

F. No. J-11011/315/2012-IA.II (I)
Government of India
Ministry of Environment, Forest and Climate Change
(Impact Assessment Division)

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Dated: 15th June, 2017

To,

The Managing Director
M/s The Ugar Sugar Works Limited
Ugar Khurd, Taluka Athani,
District Belgaum - 591 316,
Karnataka

Sub: Expansion of Sugar Cane Crushing Capacity (10,000 TCD to 20,000 TCD), Co-generation Power Plant (44 MW to 75 MW), Scrapping of 30 KLPD Distillery Unit and Setting up of a New Distillery Unit of 155 KLPD in the existing premises at Village Ugar Khurd, Taluka Athani, District Belgaum, Karnataka by M/s The Ugar Sugar Works Limited - Environmental Clearance - reg.

Ref: Online Proposal No. IA/KA/IND/4173/2012 dated 01st September, 2015.

Sir,

This has reference to your online proposal no. IA/KA/IND/4173/2012 dated 01st September, 2015, along with project documents including Form I, Terms of References, Pre-feasibility Report, EIA/EMP Report along with Public Hearing Report regarding the above mentioned project.

2. The Ministry of Environment, Forest and Climate Change has examined the application. It is noted that the proposal is for Expansion of Sugar Cane Crushing Capacity (10,000 TCD to 20,000 TCD), Co-generation Power Plant (44 MW to 75 MW), Scrapping of 30 KLPD Distillery Unit and Setting up of a New Distillery Unit of 155 KLPD in the existing premises at Village Ugar Khurd, Taluka Athani, District Belgaum, Karnataka by M/s The Ugar Sugar Works Limited. As informed and as per the documents submitted by the Project Proponent (PP), the total plot area is 251.31 acres. Krishna River is flowing at a distance of 1 km from the plant. It is informed by the PP that no forest area/protected area/eco-sensitive area are located within 10 km distance from the project site. The total project cost is ₹ 383.67 Crores with the existing unit having a project cost of ₹ 166.26 Crore and the expansion unit having project cost of ₹ 150 Crore. The unit will have the following configuration and production capacity:

Unit	Existing Capacity	Total capacity after expansion
Sugar Cane Crushing Unit	10,000 TCD	20,000 TCD
Cogeneration Power Plant	44 MW	75 MW
Molasses based Distillery	45 KLPD & 30 KLPD	200 KLPD

3. All molasses based distilleries are listed at Sl. No. 5(g)(i) of Schedule of EIA Notification, 2006 under Category 'A' and are appraised at Central Level by Expert Appraisal Committee (EAC).

4. The project proposal was considered by the Expert Appraisal Committee (Industry-2) in its 5th Meeting held during 31st January, 2013 - 01st February, 2013; 11th meeting held during 26th - 27th August, 2013; 4th meeting held during 11th - 12th February, 2016, 13th meeting held during 26th - 27th September, 2016 and 21st meeting held during 27th - 29th March, 2017. The Project Proponent and the accredited Consultant M/s Ultra Tech, Thane, gave a detailed presentation on the salient features of the project and proposed environmental protection measures to be undertaken, as per Terms of References (TORs) awarded in the 5th Meeting of the EAC held during 31st January, 2013 - 01st February, 2013 for preparation of EIA-EMP report. The TOR has been issued by Ministry vide letter of even no. dated 22nd March, 2013 and an amendment to the TOR was issued vide Ministry's letter of even no. dated 14th November, 2013.

5. The Project Proponent has informed the EAC that the ambient air quality (AAQ) monitoring was carried out at 6 locations during September-November, 2013. The baseline data indicates the ranges of concentrations as:- PM₁₀ (28.1 µg/m³ to 72.3 µg/m³), SO₂ (4.0 µg/m³ to 13.0 µg/m³) and NO_x (7.1 µg/m³ to 16.6 µg/m³). AAQ modeling study for point source emissions indicates that the maximum incremental ground level concentrations (GLCs) after the proposed project would be 0.00062 µg/m³ and 0.20966 µg/m³ and 0.20912 µg/m³ with respect to PM₁₀, SO₂ and NO_x respectively. The resultant concentrations are within the National Ambient Air Quality Standards (NAAQS).

