

F. No. J-11011/178/2010-IA-II (I)
Government of India
Ministry of Environment and Forests
(I.A. Division)

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Dated: 23rd August, 2012

To,

The Director
M/s MSP Sponge Iron Limited
Village-Manuapalli, Tehsil & District Raigarh,
Chhattisgarh

E-mail : saketagrawal@mbspsteel.com / mbspgroup@vsnl.com

Sub: Proposed expansion of Ferro Alloys Unit-5X9MVA Submerged Electric Arc Furnace (Si-Mn 84, 474 TPA and Fe-Mn 1,03,958 TPA) and captive power generation (62 MW) at Village-Manuapalli, Tehsil & District Raigarh in Chhattisgarh by M/s. MSP Sponge Iron Limited - regarding Environmental Clearance

Sir,

This has reference to your letter no. nil dated 13.02.2012 along with copies of EIA/EMP and public hearing reports seeking environmental clearance under the provisions of EIA Notification, 2006.

2. The Ministry of Environment and Forests has examined your application. It is noted that M/s MSP Sponge Iron Limited have proposed for the expansion of Ferro Alloys Unit at Village Manuapalli, Tehsil & District Raigarh in Chhattisgarh. Total project area acquired is 55.78 acres and expansion will be carried within the existing plant premises & adjoining areas. Green belt will be developed in 33% of plant area. No National Park / Wildlife Sanctuary is located within 10 km distance of the project. However, a number of protected forests and two reserve forests are located within a 10 km distance. Manganese ore, quartz, slag electrode paste, met coke will be used as raw materials in ferro alloy plant. Coal will be used as fuel in FBC boiler to generate Power. Power requirement will be met from the captive power plant. However, start up power will be met from CSEB grid. DG set (125 KVA) will be operated only in case of grid breakdown. Total cost of the project is Rs 195.48 Crores. Rs. 14 Crores and Rs. 60 lakhs/annum will be earmarked towards capital cost and recurring cost for environmental pollution control measures.

3. Fume extraction system with bag filters will be provided to control emissions from ferro alloy plant below 50mg/Nm³ and the cleaned gases will be vented to atmosphere through a stack of adequate height. Dust suppression system will be provided in loading and unloading areas. Dust extraction system with bag filters will be installed to control fugitive emissions from the raw material handling areas. Electrostatic precipitator (ESP) will be provided to FBC boiler to control particulate emissions within 50 mg/Nm³. Bag filters will be provided to material handling areas, coal handling areas, crusher, stock house, cooler discharge area, screening area etc.

4. It is noted that water requirement for of 1,350m³/day will be sourced from the Kur nala / Sapnai River. Closed loop system will be adopted in Ferro alloys unit so that no effluent is discharged. Only make up water will be fed into the plant. The treated effluent will be used for ash conditioning, dust suppression and green belt development. Service water

will be passed through oil separator to remove oil content in the effluent. Domestic effluent will be treated in septic tank followed by soak pit. No effluent will be discharged outside the premises and Zero discharge will be adopted. Rain water harvesting structures will be constructed to harvest the run -off from the roof tops by laying a separate storm water drainage system to recharge ground water. Ear plugs will be provided to workers working in noise prone areas. Acoustic enclosures will be provided to noise generating equipment. Low noise generating equipment will be installed in the proposed plant.

5. Ash from FBC boiler will be given to cement plants / brick manufacturers and as per the Fly Ash Utilization Notification. Ferro-Manganese slag will be used to manufacture Silico manganese, as it contains high MnO and Silicon. Silico-Manganese slag will be used in the road construction. Waste oil will be given to CECB approved vendors.

6. The Ferro Alloy Plants are listed at S.No. 3(a) in primary metallurgical industry under category-A of the Schedule of EIA notification 2006 and appraised by the Expert Appraisal Committee (Industry-1) in the MoEF.

7. The proposal was considered by the Expert Appraisal Committee-1 (Industry) in its 34th meeting held during 29th - 30th March, 2011. The Committee recommended the proposal for environmental clearance subject to stipulation of specific conditions along with other environmental conditions. Public hearing for the project was held on 16.12.2011.

