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SARDA
SARDA METALS & ALLOYS LTD.

Ref. No. - SMAL/HSE/11

Dt.. 15.06.2012

To,

The Chief Conservator of Forests (Central)
Ministry of Environment & Forests
Regional Office (SZ) Kendriya Sadan, IV Floor
E & F Wing, 17th Main Road, Koramangala
Bangalore-560034.

Dear Sir,

**Sub:** Submission of Half Yearly Compliance Report of Environmental Clearance.

**Ref:** Environmental Clearance Letter no. F.No.J11011/164/2009 IA.II (I) dtd. 26.11.2009 & subsequent amendment on Dt. 04.05.2010.

Enclosed please find herewith our Half Yearly compliance Report as per the stipulated condition imposed in Environmental Clearance (EC), General Condition no. xiv). In this context, we would like inform you that our Civil & mechanical construction are in progress and we hope to commence our operation by July & August' 2012. This is for your kind information please.

Thanking you with regards.

Yours truly,

For Sarda Metals & Alloys Ltd.

Rajendra Vohra

Authorized Signatory

Copy to:

1. The Member Secretary, Andhra Pradesh Pollution Control Board, PARYAVARAN BHAVAN, A-3, Industrial Estate, Sanath Nagar, Hyderabad-500018, Andhra Pradesh.
2. Regional Officer, Andhra Pradesh Pollution Control Board, Flat No.- 11, Shivaji Colony, Pradeep Nagar,Vizianagaram, A.P.

Encl. : As above

**Compliances for the Conditions Imposed as Per Environmental Clearance Issued by MoEF Letter no.- F. No. J-11011/164/2009-IA.II(I), Dt. 26.11.2009 and subsequent amendment on Dt. 04.05.2010 for M/s. Sarda Metals & Alloys Ltd., APIIC Industrial Area, At village- Kantakapalli, Mandal- Kothavalasa, Dist.- Vizianagaram, Andhara Pradesh.**

**A. SPECIFIC CONDITIONS**

| Sl. No. | Conditions | Compliances |
|---|---|---|
| 1 | Efforts shall be made to reduce RSPM levels in the ambient air and a time bound action plan shall be submitted. On-line ambient air quality monitoring and continuous stack monitoring facilities for all the stacks and sufficient air pollution control devices viz. Electrostatic precipitator (ESP), gas cleaning plant, multi-cyclone, bag filter, de-duster etc. shall be provided to keep the emission levels below 100 $mg/Nm^3$. At no time, the emission level shall go beyond the prescribed standards. Interlocking facilities shall be provided so that process can be automatically stopped in case emission level exceeds the limit. Analysis reports shall be submitted to the Ministry's Regional Office at Bangalore, CPCB and APPCB. | Is being planned and under execution |
| 2 | Hot gases from DRI kiln shall be passed through Dust Settling Chamber (DSC) to remove coarse solids and After Burning Chamber (ABC) to burn CO completely and used in waste heat recovery boiler (WHRB). The gas then shall be cleaned in ESP before leaving out into the atmosphere through ID fan and stack. Electrostatic precipitator (ESP) shall be provided to DRI plant, WHRB and ABC boilers to control air emissions within 100 $mg/Nm^3$. | Shall be planned whenever is required |
| 3 | Electrostatic precipitator (ESP) to sinter plant; ESP/multi-cyclone bag filter, de-duster to pellet plant; ESP and bag filter to power plant and DRI plant shall be provided to control air emissions within 100 $mg/Nm^3$. Bag filter and de-duster to coke oven plant; dust extraction system with bag filters to blast furnace stock house, ferro alloys plant and ladle furnace; gas cleaning plant and bag filter to blast furnace; fume extraction system with cyclone to Induction furnace and heat recuperator shall be provided to rolling mill. The flue gas from rolling mill shall be discharged into the atmosphere through stacks of adequate height. Stacks of adequate height shall also be provided to all the concerned plants for effective dispersion of | ESP for Power plant and Bag filter for Ferro Alloys Plant has already been planned and under final erection. |

