No. J-11011/228/2003-IA-II
Government of India
Ministry of Environment & Forests
IA Division

Paryavaran Bhawan
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May 12, 2004

To

Shri R.P. Goyal
Director
M/s Bhushan Limited
J K Millennium Centre, 6th floor
40D, J.L.Nehru Road, Kolkata-700 071

Sub : Integrated Steel Plant of 1.2 MTPA capacity of M/s Bhushan Ltd. at Rengali, Sambalpur district, Orissa

Sir,

This has reference to your communication no. nil dated 28.10.03 alongwith the application, EIA/EMP and related project documents, and subsequent clarifications furnished by you vide your letters dated 28.11.03, 15.12.03 and 20.1.04, seeking environmental clearance for the above-mentioned project.

The Ministry of Environment and Forests has examined your application. It is noted that the company proposes to set up an integrated steel plant for production of 1,200,000 TPA of finished steel alongwith a captive power plant (CPP) of 140 MW. The plant will be set up in a phased manner in an area of 646 ha. at Rengali in Sambalpur district of Orissa. Out of the total requirement of land, 59.16 ha is forest land. The forest diversion proposal is presently under the consideration of the State Government. About 160 families in the village Thelkoli will be displaced. A rehabilitation and resettlement package for the 160 project displaced families has been developed by the company in consultation with the villagers and concerned State Government agencies, including Orissa Industrial Infrastructure Development Corporation (IDCO). The R&R package includes development of a resettlement colony, and employment opportunities. The plant will be based on directly reduced iron (DRI), induction furnace (IF), electric arc furnace (EAF), blast furnace (BF), and continuous casting rolling mill route. The integrated steel plant will be set up without the coke oven plant. The major plant facilities proposed to be set up are DRI kilns (8x1,50,000 TPA), Power Plant (2x40MW+60 MW), Coal washery (2x1 MTPA), Blast Furnace (2x350 cu.m), and Steel melting and rolling facilities (9,00,000 TPA). The requirement of iron ore lump DR grade and BF grade will be met from Banaspani, non-coking coal ROM from IB valley, imported coke BF grade from China, dolomite DR grade and BF and SMS grade from Baradwar, limestone BF grade from import and quartzite from local sources. Water required for the project will be 2422 m3/h (58128 m3/d) which will be sourced from Hirakud reservoir through a pipeline of about 12 km. The

project authorities have obtained permission from the State Department of Water Resources for drawl of water from the Hirakud dam reservoir. The proposed steel plant will be designed to fully recycle water and will be based on zero discharge concept. The Orissa Pollution Control Board has accorded consent to establish for the project on 18.9.03. Public hearing for the project was held on 16.7.03. Cost of the project is Rs. 1650 crores.

The Ministry of Environment & Forests hereby accords environmental clearance to the above project under EIA Notification dated 27th January, 1994 as amended subsequently, subject to strict compliance of the following conditions:

A SPECIFIC CONDITIONS

(i) The gaseous and particulate emissions from various process units shall conform to the standards prescribed by the State Pollution Control Board. The company shall take appropriate measures to achieve the load/mass based standards prescribed from time to time. The State Board may specify more stringent standards for the relevant parameters keeping in view the nature of the industry and its size and location. At no time the emission level shall exceed the prescribed standards. In the event of failure of any pollution control system adopted by the unit, the respective unit shall not be restarted until the control measures are rectified to achieve the desired efficiency.

(ii) In plant control measures for checking fugitive emission from spillage, handling of raw materials and product shall be provided. Further specific measures such as ESP based cedusting system for sponge iron plant, ESPs for the DRI kilns, ventury scrubber and clarifier for BF stove gas cleaning, bag filters for BF dedusting stacks, bag filters for induction furnace, electric arc furnace and ladle furnace, ESPs for CPP, and bag filter for raw material crusher area shall be provided. Data on fugitive emissions shall be regularly monitored and records maintained. Continuous stack monitoring system shall be installed in major stacks.

(iii) The plant shall be based on zero discharge concept. There shall be no discharge of effluent, which shall be fully recycled. As reflected in the EIA/EMP report, the wastewater from raw water treatment plant and filter backwash water, after taking through settling tanks, shall be used for moistening of ash, cooling of slag and horticulture. The DM water plant effluent shall also be taken to settling tank after neutralization. Cooling tower blow down shall be reused for service water system. Water from coal washery shall be treated in thickener and its overflow reused in the plant. The domestic wastewater from township after treatment in STP shall be used for green belt development.