8. Based on the information submitted by you, presentation made by you and your consultant, M/s Pioneer Enviro Laboratories & Consultants Pvt. Ltd., Hyderabad, the Ministry of Environment and Forests hereby accords environmental clearance to the above project under the provisions of EIA Notification dated 14th September 2006 subject to strict compliance of the following Specific and General conditions:

A. SPECIFIC CONDITIONS:

- i. No charcoal shall be used as fuel. Pet coke shall be used as fuel instead of charcoal from unknown sources.
- ii. Continuous monitoring facilities for all the stacks and air pollution control equipments viz. fume extraction system with bag filters, ID fan and stack of adequate height to submerged arc furnace shall be provided to control emissions below 50 mg/Nm³. ESP shall be installed to control the particulate emission from the captive power plant.
- iii. The National Ambient Air Quality Standards issued by the Ministry vide G.S.R. No. 826(E) dated 16th November, 2009 shall be followed.
- iv. Secondary fugitive emissions from all the sources shall be controlled within the latest permissible limits issued by the Ministry and regularly monitored. Guidelines / Code of Practice issued by the CPCB shall be followed.
- v. Regular monitoring of influent and effluent surface, sub-surface and ground water shall be ensured and treated wastewater shall meet the norms prescribed by the State Pollution Control Board or described under the E(P) Act whichever are more stringent. Leachate study for the effluent generated and analysis should also be regularly carried out and report submitted to the Ministry's Regional Office at Bhopal, SPCB and CPCB.
- vi. The total water requirement shall not exceed 1,350 m³/day. 'Zero' effluent discharge shall be strictly followed and no wastewater should be discharged outside the premises.

- vii. Efforts shall be made to make use of rain water harvested. If needed, capacity of the reservoir should be enhanced to meet the maximum water requirement. Only balance water requirement should be met from other sources.
- viii. Slag produced in Ferro Manganese (Fe-Mn) production shall be used in manufacture of Silico Manganese (Si-Mn). All the other ferro alloy slag shall be used in the preparation of building materials.
- ix. No Ferro Chrome shall be manufactured without prior approval from the Ministry of Environment & Forests.
- x. Risk and Disaster Management Plan along with the mitigation measures should be prepared and a copy submitted to the Ministry's Regional Office at Bhopal, SPCB and CPCB within 3 months of issue of environment clearance letter.
- xi. All the commitments made to the public during the Public Hearing / Public Consultation meeting held on 16th December, 2011 should be satisfactorily implemented and a separate budget for implementing the same should be allocated and information submitted to the Ministry's Regional Office at Bhopal.
- xii. As proposed, green belt should be developed in at least 33 % of the project area. Selection of plant species shall be as per the CPCB guidelines in consultation with the DFO.
- xiii. At least 5 % of the total cost of the project should be earmarked towards the Enterprise Social Commitment based on Public Hearing issues and item-wise details along with time bound action plan should be prepared and submitted to the Ministry's Regional Office at Bhopal. Implementation of such program shall be ensured accordingly in a time bound manner.
- xiv. Provision shall be made for the housing of construction labour within the site with all necessary infrastructure and facilities such as fuel for cooking, mobile toilets. Safe drinking water, medical health care, crèche etc. The housing may be in the form of temporary structures to be removed after the completion of the project.

B. GENERAL CONDITIONS:

- i. The project authorities must strictly adhere to the stipulations made by the Chhattisgarh Environment Conservation Board (CECB) and the State Government.
- ii. No further expansion or modifications in the plant shall be carried out without prior approval of the Ministry of Environment and Forests.
- iii. At least four ambient air quality monitoring stations shall be established in the downward direction as well as where maximum ground level concentration of PM₁₀, SO₂ and NO_x are anticipated in consultation with the CECB including one ambient air quality monitoring station in the downwind direction. Data on ambient air quality and stack emission should be regularly submitted to this Ministry including its Regional Office at Bhopal and the CECB / CPCB once in six months.
- iv. Industrial wastewater shall be properly collected, treated so as to conform to the standards prescribed under GSR 422 (E) dated 19th May, 1993 and 31st December, 1993 or as amended from time to time. The treated wastewater shall be utilized for plantation purpose.