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| | emissions into the atmosphere. | |
| 4 | Dry coke quenching method shall be adopted in the proposed coke oven plant as per the commitment submitted. | Shall be complied with as per required standards, whenever required. |
| 5 | All the standards prescribed for the coke oven plants vide notification no. GSR 46 (E) dated 3rd February, 2006 shall be followed as per the latest guidelines. Proper and full utilization of coke oven gases in power plant using waste heat recovery steam generators shall be ensured and no flue gases shall be discharged into the air. | Shall be complied with as per standards, whenever required |
| 6 | Gaseous emission levels including 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. The emission standards issued by the Ministry in May, 2008 for the sponge plants shall be followed. | Shall be complied with as per required standards and is being planned. |
| 7 | Vehicular pollution due to transportation of raw material and finished product shall be controlled. Proper arrangements shall also be made to control dust emissions during loading and unloading of the raw material and finished product. | All arrangements shall be made to control the emission due to transport of Raw material.<br><br>Provision for covered shed with stacker reclaimer has been made to suppress the dust emission. |
| 8 | In-plant control measures for checking fugitive emissions from all the vulnerable sources shall be provided. Dust suppression system with spray nozzles shall be provided to raw material handling area and material transfer points. Cyclones, bag filters, ventuary scrubber shall be provided to transfer points to control fugitive emissions. Fume extraction and dry de-dusting system with bag filters shall be provided at the screening stations of ore, coke and other raw material handling areas to control fugitive emissions. Dust suppression system shall be provided in unloading areas. All internal roads shall be asphalted to prevent the fugitive dust emissions. Further, specific measures like water sprinkling around the stockpiles shall be done to control fugitive emissions. | Dust suppression with spray nozzle system has been planned for raw material unloading/ handling area & dust collection system at transfer points. Furthermore to control fugitive emissions; water spray/ sprinkling system shall be arranged. |

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| 9 | Total water requirement from Tatipudi reservoir shall not exceed 396 $m^3$/hr. No ground water shall be used. Air cooled condenser shall be provided to reduce the water consumption. Acidic and Alkaline effluent from DM water plant shall be neutralized and reused in the plant through ash pond. All the effluent shall be treated and recycled in the re-circulating system or used for ash handling, dust suppression and green belt development. All the wastewater from process and domestic sources shall be treated and recycled and reused. No wastewater shall be discharged outside the premises and Zero effluent discharge shall be ensured. | Shall be complied with as per required standards & to be within prescribed limits. |
| 10 | Prior permission for the drawl of 396 $m^3$/hr water from Tatipudi reservoir from the concerned department shall be obtained and a copy of the permission letter shall be submitted to the Ministry and its Regional Office at Bangalore | At present, permission for supply of 2700 KL/day is obtained from the Greater Visakhapatnam Municipal Corporation for Phase-I production. Copy Enclosed as **Annexure-I.** |
| 11 | The water consumption shall not exceed 16 $m^3$/Ton of Steel as per prescribed standard. | Shall be complied. |
| 12 | Ground water monitoring around the solid waste disposal site / secured landfill (SLF) shall be carried out regularly and report submitted to the Ministry's Regional Office at Bangalore, CPCB and APPCB. | Shall be complied. |
| 13 | No coal fines shall be imported as proposed. DRI Fines, coke breeze, sinter dust, GCP dust, blast furnace dust, SMS dust, scale, iron ore fines shall be used in sinter plant. Scrap from rolling mill shall be used as raw material in SMS. Char/dolochar shall be used in power plant / brick manufacturing plants.<br><br>Manganese slag from ferro alloy plant shall be used as raw material for Silico-Manganese production. All the other solid wastes including broken refractory mass shall be properly disposed off in environment-friendly manner. Oily waste shall be provided to authorized recyclers/reprocessors. | Shall be complied. |
| 14 | AFBC Plant shall be installed before installation of sponge iron plant so that utilization of char in the AFBC boiler is ensured. All the char from DRI plant shall be utilized in AFBC boiler of power plant and no char shall be disposed off anywhere else. All the | Not Applicable; however shall be complied whenever required. |

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| | blast furnace (BF) slag shall be granulated and provided to cement manufacturers for further utilization. Sludge from STP shall be used as manure for green belt development. | |
| 15 | All type of slag shall be used for road making only after passing through Toxic Chemical Leachability Potential (TCLP) test. Otherwise, toxic waste shall be recovered from the slag and output waste shall be disposed in secured landfill as per CPCB guidelines. Spent oil shall be sold to APPCB authorized recyclers. | Shall be complied. |
| 16 | Proper handling, storage, utilization and disposal of all the solid waste shall be ensured and regular report regarding toxic metal content in the waste material and its composition, end use of solid/hazardous waste shall be submitted to the Ministry's Regional Office at Bangalore, APPCB and CPCB. | Shall be complied. |
| 17 | A time bound action plan shall be submitted to reduce solid waste, its proper utilization and disposal. | Shall be complied. |
| 18 | Proper utilization of fly ash shall be ensured as per Fly Ash Notification, 1999 and subsequent amendment in 2003. 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 Bangalore. | Shall be complied. |
| 19 | As proposed, green belt shall be developed in 92.72 acres (33 %) out of total 280.96 acres in and around the plant as per the CPCB guidelines in consultation with DFO. | Out of 280.96 acres, about 80 acres is with greenbelt and balance development is in progress at the designated areas of the plant site to meet requirement of 33% of the total project area. |
| 20 | Proper rain water harvesting measures shall be adopted to make use of water within the plant premises for various activities including dust suppression and green belt development | It is under implementation |
| 21 | All the environment management measures given in the EIA/EMP shall be implemented and complied with. | Is being planned for onward implementation. |