(iv) As reflected in the EIA/EMP report, solid wastes generated in the form of slag from blast furnace (12800 TPA) shall be collected in earmarked slag dump area, and sold to cement plants, SMS slag from induction furnace and electric arc furnace (183000 TPA) shall be used for landfilling or boulder soling of roads. Scrap from SMS and other areas shall be recycled to the maximum possible extent. Dust from DRI unit and SMS shall be

recycled or sold to outside parties. Ash from DR kilns and CPP shall be collected in earmarked ash dump area, and provided to brick and cement manufacturers or used for back filling of abandoned mines.

(v) All the recommendations of the Charter on Corporate Responsibility for Environmental Protection (CREP) for the integrated iron and steel sector shall be strictly implemented.

(vi) Green belt of adequate width and density shall be provided to mitigate the effects of fugitive emission all around the plant. A minimum of 25% of the area shall be developed as green belt with local species in consultation with the DFO, and as per CPCB's guidelines.

(vii) The company shall undertake rainwater-harvesting measures to harvest the rain water for their own utilization as well as to recharge the groundwater table.

(viii) Occupational Health Surveillance of the workers shall be done on a regular basis and records maintained as per the Factories Act. The company shall install CO detectors to detect leakage of CO gas from the MBF. Cardiopulmonary Resuscitation facilities and medicated oxygen cylinder facilities shall be provided.

(ix) The company shall obtain necessary approvals for diversion of 59.16 ha of forest land from the concerned agencies.

B. General conditions

(i) The project authorities shall strictly adhere to the stipulations made by the Orissa Pollution Control Board 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 & 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 SPM, SO2 and NOx are anticipated in consultation with the State Pollution Control Board. Data on ambient air quality and stack emissions shall be regularly submitted to this Ministry including its Regional Office at Bhubaneswar and the State Pollution Control Board/Central Pollution Control Board once in six months.

(iv) Industrial waste water 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.

(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

shall conform to the standards prescribed under EPA Rules, 1989 viz. 75 dBA (daytime) and 70 dBA (nighttime).

(vi) Proper housekeeping and adequate occupational health programmes shall be taken up. Occupational health surveillance programme shall be done on a regular basis and records maintained.

(vii) The company shall comply with all the environmental protection measures and safeguards recommended in the EIA/EMP report. Further, the company shall undertake socio-economic development activities in the surrounding villages like community development programmes, educational programmes, drinking water supply and health care etc.

(viii) A separate environmental management cell with full fledged laboratory facilities to carry out various management and monitoring functions should be set up under the control of Senior Executive.

(ix) The project authorities shall provide adequate funds both recurring and non-recurring to implement the conditions stipulated by the Ministry of Environment and Forests as well as the State Government alongwith the implementation schedule for all the conditions stipulated herein. The funds so provided shall not be diverted for any other purposes.

(x) The Regional Office of this Ministry at Bhubaneswar/ Central Pollution Control Board/State Pollution Control Board will monitor the stipulated conditions. A six monthly compliance report and the monitored data alongwith statistical interpretation shall be submitted to them regularly.

(xi) The company 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 State Pollution Control Board/Committee and may also be seen at website of the Ministry of Environment & Forests at http:/envfor.nic.in This shall be advertised within seven days from the state of issue of 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 should be forwarded to the Regional Office.

(xii) 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 commencing the land development work.

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

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

The above conditions will be enforced, interalia 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 and the Public Liability Insurance Act, 1991 alongwith their amendments and rules.

Sujata Arora

(Dr.Sujata Arora)
Joint Director

Copy to :

1. Secretary (Environment), Government of Orissa, Bhubaneswar.
2. Chairman, Central Pollution Control Board, Parivesh Bhawan, CBD-cum-office Complex, East Arjun Nagar, New Delhi-110 032
3. The Chairman, Orissa State Pollution Control Board, A-118, Nilkanta Nagar, Unit-VIII, Bhubaneswar-751 012
4. Chief Conservator of Forests (Central), Regional Office, Western Regional Office, A/3, Chandrasekharpur, Bhubaneswar-751 023
5. JS (CCI-I), MOEF
6. Director, Monitoring Cell, MoEF
7. Guard file
8. Monitoring file
9. Record file

(Dr.Sujata Arora)
Joint Director