appeal in Revisional Authority, Ministry of Mines vide RA NO. 22(26)/2017/RC-1 dated 27.12.2017 wherein the RA has directed the State Govt. not to take coercive action. The case is sub-judice.</p>
3.	Validity of mine lease	As per the MMDR Amendment Act., 2015 the mining lease has been extended and valid up to 31.03.2020.
4.	Details of past production of mine since its inception, duly authenticated by Department of Mines & Geology,	<p>The details of the past production figure from 2000-01 to 2010-11 is duly authenticated by the Deputy Director of Mines, Joda, has been submitted by the PP.</p> <p>The Committee noted that <b>PP has not submitted</b></p>

	Govt. of Odisha.	<p><b>the authenticated past production details after 2011-12 which shall be duly authenticated</b> by Department of Mines &amp; Geology, Govt. of Odisha. PP has got the EC vide letter No. J-11015/516/2007-IA.II(M) dated 25.07.2008 for mining of iron ore with production capacity of 0.998 million TPA. The life of mine mentioned in EC is 10 years i.e. EC is valid upto 24.07.2018. However, based on the PP's submission PP has enhanced the production capacity beyond the EC limit during 2008-09 (1007450 TPA), 2009-10 (1010080 TPA). The Committee noted that it is a violation of provisions of the EIA Notification 2006 and the same may be handled as per the Ministry's Notification dated 14.03.2017. The Mine was closed from 2011-2018 and resume the mining operation w.e.f. 20.04.2018. The PP has submitted an affidavit dated 18.09.2018 in compliance of Ministry's OM dated 30.05.2018 in respect of the order of Hon'ble of Supreme Court dated 02.8.2017 in W.P.(C) No. 114/2014.</p>
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It is informed to the Committee that the Ministry of Mines, vide Notification No.S.O.2817 (E) dated 22nd November, 2010 had appointed a Commission of Inquiry consisting Justice M.B. Shah, retired Judge of the Supreme Court of India, for the purpose of making an inquiry in to mining of iron ore and manganese ore in contravention of the provision of various Statues and the rules and regulations issued there under, in various States including the State of Odisha. In view of Justice Shah Commission report (2013), the Ministry of Environment, Forest and Climate Change (MoEF&CC) has entrusted the work to CSIR-NEERI to conduct a Carrying Capacity Study with an objective to develop (i) a sustainable development plan for mining activities in the impact area of about 1000 sq.km. in the State of Odisha and (ii) an environmental management plan for current as well as future developmental scenario. CSIR-NEERI has conducted the study encompassing collection of primary data for various environmental components (viz. air, noise, water, soil/land, biological and socio-economic aspects), collection and analysis of environmental quality data by different mines in the region, modeling for transport scenario and infrastructure need assessment, and meetings/workshops with different stakeholders (like Department of Steel & Mines, Directorate of Mines, IBM-HQ & Regional Office, SPCB, GSI, MoEF&CC, State Forest Dept. etc. as well as senior executives from respective mines). NEERI has submitted the report along with the recommendations.

Based on the presentation and deliberation during the meeting, the Committee noted that PP has not submitted the authenticated past production details after 2011-12 which shall be duly authenticated by Department of Mines & Geology, Govt. of Odisha. PP has got the EC vide letter No. J-11015/516/2007-IA.II(M) dated 25.07.2008 for mining of iron ore with production capacity of 0.998 million TPA. The life of mine mentioned in EC is 10 years i.e. EC is valid upto 24.07.2018. However, based on the PP's submission **PP has enhanced the production capacity beyond the EC limit during 2008-09 (1007450 TPA), 2009-10 (1010080 TPA).** The Committee noted that it is a violation of provisions of the EIA Notification 2006 and the same may be handled as per the Ministry's Notification's dated 14.03.2017. The Mine was closed from 2011-2018 and resume the mining operation w.e.f. 20.04.2018. The Committee also observed that the PP could not explain properly the details of waste and dumps handling, material balance, details of benches and mining technology etc. The Committee deferred the proposal and suggested that **the Ministry may examine further the issues related to violations of EIA Notification, 2006.**

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