

F. No. J-11011/143/2014-IA-II(I)
Government of India
Ministry of Environment, Forest and Climate Change
(Impact Assessment Division)

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Dated: 31st January, 2017

To

The Chairman
M/s Hermes Distillery Private Limited
Yadravi village, Raibag Taluku,
Belagavi District, Karnataka State

Sub: Establishment of primary distillery based on molasses to manufacture 100 KLD of rectified spirit /100 KLD of extra neutral alcohol/ 100 KLD of Ethanol, 86.4KLPD IMPL bottling plant along with 13.0 MW generation of power (8MW Cogen+5MW from spent wash incineration boiler) at Yadravi Village, Taluku Raibag, Belagavi District, Karnataka by M/s Hermes Distillery Private Limited- Environmental Clearance- reg.

Ref: Online Proposal No. IA/KA/IND2/57292/2014 dated 09th July, 2016.

Sir,

This has reference to your online proposal no. IA/KA/IND2/57292/2014 dated 09th July, 2016., along with project documents including Form I, Terms of References, Pre-feasibility Report, EIA/EMP Report along with Public Hearing Report regarding the above mentioned project.

2. The Ministry of Environment, Forest and Climate Change has examined the application. It is noted that the proposal is for Establishment of primary distillery based on molasses to manufacture 100 KLD of rectified spirit(RS)/ 100 KLD of extra neutral alcohol(ENA)/ 100 KLD of Ethanol along with 5.0 MW generation of power from spent wash incineration boiler at Survey Nos. 96/5A, 96/5B, 96/5C, 96/3A/2, 98/1B/3, 98/1B/4 & 98/1B/5 of Yadravi Village, Taluku Raibag, Belagavi District, Karnataka by M/s. Hermes Distillery Private Limited. As informed and as per the documents submitted by the Project Proponent (PP), the proposed project will be installed in the existing premises. It is reported that the PP has obtained consent for establishment from Karnataka State Pollution Control Board (No: PCB/289/HPI/2013/430 dated:



15.06.2013) for setting up an industry to manufacture Extra Neutral Alcohol (ENA) of 100 KLD by redistillation of rectified spirit, Indian Made Foreign Liquor (IMFL) Bottling Plant of 86.4 KLD and power generation plant of 8 MW hr and has constructed the unit. This is a backwards integration project.

3. It is reported that, the total existing plot area is 17.84 acre. The proposed built up area for the plant will be spread over an area of 6.58 acres. Green belt area will be developed over an area of 5.73 acres. Proposed project will be implemented at a cost of 153 crores of which about 20 crores has been budgeted for implementing the Environmental Management Plan. It is reported that an additional 153 people will be employed in the project. It is reported that there are no Wildlife Sanctuaries/National Parks within 10 kms radius of the project site. Saundatti RF and Shivajipark RF are present within 10 Km radius of the project site. Krishna River is flowing at distance of 3.7 Km. Proposed primary distillery plant of 100 KLD based on molasses along with power generation of 5 MW hr from spentwash incineration boiler plant will be operated for 300 days in the year. The details of the existing and proposed expansion are as below:

S.No.	Existing	Capacity after proposed expansion
1	Manufacturing Extra Neutral Alcohol (ENA) of 100 KLD by redistillation of rectified spirit brought from outside.	RS from molasses based distillery - 100 KLD ENA from RS - 100 KLD Ethanol from RS -100 KLD
2	IMFL Bottling Plant of 86.4 KLD Power plant of 8 MW hr	IMFL Bottling Plant -86.4 KLD Power Plant - 8 MW hr Power from spent wash incineration- 5 MW hr

4. All molasses based distilleries are listed at Sl.No. 5(g) (i) of Schedule of EIA Notification under Category 'A' and are appraised at Central Level by Expert Appraisal Committee (EAC).

5. The project proposal was considered by the Expert Appraisal Committee (Industry-2) in its 20th meeting held during 23rd- 24th June, 2014 and 13th meeting held during 26th -27th September, 2016. The Project Proponent and the accredited consultant M/s Mantras Green Resources Ltd, Nasik, gave a detailed presentation on the salient features of the project and proposed environmental protection measures to be undertaken, as per Terms of References (TORs) awarded in the 20th meeting of the EAC (Industry -2) held

during 23rd– 24th June, 2014 for preparation of EIA-EMP report. The TOR has been issued vide Ministry's letter of even no. dated 22nd September, 2014.

