F. No. J-11011/74/2013-IA II (I)

Government of India
Ministry of Environment, Forest and Climate Change
(I.A. Division)

Indira Paryavaran Bhawan Jor Bagh Road, Ali Ganj, New Delhi - 110003

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Dated: 26th June, 2015

To

M/s Vardhman Special Steels Ltd. C-58, Focal Point, Ludhiana Punjab-141010

Email: steel@vardhman.com; Fax No.- 0161-2670503

Subject: Expansion and modernization of steel melting shop with Electric Arc Furnace from existing capacity of 1,25,000 TPA to 2,00,000 TPA at Industrial Focal Point, Ludhiana, Punjab by M/s Vardhman Special Steels Ltd – Environment Clearance regarding.

Sir,

This has reference to your letter no. VSSL/MoEF/2014-15/3917 dated 8th January, 2015 along with copies of EIA/EMP report seeking Environment Clearance under the provisions of the EIA Notification, 2006. The ToR was awarded by MoEFCC vide letter dated 29th May, 2013 for preparation of EIA/EMP report.

- The proposal is regarding productivity improvement through technology upgradation of steel melting shop with Electric Arc Furnace from 1,25,000 TPA to 2,00,000 TPA by Installation of Oxy Fuel Burner (Virtual lance Burner), Oxygen and Carbon lanced manipulator, Automation of Electrode regulation for optimum power utilization, upgradation of transformers & Purchase of power through open access to run the plant 24 hrs, instead of 21 hrs. The existing capacity of the plant is 1,25,000 TPA. Plant site Coordinates of 4 corners are 30°53.356' N, 75°54.404' E 30°53.283' N, 75°54.546' E 30°53.161' N, 75°54.448' E 30°53.216' N, 75°54.305' E elevation 229 m. The total land requirement is 19.74 Acres (7.99 Ha). The nearest railway station is Ludhiana, which is 6.5 km in WNW direction. Nearest airport is Chandigarh airport at 87 km in ESE. No national parks / wildlife sanctuary / reserve forests exists within 10 km of study area. The total cost of the project is Rs. 24.50 Cr and man power requirement is 630 persons. Funds to the extent of Rs. 115 Lakhs i.e. 5% of total project cost shall be earmarked for CSR activities, this fund shall be utilized over a period of 5 years. Afterwards Rs. 5 Lakhs shall be utilized per annum as Recurring expenditure for CSR. Public hearing is exempted for the project since the site is located within the Industrial area, Ludhiana.
- 3.0 List of raw material required and source along with mode of transportation is shown in the following table

S.	Description of	Specific	Existing	Additional	Total	Mode of
No	Raw Material	Consumption Per MT of Billets	Quantity (TPA)	quantity (TPA)	quantity (TPA)	Transportation
1	Purchase Scrap	0.490 t	61250	36750	98,000	Rail/Trucks
2	DRI / Sponge Iron	0.564 t	70500	42300	112,800	Rail/Trucks
3	Pig iron	0.0291	3653.75	2192.25	5846	Rail/Trucks
4	Lime	100 kg	12,500	7500	20,000	Trucks
5	Carburizers	15 Kg	1875	1125	3000	Trucks
6	Refractories (SN	1S);		. 8		
	Bricks	25 kg	3125	1875	5000	Trucks
	Ramming Mass	3.5 kg	437.5	262.5	700	Trucks
	Gunning Mass	1.5 kg	187.5	112.5	300	Trucks
7	Refractories Rolling Mill	1.0 kg	200	0	200	Trucks
8	Fuel Oil & HSD;					
	SMS	11.0 kg	. 1375	825	2,200	Road Tankers
	Rolling Mill	35.0 kg	7000	0	7000	Road Tankers
F.	Graphite Electrodes	3.3 kg	412.5	247.5	660	Trucks
9	Process Gases;			1		
	Argon (1.786 Kg/Cu.m)	0.5 Cu.m	111.88	67.12	179	Trucks
>	LPG (1.965 Kg/Cu.m)	0.8 Cu.m	196.88	118.12	315	Trucks
10	Ferro-Alloys	30 kg	3750	2250	6000	Trucks
11	Lancing Pipe	1.4 kg	175	105	280	Trucks
12	Other misc. items like T.C. Tips, Positherm Tips etc.	0.5 nos.	125	75	200	Trucks