- v. The overall noise levels in and around the plant area shall be kept well within the standards (85 dBA) by providing noise control measures including acoustic hoods, silencers, enclosures etc. on all sources of noise generation. The ambient noise levels should conform to the standards prescribed under EPA Rules, 1989 viz. 75 dBA (daytime) and 70 dBA (nighttime).
- vi. Occupational health surveillance of the workers shall be done on a regular basis and records maintained as per the Factories Act.
- vii. The company shall develop rain water harvesting structures to harvest the rain water for utilization in the lean season besides recharging the ground water table.
- viii. The project proponent shall also comply with all the environmental protection measures and safeguards recommended in the EIA/EMP report. Further, the company must undertake socio-economic development activities in the surrounding villages like community development programmes, educational programmes, drinking water supply and health care etc.
- ix. Requisite amount shall be earmarked towards the capital cost and recurring cost/annum for environmental protection measures and judiciously utilized to implement the conditions stipulated by the Ministry of Environment and Forests as well as the State Government. The funds so provided shall not be diverted for any other purpose.
- x. A copy of clearance letter shall be sent by the proponent to concerned Panchayat, Zila Parishad / Municipal Corporation, Urban Local Body and the local NGO, if any, from whom suggestions / representations, if any, were received while processing the proposal. The clearance letter shall also be put on the web site of the company by the proponent.
- xi. The project proponent shall upload the status of compliance of the stipulated environment clearance conditions, including results of monitored data on their website and shall update the same periodically. It shall simultaneously be sent to the Regional Office of the MOEF, the respective Zonal Office of CPCB and the CECB. The criteria pollutant levels namely, PM₁₀, SO₂, NO_x (ambient levels as well as stack emissions) or critical sectoral parameters, indicated for the projects shall be monitored and displayed at a convenient location near the main gate of the company in the public domain.
- xii. The project proponent shall also submit six monthly reports on the status of the compliance of the stipulated environmental conditions including results of monitored data (both in hard copies as well as by e-mail) to the Regional Office of MOEF at Bhopal, the respective Zonal Office of CPCB and the SPCB. The Regional Office of this Ministry at Bhopal / CPCB / CECB shall monitor the stipulated conditions.
- xiii. The environmental statement for each financial year ending 31st March in Form-V as is mandated to be submitted by the project proponent 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 alongwith the status of compliance of environmental conditions and shall also be sent to the respective Regional Offices of the MOEF by e-mail.
- xiv. 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

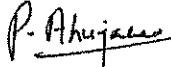
available with the CECB and may also be seen at Website of the Ministry of Environment and Forests at <http://envfor.nic.in>. This shall be advertised within seven days from the date of issue of the clearance letter, at least in two local newspapers that are widely circulated in the region of which one shall be in the vernacular language of the locality concerned and a copy of the same shall be forwarded to the Regional office at Bhopal.

- xv. 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 commencing the land development work.

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


10. The Ministry reserves the right to stipulate additional conditions if found necessary. The Company in a time bound manner shall implement these conditions.

11. The above conditions shall be enforced, inter-alia under the provisions of the Water (Prevention & Control of Pollution) Act, 1974, the Air (Prevention & Control of Pollution) Act, 1981, the Environment (Protection) Act, 1986, Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 and the Public (Insurance) Liability Act, 1991 along with their amendments and rules.


(Dr. P. L. Ahujarai)
Scientist 'F'

Copy to:

1. The Secretary, Department of Environment, Govt. of Chhattisgarh, Chhattisgarh.
2. The Chairman, Central Pollution Control Board, Parivesh Bhavan, CBD-cum-Office Complex, East Arjun Nagar, Delhi-110032.
3. The Chairman, Chhattisgarh Environment Conservation Board, Nanak Niwas, Civil Lines, Raipur, Chhattisgarh.
4. The Chief Conservator of Forests (Eastern), Regional Office (Western Zone), E-3/240, Arera Colony, Bhopal - 462 016, M.P.
5. Monitoring Cell, Ministry of Environment & Forests, Paryavaran Bhavan, CGO Complex, New Delhi.
6. Guard file / Record file.


(Dr. P. L. Ahujarai)
Scientist 'F'