6. Public Hearing for the proposed project has been conducted by the Karnataka State Pollution Control Board on 20th January, 2016. The EAC has deliberated upon the issues raised during the public hearing. The concerns were raised regarding local employment, waste management, air pollution control measures, soil quality, agricultural yield, etc. The EAC noted that the issues have satisfactorily been responded by the project proponent and incorporated in the final EIA-EMP report.

7. The PP has informed the EAC that the ambient air quality (AAQ) monitoring was carried out at 6 locations during October, 2014 – December, 2014. The baseline data indicates that the ranges of concentrations as:-PM₁₀ (48.6 µg/m³ to 53 µg/m³), PM_{2.5} (21.8 µg/m³ to 26 µg/m³), SO₂ (7.8 µg/m³ to 9.60 µg/m³) and NO_x (9.5 µg/m³ to 11.40 µg/m³). AAQ modeling study for point source emissions indicates that the maximum incremental ground level concentrations (GLCs) after the proposed project would be 1.137 µg/m³, 9.19 µg/m³ and 3.41 µg/m³ with respect to PM₁₀, SO₂ and NO₂. The resultant concentrations are within the National Ambient Air Quality Standards (NAAQS).

8. It is reported that, ESP along with stack of 45 m height will be provided to coal/slop fired boiler of 35 TPH. Total water requirement will be 1313 m³/day, of which, fresh water requirement from Krishna River will be 703 m³/day and the remaining water requirement (440 m³/day) will be met from treated effluent of condensate. Spent wash (800 m³/day) will be treated in Multi effect evaporator (MEE). Concentrated spent wash will be burnt in the incineration boiler. Condensate and spentlees will be treated in the Condensate Polishing Unit. Ash generation from incineration boiler will be disposed to farmers for soil conditioning. The EAC suggested PP to send the ash from coal fired boiler to the cement plant.

9. The EAC, in its 13th meeting held during 26th-27th September, 2016, has found that the final EIA/EMP report submitted by the PP is adequate. The EAC after detailed deliberations, on the basis of the information and presentation made by the PP, has recommended the project for environmental clearance with certain conditions.

10. Based on the proposal and information submitted by the Project Proponent, and based on the recommendation by the Expert Appraisal Committee (Industry-2), the Ministry of Environment, Forest and Climate Change hereby accords Environmental Clearance to the above project under the provisions of EIA Notification dated 14th September 2006, subject to the compliance of the following Specific and General Conditions:

A. Specific Conditions:




- i) ESP alongwith stack of adequate height shall be provided to coal/slop fired boiler of 35 TPH to control particulate emission within 50mg/Nm³.
- ii) Total fresh water requirement from Krishna River shall not exceed 703 m³/day. No groundwater shall be extracted.
- iii) Spent wash generation from molasses based distillery shall not exceed 8 Kl/Kl of alcohol. The spent wash from molasses based distillery shall be treated in MEE followed by incineration boiler. Effluent from spentlees, utilities effluent and evaporator Condensate shall be treated in Condensate Polishing Unit (Secondary ETP followed by RO) and recycled/reused in process.
- iv) No effluent shall be discharged outside the premises and 'Zero' discharge shall be maintained.
- v) Spent wash shall be stored in impervious RCC lagoons with proper lining with HDPE and shall be kept in proper condition to prevent ground water pollution. The storage of spent wash shall not exceed 5 days capacity.
- vi) As proposed, no effluent from distillery shall be discharged outside the plant premises and Zero discharge shall be adopted. Water consumption shall be reduced by adopting 3 R's (reduce, reuse and recycle) concept in the process.
- vii) Process effluent/any wastewater shall not be allowed to mix with storm water. Storm water drain shall be passed through guard pond.
- viii) Continuous online (24 x7) monitoring to be installed for flow measurement and measurement of pollutants within the treatment unit. Data to be uploaded on company's website and provided to the respective RO of MEF&CC, CPCB and SPCB.
- ix) Adequate numbers of ground water quality monitoring stations by providing piezometers around the project area and spent wash tank shall be set up. Sampling and trend analysis monitoring must be made on monthly basis and report submitted to SPCB and this Ministry. The ground water quality monitoring for pH, BOD, COD, Chloride, Sulphate and total dissolved solids shall be monitored. Sampling and trend analysis monitoring must be made on monthly basis and report submitted to the Ministry's Regional Office and SPCB.
- i) Coal storage shall be done in such a way that it does not get air borne or fly around due to wind.
- ii) Boiler ash shall be stored separately as per CPCB guidelines so that it shall not adversely affect the air quality, becoming air borne by wind or water regime during rainy season by flowing alongwith the storm water. Direct exposure of workers to fly ash & dust shall be avoided. Coal ash shall be stored separately and sent to cement manufacturing unit.