- 4.0 The total water requirement for the project is 773 m3/day. No additional ground water is required for the project. There are 2 sources of water hence no statuary permission is required from the water board. Total Electricity demand 34.8 MVA which will be sourced from the Punjab State Power Corporation Ltd.
- 5.0 The proposal was considered during the 17^{th} meeting of EAC held on $18^{th}-19^{th}$ March, 2014. The Committee noted that the proposed project site is located in the Industrial Focal Point, Phase –III, Ludhiana, Punjab for which moratorium was re-imposed by

MOEFCC vide O.M. No.J-11013/5/2010-IA.II(I) dated 17.9.2013 for consideration of projects. Committee deferred the consideration of the proposal till the PP obtains a certification from M/s. Punjab Pollution Control Board as mentioned in the Ministry's O.M. referred above.

- 6.0 The PP vide letter dated 8th January, 2015 submitted the letter No. 6383 dated 19/12/2014 issued by Sr. Environmental Engineer Zonal Office I, Punjab State Pollution Control Board, stating that the board has no objection for the proposal for increase of production capacity from 1,25,000 TPA to 2,00,000 TPA.
- 7.0 The matter was again considered in the 35^{th} EAC meeting held on $26^{th}-27^{th}$ March, 2015. After detailed deliberations, the EAC (I) recommended the project for Environmental Clearance and stipulated Specific Conditions along with other environmental conditions while considering for accord of Environmental Clearance.
- 8.0 The Ministry of Environment, Forest and Climate Change (MoEFCC) on the basis of the aforesaid recommendations of the EAC (I), hereby decided to grant Environmental Clearance to the aforesaid project under the provisions of EIA Notification dated 14th September 2006, subject to strict compliance of the following Specific and General conditions:

A. SPECIFIC CONDITION:

- i. The project proponent should install 24x7 air and water monitoring devices to monitor air emission and effluent discharge, as provided by CPCB/MoEFCC and submit report to Ministry and its Regional Office.
- ii. Increased production should be taken up only after installation and commissioning of the pollution control equipments as approved by Punjab Pollution Control Board.
- iii. Measures shall be taken to reduce PM levels in the ambient air. Stack of adequate height & diameter with continuous stack monitoring facilities for all the stacks shall be provided and sufficient air pollution control devices viz. Electrostatic precipitator (ESP), bag house, bag filters etc. shall be provided to keep the emission levels below 50mg/Nm3 and installing energy efficient technologies in the Plant.
- iv. On-line ambient air quality monitoring and continuous stack monitoring facilities for all the stacks shall be provided and sufficient air pollution control devices. Gaseous emission levels including secondary fugitive emissions from all the sources shall be controlled within the latest permissible limits issued by the Ministry vide G.S.R. 414(E) dated 30th May, 2008 and regularly monitored. Guidelines / Code of Practice issued by the CPCB shall be followed.
- v. Dust suppression system and bag filters shall be installed to control the fugitive dust emissions at conveyor and transfer points, product handling, loading and unloading points.
- vi. Water consumption shall not exceed as per the CREP standard prescribed for the steel plants. Additional water, if any, required for the plant project operations shall be met form rainwater stored in rainwater harvesting structures.

