
Mining lease right renewed for Obulapuram Mining Company

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It is reported that lease rights of the Obulapuram Mining Company to extract iron ore from 25.98 hectares of reserve forest land at Obulapuram in Kalyandurg area of Anantapur district in Andhra Pradesh have finally been renewed for 10 years with effect from July 19th 2005. The original lease expired on August 3rd 2007.

The renewal is following an in principle approval already issued by the government of India on July 18th 2007, subject to various conditions including issuance of a no objection certificate by the Andhra Pradesh pollution control board under the water, land & tree act and clearance from the union ministry of environment & forests. The 10 year period for the present renewal is calculated from 2005, the year of transfer.

According to the order, Obulapuram Mining has been strictly asked not to use the leased area for any other purpose. In the event of violation of this condition, the land would be resumed by the government. It has also been asked to raise penal compensatory afforestation covering double the area and pay penal compensatory afforestation fee to the union government.

Obulapuram Mining Company is owned by Mr G Janardhan Reddy MLC from Karnataka, who has also been allotted about 10,000 acres of land in the neighboring Kadapa district to set up a mega steel plant at an estimated cost of INR 20,000 crores. The ore extracted from the area will be used by proposed steel plant.

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