- iii) Fire fighting system shall be as per the norms and cover all areas where alcohol is produced, handled and stored. Provision of foam system for fire fighting shall be made to control fire from the alcohol storage tank. DMP shall be implemented.
- iv) Occupational health surveillance programme shall be undertaken as regular exercise for all the employees. The first aid facilities in the occupational health centre shall be strengthened and the regular medical test records of each employee shall be maintained separately.
- v) Dedicated parking facility for loading and unloading of materials shall be provided in the factory premises. Unit shall develop and implement good traffic management system for their incoming and outgoing vehicles to avoid congestion on the public road.
- vi) As proposed, green belt over 33% of the total project area shall be developed within plant premises with at least 10 meter wide green belt on all sides along the periphery of the project area, in downward direction, and along road sides etc. Selection of plant species shall be as per the CPCB guidelines in consultation with the DFO.
- vii) All the commitments made during the Public Hearing/Public Consultation meeting held on 20th January, 2016 shall be satisfactorily implemented and adequate budget provision shall be made accordingly.
- viii) At least 5 % of the total cost of the project shall be earmarked towards the Enterprise Social Commitment (ESC) based on local needs and action plan with financial and physical breakup/details shall be prepared and submitted to the Ministry's Regional Office at Bangalore. Implementation of such program shall be ensured accordingly in a time bound manner. Besides, water supply, toilet facility and solar lighting, one rain water harvesting pond, etc shall be created in nearby villages.

B. General Conditions:

- (i). The project authorities must strictly adhere to the stipulations made by the Karnataka State Pollution Control Board, State Government and any other statutory authority.
- (ii). No further expansion or modifications in the plant shall be carried out without prior approval of the Ministry of Environment, Forest and Climate Change. In case of deviations or alterations in the project proposal from those submitted to this Ministry for clearance, a fresh reference shall be made to the Ministry to assess the adequacy of conditions imposed and to add additional environmental protection measures required, if any.



- (iii). The locations of ambient air quality monitoring stations shall be decided in consultation with the State Pollution Control Board (SPCB) and it shall be ensured that at least one station is installed in the upwind and downwind direction as well as where maximum ground level concentrations are anticipated.
- (iv). The National Ambient Air Quality Emission Standards issued by the Ministry vide G.S.R. No. 826(E) dated 16th November, 2009 shall be followed.
- (v). The overall noise levels in and around the plant area shall be kept well within the standards by providing noise control measures including acoustic hoods, silencers, enclosures etc. on all sources of noise generation. The ambient noise levels shall conform to the standards prescribed under Environment (Protection) Act, 1986 Rules, 1989 viz. 75 dBA (day time) and 70 dBA (night time).
- (vi). The Company shall harvest rainwater from the roof tops of the buildings and storm water drains to recharge the ground water and use the same water for the process activities of the project to conserve fresh water.
- (vii). Training shall be imparted to all employees on safety and health aspects of chemicals handling. Pre-employment and routine periodical medical examinations for all employees shall be undertaken on regular basis. Training to all employees on handling of chemicals shall be imparted.
- (viii). The company shall also comply with all the environmental protection measures and safeguards proposed in the documents submitted to the Ministry. All the recommendations made in the EIA/EMP in respect of environmental management, risk mitigation measures and public hearing relating to the project shall be implemented.
- (ix). The company shall undertake all relevant measures for improving the socio-economic conditions of the surrounding area. CSR activities shall be undertaken by involving local villages and administration.
- (x). The company shall undertake eco-developmental measures including community welfare measures in the project area for the overall improvement of the environment.
- (xi). A separate Environmental Management Cell equipped with full fledged laboratory facilities shall be set up to carry out the Environmental Management and Monitoring functions.
- (xii). The company shall earmark sufficient funds towards capital cost and recurring cost per annum to implement the conditions stipulated by the Ministry of Environment, Forest and Climate Change as well as the State Government along with the implementation schedule for all the conditions stipulated herein. The funds so earmarked for environment management/ pollution control measures shall not be diverted for any other purpose.