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- vii. Rainwater harvesting scheme shall be prepared so that the rainwater can be collected, re-used and may be used for ground water recharge. The concrete drains shall be desilted and regular supervision of the areas shall be carried out so that blocking of drains may be avoided for quick discharge of rainwater. Efforts shall further be made to use maximum water from the rain water harvesting sources. If needed, capacity of the reservoir shall be enhanced to meet the maximum water requirement.
- viii. Greenbelt of approximately 15-20 meter width consisting of a 3-tier of trees consisting of species with thick canopy shall be developed all along the periphery of the plant, roads, vacant spaces, transfer points, etc as part of 33% of total plant area.
- ix. All the effluents shall be treated and reused for dust suppression/green belt development. No effluent shall be discharged and 'zero' discharge shall be adopted.
- x. Full utilization of fly ash shall be ensured as per Fly Ash Notification, 1999 and subsequent amendment in 2003 and 2010. All the fly ash shall be provided to cement and brick manufacturers for further utilization and Memorandum of Understanding shall be submitted to the Ministry's Regional Office at Chandigarh.
- xi. Hazardous materials required during construction phase and in plant operations shall be stored properly as per the regulations and reused/recycled as per the E(P)A Rules.
- xii. Vehicles and construction machinery are properly maintained to minimize the exhaust emission as well as noise generation to meet prescribed standards.
- xiii. Risk and Disaster Management Plan along with the mitigation measures shall be prepared and implemented.
- xiv. All the recommendations made in the Charter on Corporate Responsibility for Environment Protection (CREP) for the Steel Plants shall be implemented.
- xv. All the commitments made to the public during public hearing/public consultation shall be satisfactorily implemented and adequate budget provision shall be made accordingly.
- xvi. All the permanent workers shall be covered under ESI Scheme. The company shall have the provision for treatment of its workers at the local Nursing Homes & Hospitals in case of emergency. Annual Medical Check-up on some medical parameters like Blood test, Chest X-Ray, Eye test, Audiometry, Spirometry etc. shall be conducted amongst the employees of the Company.
- xvii. At least 5 % of the total cost of the project shall be earmarked towards the Enterprise Social Commitment (ESC) based on local needs. The proponent shall prepare a detailed CSR Plan for every next 5 years for the existing-cum-expansion project, which includes village-wise, sector- wise (Health, Education, Sanitation, Health, Skill Development and infrastructure requirements such as strengthening of village roads, avenue plantation, etc) activities in consultation with the local communities and administration. The CSR Plan will include the amount of 2% retain annual profits as provided for in Clause 135 of the Companies Act, 2013 which provides for 2% of the

average net profits of previous 3 years towards CSR activities for life of the project. A separate budget head shall be created and the annual capital and revenue expenditure on various activities of the Plan shall be submitted as part of the Compliance Report to RO, at Chandigarh. The details of the CSR Plan shall also be uploaded on the company website and shall also be provided in the Annual Report of the company.

B. GENERAL CONDITIONS:

- i. The project authorities must strictly adhere to the stipulations made by the Punjab 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 and Climate Change (MoEFCC).
- iii. At least four ambient air quality monitoring stations should be established in the downward direction as well as where maximum ground level concentration of PM₁₀, PM_{2.5}, SO₂ and NO_X are anticipated in consultation with the SPCB. Data on ambient air quality and stack emission shall be regularly submitted to this Ministry including its Regional Office at Nagpur and the SPCB/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 form 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 funds shall be earmarked towards capital cost and recurring cost/annum for environment pollution control measures to implement the conditions stipulated by the Ministry of Environment, Forests and Climate Change (MoEFCC) as well as the State Government. An implementation schedule for implementing all the conditions stipulated herein shall be submitted to the Regional Office of the Ministry at Chandigarh. The funds so provided shall not be diverted for any other purpose.

- 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.
- 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 MOEFCC at Chandigarh. The respective Zonal Office of CPCB and the SPCB. The criteria pollutant levels namely; PM₁₀, SO₂, NOx (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.
- 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 MOEFCC, the respective Zonal Office of CPCB and the SPCB. The Regional Office of this Ministry at Chandigarh / CPCB / SPCB 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 along with the status of compliance of environmental conditions and shall also be sent to the respective Regional Office of the MOEFCC at Chandigarh 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 SPCB and may also be seen at Website of the Ministry of Environment, Forests and Climate Change (MoEFCC) 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 should be forwarded to the Regional office at Chandigarh.
- 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.
- 9.0 The Ministry may revoke or suspend the clearance, if implementation of any of the above conditions is not satisfactory.
- 10.0 The Ministry reserves the right to stipulate additional conditions if found necessary. The Company in a time bound manner shall implement these conditions.
- 11.0 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. Satish C. Garkoti)
Scientist 'F'

Copy to:-

1. The Secretary, Department of Environment, Govt. of Punjab.

- 2. The Chairman, Central Pollution Control Board, Parivesh Bhavan, CBD-cum-Office Complex, East Arjun Nagar, New Delhi, 110 032.
- 3. The Chairman, Punjab State Pollution Control Board, Vatavaran Bhavan, Nabha Road, Patiala-147001.
- 4. The Additional Principal Chief Conservator of Forests (C) Ministry of Environment, Forest & Climate Change, Regional Office (NZ) Bays No. 24-25, Sector-31 A, Dakshin Marg, Chandigarh-160030.

5. Guard File / Record File/Monitoring file.

(Dr. Satish C. Garkoti) Scientist 'F'