

No. BMM/ENV/2016-17/99

Date: 03-03-2017



To,
The Director, I.A. Division,
Ministry of Environment, Forest and Climate Change (MoEFCC),
Indira Paryavaran Bhavan,
Jor Bagh Road, Aliganj,
New Delhi-110 003

Respected Sir,

Sub: 2MTPA Integrated Steel Plant, 230 MW Captive Power Plant and 1.4 MT Cement Plant near Danapura Village, Hospet Taluk, Bellary District, Karnataka State, by M/s BMM ISPAT LIMITED, extension of Environmental Clearance Validity period requested as per clause 9 (amended) EC Notification 2006 .

References:

1. Grant of Environmental Clearance by MOEF on 18th May 2010, vide its letter No F. No. J-11011/236/2008- IA II (I) to BMMIL Hospet
2. MoEF Notification S.O. 1141(E) New Delhi Dated 29th April 2015
3. Monitoring Report by, the Regional Office, Southern Zone, Bangalore 560034 on EC granted to M/s BMMIL, Hospet. Date of Visit 17th November 2016 and date of uploading Monitoring Report 09.01.2017

The Ministry Of Environment And Forests, Government of India (I.A.Division) granted Environment Clearance to M/s B.M.M.Ispat Ltd., (BMMIL), to set up 2MTPA Integrated Steel Plant, 230 MW Captive Power Plant and 1.4 MT Cement Plant near Danapura Village, Hospet Taluk, Bellary District Karnataka State, vide reference (1) cited above.

M/s BMMIL after obtaining Consent for Establishment (CFE) and Consent of Operation (CFO) from Karnataka State Pollution Control Board has Commissioned the following manufacturing units and they are in operation. The Status position of project implementation is as follows.

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ISO 9001:2008



ISO 14001:2004
OHSAS 18001:2007

Table: Status of setting up of manufacturing / process units as per EC granted, Dated 18th May 2010

S.N	Items	Unit	Capacity Granted	Existing Capacity / in operation	Project to come up	Remarks
1	Iron ore beneficiation plant	MTPA	3.40	1.30	2.1	1.3 MTPA in operation
2	Palletizing Plant	MTP A	1.20	1.20	-	1.2 MTPA in operation
3	DR Plant	MTP A	0.70	0.70	-	0.7 MTPA in operation
4	EAF & BOF Steel making	MTP A	2.30	1.1	1.20	1.1 MTPA in operation
5	Rolling mills : Hot strip mill Structural's /wire rods	MTPA MTPA	1.00 1.00	0.85	1.1 5	0.85 MTPA in Operation
6	Oxygen Plant	TPD	2x500	1x 500	1x500	1x 500 TPD in Operation
7	Power Plant	MW	230	3x70	20	210 MW Power plant in Operation

Table: Manufacturing units to be established

S.N.	Items	Unit	Capacity	Existing Capacity / in operation	To be established
1	Iron ore beneficiation plant	MTPA	3.40	1.30	2.10
4	Coke Oven	MTPA	0.80	-	0.80
5	Sinter Plant	MTPA	2.50	-	2.50
6	Blast furnace	MTPA	1.70	-	1.70
7	EAF & BOF Steel making	MTPA	2.30	1.1	1.20
8	Continuous casting machines Slab Caster Billet Caster	MTPA MTPA	1.10 1.10	-	2.20
9	Rolling mills : Hot strip mill Structural's /wire rods	MTPA MTPA	1.00 1.00	0.85	1.15
10	Oxygen Plant	TPD	2x500	1x 500	1x500
11	Calcining	TPD	1,080	-	1080
12	Cement Plant	MTPA	1.40	-	1.40

The industry could not totally commission Manufacturing & process facilities as approved in EC due to the following facts:

- a) The State Government have allotted and handed over Project land [Private and Government Land] only in December 2012 after following due process of law, involving several meetings at different levels including State Government Secretariat level & Cabinet.
- b) The Hon'ble Supreme Court vide its order dated 29-07-2011 and 26-08-2011 has banned Iron Ore Mining Ore Operation in Bellary, Chitradurga & Tumkur Districts. This has resulted in scarcity of Iron Ore in the State and scaling down production capacity. However the ban was lifted by Hon'ble Supreme Court on 18.04-2013.
- c) The Steel Industries in Karnataka are facing crucial situation in procuring Quality Iron Ore for their Production activity. As per Honourable Supreme Court of India direction, Iron Ore has to be procured through E-AUCTION process only and existing Iron Ore Linkage agreements are not valid and they are not honoured. This has resulted obtaining Quality Iron Ore in time and hindered execution of project as planned.
- d) Due to domestic and global factors, the Indian Steel sector is facing severe narrowing in steel demand, there is a steep decline in construction, housing and infrastructure investments, falling investments in mining, metals and oil and gas due to a sharp fall in commodity prices. Our bankers were also very cautious and not forth coming in financing the project.
- e) Chinese steel industry produces annually more than 650 MT of crude steel (more than half of global output), and flooded into the Indian and other world markets. On account of its low cost the Indian companies could not compete with the Chinese product and hence progress was retarded.

In spite of the above hurdles and against all odds the proponent made every effort to implement the project and till date, BMMIL has already invested more than Rs 5000 Crores towards Land, Plant & Machinery, Green belt, infrastructure like Railway siding with wagon triples, Power plant, Road Connecting NH 13 (Mariyammanahalli) to villages and CSR.

BMMIL is regularly submitting half yearly EC Compliance report to The Regional Office, Southern Zone, Bangalore. BMMIL submitted six monthly Compliance report on EC conditions for the period from April –September 2016. A copy of the same is provided as **Annexure (a)**. The Scientist from Bangalore, Regional Office inspected BMMIL on 17th November 2016 and has up loaded his compliance report at MoEF&CC web site. The conclusion Para in his monitoring report on the inspection is reproduced below, for ready reference.



"It is submitted that six monthly progress reports are submitted and uploaded in MOEF&CC website. The air quality and water quality in and around unit are being monitored and are uploaded in the website. The monitored parameters are within the permissible limit. Thus the compliance is rated satisfactory. Being Steel unit and handling huge quantity of iron ore and coal, the pollution control measures / fugitive dust control measures followed presently should be continued strictly on continuous basis for maintaining good housekeeping / environment. Detailed point wise compliance status is given in this report."

A copy of the said monitoring report is downloaded from the MoEF& CC website and the same is attached as **Annexure (b)**

An updated Form -1 (Appendix 1) of EC Notification dated 14th September 2006 is attached along with this letter.

BMMIL is planning to complete the balance manufacturing units within three years, of the extended validity period now sought. We request you to kindly extend our Environmental Clearance for a further period of three years w.e.f 18.05.2017.

Thanking You Sir

Yours faithfully
for BMM Ispat Limited



Sials Narella

General Manager- PR

Encl: As above

Annexure (a)	Six monthly Compliance report submitted by BBMIL for the period April 2016 to September 2016 to EC conditions stipulated by MoEF New Delhi dated 13-10-2016.
Annexure (b)	A copy of the Monitoring report