- (xiii). A copy of the clearance letter shall be sent by the project proponent to concerned Panchayat, Zilla Parishad/Municipal Corporation, Urban local Body and the local NGO, if any, from whom suggestions/representations, if any, were received while processing the proposal.
- (xiv). The project proponent shall also submit six monthly reports on the status of compliance of the stipulated Environmental Clearance conditions including results of monitored data (both in hard copies as well as by e-mail) to the respective Regional Office of MoEF&CC, the respective Zonal Office of CPCB and SPCB. A copy of Environmental Clearance and six monthly compliance status report shall be posted on the website of the company.
- (xv). The environmental statement for each financial year ending 31st March in Form-V as is mandated shall be submitted to the concerned State Pollution Control Board as prescribed under the Environment (Protection) Rules, 1986, as amended subsequently, shall also be put on the website of the company along with the status of compliance of environmental clearance conditions and shall also be sent to the respective Regional Offices of MoEF&CC by e-mail.
- (xvi). The project proponent shall inform the public that the project has been accorded environmental clearance by the Ministry and copies of the clearance letter are available with the SPCB/Committee and may also be seen at Website of the Ministry at <http://moef.nic.in>. This shall be advertised within seven days from the date of issue of the clearance letter, at least in two local newspapers that are widely circulated in the region of which one shall be in the vernacular language of the locality concerned and a copy of the same shall be forwarded to the concerned Regional Office of the Ministry.
- (xvii). The project authorities shall inform the Regional Office as well as the Ministry, the date of financial closure and final approval of the project by the concerned authorities and the date of start of the project.


11. The Ministry may revoke or suspend the clearance, if implementation of any of the above conditions is not satisfactory.

12. The Ministry reserves the right to stipulate additional conditions, if found necessary. The company in a time bound manner will implement these conditions.

13. The above conditions will be enforced, *inter alia* under the provisions of the Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Water Pollution) Act, 1981, the Environment (Protection) Act, 1986,




Hazardous Waste (Management, Handling and Trans-boundary Movement) Rules, 2008 and the Public Liability Insurance Act, 1991 along with their amendments and rules.


31.1.2017
(Yogendra Pal Singh)
Scientist 'D'

Copy to:-

1. The Secretary, Department of Forest, Environment & Ecology, Government of Karnataka, Room No. 708, Gate 2, Multi Storied Building, Dr. Ambedkar Veedhi, Bangalore - 560 001.
2. The Additional Principal Chief Conservator of Forests (C), Ministry of Environment, Forest and Climate Change Regional Office (SZ), Kendriya Sadan, 4th Floor, E&F Wings, 17th Main Road, Koramangala II Block, Bangalore - 560034.
3. The Chairman, Central Pollution Control Board, Parivesh Bhawan, CBD-cum-Office Complex East Arjun Nagar, Delhi - 110 032.
4. The Chairman, Karnataka State Pollution Control Board, "Parisara Bhavan", #49, 4th & 5th Floor, Church Street, Bangalore-560001.
5. Monitoring Cell, Ministry of Environment, Forest and Climate Change, Indira Paryavaran Bhavan, Jor Bagh, New Delhi- 110 003.
6. Guard File/Monitoring File/Website/Record File.


31.1.2017
(Yogendra Pal Singh)
Scientist 'D'