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| 22 | All the recommendations made in the Charter on Corporate Responsibility for Environment Protection (CREP) for the Steel Sector including Coke Oven Plants shall be shall be implemented. | Is being planned for onward implementation. |
| 23 | Permission and recommendations of the State Forest Department regarding impact of proposed plant on Adanapalem RF shall be obtained regarding likely impact of the proposed steel plant on the surrounding reserve forest and recommendations, if any, shall be implemented. | As per the Study report made by the Divisional Forest Officer, Vizianagaram & Principal Chief Conservator of Forests; it is concluded that there will be no impact on the nearby Forest blocks due the proposed SMAL Project.<br><br>A copy of the NOC issued by PCCF, Hyderabad is Enclosed as **Annexure-II.** |
| 24 | The company shall provide housing for construction labour within the site with all necessary infrastructure and facilities such as fuel for cooking, mobile toilets, mobile STP, 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. | Being implemented with the necessary amenities |

**GENERAL CONDITIONS**

| Sl. No. | Conditions | Compliances |
|---|---|---|
| 1 | The project authorities shall strictly adhere to the stipulations made by the Andhra Pradesh Pollution Control Board (APPCB). | Being complied |
| 2 | At no time, the emissions shall exceed the prescribed limits. In the event of failure of any pollution control system adopted by the unit, the unit shall be immediately put out of operation and shall not be restarted until the desired efficiency has been achieved. | Shall be complied |
| 3 | No further expansion or modifications in the plant shall be carried out without prior approval of the Ministry of Environment and Forests. 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 | Prior approval shall be obtained |

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| | environmental protection measures required, if any. | |
| 4 | The gaseous emissions from various process units shall conform to the load/mass based standards notified by this Ministry on 19th May, 1993 and standards prescribed from time to time. The APPCB 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 go beyond the prescribed standards. Interlocking facilities shall be provided so that process can be automatically stopped in case emission level exceeds the limit. | Shall be complied |
| 5 | The project authorities shall strictly comply with the rules and regulations under Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 as amended in October, 1994 and January, 2000. Authorization from the APPCB shall be obtained for collection, treatment, storage, and disposal of hazardous wastes. | Shall be complied |
| 6 | The project authorities must strictly comply with the rules and regulations with regard to handling and disposal of hazardous wastes in accordance with the Hazardous Wastes (Management and Handling) Rules, 2003. Authorization from the A. P. Pollution Control Board must be obtained for collection / treatment / storage / disposal of hazardous wastes. | Shall be strictly complied |
| 7 | 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 Environment (Protection) Act, 1986 Rules, 1989 viz. 75 dBA (day time) and 70 dBA (night time). | Shall be strictly complied |
| 8 | 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. | Under implementation |
| 9 | Occupational Health Surveillance of the workers shall be done on a regular basis and records maintained as | Being maintained |

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| | per the Factories Act. | |
| 10 | A separate Environmental Management Cell equipped with full fledged laboratory facilities shall be set up to carry out the environmental management and monitoring functions. | Shall be maintained |
| 11 | As proposed, Rs. 100.00 Crores and Rs. 5.00 Crores shall be earmarked towards capital cost and recurring cost/annum for environment pollution control measures shall be judiciously used to implement the conditions stipulated by the Ministry of Environment and Forests as well as the State Government. A time bound implementation schedule shall be submitted to the Ministry and its Regional Office at Bangalore to implement all the conditions stipulated herein. The funds so provided shall not be diverted for any other purpose. | Shall be complied |
| 12 | 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. | Copies have been sent |
| 13 | 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 at Bangalore, the respective Zonal Office of CPCB and the APPCB. The criteria pollutant levels namely; SPM, RSPM, $SO_2$, 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. | Being complied; the monitoring reports are enclosed as **Annexure-III** |
| 14 | 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, the respective | Being done |

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| | Zonal Office of CPCB and the APPCB. The Regional Office of this Ministry at Bangalore / CPCB / APPCB shall monitor the stipulated conditions. | |
| 15 | 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 Offices of the MOEF by e-mail. | Shall be complied |
| 16 | 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 APPCB 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 should be forwarded to the Regional office. | Has been complied with |
| 17 | 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. | Financial closures have been completed, term loans sanctioned by Bank/ FI. Project construction work is in progress. |

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