6. The PP has also confirmed that ESP will be provided to two nos. of additional slope fired boiler to control particulate emissions. The EAC suggested to PP that ESP/Bagfilter shall be provided in the existing bagasse fired boilers. Fresh water requirement for sugar unit will be 1000 m³/day; for Cogeneration 2388 m³/day and Distillery 2435 m³/day after expansion. The EAC suggested PP to reduce fresh water requirement. Effluent from sugar will be treated in the ETP. Spent wash from the existing distillery is treated in biomethanation reactor. Treated effluent is concentrated in the MEE and concentrated spent wash is dried in the spray drier. Spent wash from the proposed distillery will be concentrated in the MEE and concentrated spent wash will be incinerated. Sewage will be treated in the STP. No effluent will be discharged

7. The PP vide letter no. Env./2016-17/3158 dated 5th July, 2016 has committed that the existing wet scrubber will be replaced by new ESP for stacks namely, MYS 1736- 50 TPH and MR 8597 & 8598 60 TPH - 2 Nos. The total fresh water requirement will be reduced from 8160 m³/day to 5021 m³/day after expansion. The EAC suggested that the quantity of water should be kept separate for industrial unit and village water supply. Water supply should be kept around 3921 m³/day for sugar factory, Cogeneration and Distillery units. For village water supply, quantity should be 1100 m³/day. Treated effluent and MEE condensate should be recycled/ reused for cooling tower makeup etc. PP has informed that following measures will be taken to reduce dust pollution: (i). Bagasse transfer points of conveying system will be fully covered with skirt plates and scrapping system and also providing proper box up of transfer points, (ii). Construction of tar road around cane/bagasse transport area to avoid dust formation, (iii). Water spraying around the factory parking area.

8. The PP has informed that the area earmarked for greenbelt is 40.44 ha. The EAC has suggested PP to provide atleast 10 m to 20 m wide greenbelt. Regarding treated water quality of sugar effluent, the EAC suggested PP to treat the sugar effluent upto 30 mg/l BOD and accordingly upgrade the existing ETP of sugar plant. No effluent should be discharged outside the plant premises. RCC spent wash lagoon should be provided for collection of spent wash. Non RCC spent wash storage tank should be used for spent wash storage.

9. The PP has obtained environmental clearance (EC) for the existing distillery unit (45 KLPD) vide MoEF letter no. J-11011/80/99-IA.II dated 17th August, 2000 and additionally EC for modernization of other distillery unit (30 KLPD) vide MoEF letter no. J-11011/80/99-IA.II (M) dated 07th November, 2003. Regional Office of MoEF&CC at Bangalore, has submitted the certified copy of statement of compliance to the environmental conditions prescribed in the existing EC, pursuant to the site visit on 08.01.2015. The EAC has deliberated on the statement of compliance and the action taken report/ compliance report to the non complied points submitted by the PP. The PP has confirmed that ETP storage tanks are made impervious by laying LDPE sheet and Shahabad tiles. Platform of stack has been repaired. The spilled oil is removed and area is cleaned. Clarifier is now cleaned. Housekeeping has been improved. Oil and grease trap is now in working condition and also confirms that open well water is not contaminated. After detailed deliberation and after review of ATR, the EAC has found that the response given by the project proponent is adequate.

10. The PP vide letter no. exp/10410 dated 17.02.2017 has informed that, in the proposed project, it is planned to install a new 155 KLPD distillery unit and will scrap the existing 30 KLPD distillery unit. The total production capacity of the distillery after the expansion will be 200 KLPD (155 KLPD new unit + 45 KLPD existing unit).

11. Public Hearing for the proposed project has been conducted by the Karnataka State Pollution Control Board on 19th September, 2014. The EAC has deliberated upon the issues raised during the public hearing. The concerns were raised regarding local people, road repairing, vehicular parking area, air pollution control measures, etc. The EAC noted that the issues have satisfactorily been responded by the project proponent and incorporated in the final EIA-EMP report.

12. The EAC, in its 13th meeting held during 26th - 27th September, 2016, has found that the final EIA/EMP report submitted by the PP is adequate. The EAC in its 21st meeting held during 27th - 29th March, 2017 has considered that a new 155 KLPD distillery unit will be installed in the existing premises and the existing 30 KLPD distillery unit will be scrapped. The EAC after detailed deliberations, on the basis of the information and presentation made by the PP, has recommended the project for environmental clearance with certain conditions.

13. Based on the proposal and information submitted by the Project Proponent, and based on the recommendation by the Expert Appraisal Committee (Industry-2), the Ministry of Environment, Forest and Climate Change hereby accords Environmental Clearance to the above project under the provisions of EIA Notification dated 14th September 2006, subject to the compliance of the following Specific and General Conditions:

A. Specific Conditions:



- i. The scrap material will be sold to authorized recycler.
- ii. The project proponent will come a fresh, if any additional land will be acquired for the operation of proposed unit.
- iii. As committed, the existing wet scrubber shall be replaced by new ESP in the existing bagasse fired boiler stacks namely, MYS 1736- 50 TPH and MR 8597 & 8598 60 TPH - 2 Nos to control particulate emissions within 50 mg/Nm³.
- iv. Pucca approach road to project site should be constructed prior to commencing construction activity of the main distillery to avoid fugitive emissions.
- v. Proper traffic management plan to be drawn and submitted to concerned Regional Office of MEF&CC. SPCB should give the CTO upon satisfactory traffic management plan with adequate measures of air pollution due to traffic overload.
- vi. Total fresh water requirement from River shall not exceed 3921 m³/day for sugar unit, Co-generation power plant and Distillery units. No ground water shall be used without permission. Effort shall be made to use recycled water from sugar and condensate of MEE for the co-generation power unit.
- vii. Spent wash generation from molasses based distillery shall not exceed 8 Kl/Kl of alcohol. The spent wash from proposed molasses based distillery will be concentrated in MEE and mixed with bagasses and burnt as fuel in boiler to achieve 'Zero' discharge. Effluent from sugar, spentlees, utilities effluent and evaporator Condensate shall be treated in effluent treatment plant and recycled/reused in process. Sewage shall be treated in the STP. No effluent shall be discharged outside the premises and 'Zero' discharge shall be maintained.
- viii. Spent wash shall be stored in impervious RCC lagoon with HDPE lining as per CPCB guidelines and should be kept in proper condition to prevent ground water pollution. Storage capacity of spent wash lagoon should be for 5 days. Company shall switchover from existing spent wash lagoon to impervious RCC lagoon with HDPE lining within one year of grant of EC.
- ix. Effluent from sugar unit should be treated in the effluent treatment plant with adequate treatment with standard of 30 mg/l of BOD. Existing ETP shall be upgraded to achieve the standard of BOD 30 mg/l.
- x. Water consumption also to be restricted to 100 liters/ton initially and further to 50 Liters/ton cane crushed in a time bound manner as per the CPCB guidelines.
- xi. As proposed, no effluent from sugar, distillery and co-generation power plant should be discharged outside the premises and Zero discharge shall be achieved.
- xii. Adequate numbers of ground water quality monitoring stations by providing piezometers around the project area should be set up. Sampling and trend analysis monitoring must be made on monthly a basis and report submitted to SPCB and this Ministry. The ground water quality monitoring for pH, BOD, COD, Chloride, Sulphate and total dissolved solids should be monitored.
- xiii. Bagasse/coal storage should be done in such a way that it does not get air borne or fly around due to wind.
- xiv. Boiler ash should be stored separately as per CPCB guidelines so that it should not adversely affect the air quality, becoming air borne by wind or

- water regime during rainy season by flowing along with the storm water. Direct exposure of workers to fly ash & dust should be avoided. Bagasse ash and coal ash should be stored separately.
- xv. Occupational health surveillance programme should be undertaken as regular exercise for all the employees. The first aid facilities in the occupational health centre should be strengthened and the regular medical test records of each employee should be maintained separately.
 - xvi. Dedicated parking facility for loading and unloading of material should be provided in the factory premises. Unit should develop and implement good traffic management system for their incoming and outgoing vehicles to avoid congestion on the public road.
 - xvii. All the issues raised during the public hearing/consultation meeting held on 19th September, 2014 should be satisfactorily implemented.
 - xviii. As proposed, green belt over 33% of plot area shall be developed within plant premises with at least 10 meter wide green belt on all sides along the periphery of the project area, in downward direction, and along road sides etc. Selection of plant species shall be as per the CPCB guidelines in consultation with the DFO.
 - xix. At least 5 % of the total cost of the project should be earmarked towards the Enterprise Social Commitment (ESC) based on local needs and action plan with financial and physical breakup/details should be prepared and submitted to the Ministry's Regional Office at Bangalore. Implementation of such program should be ensured accordingly in a time bound manner.

B. General Conditions:

- i. The project authorities must strictly adhere to the stipulations made by the Karnataka State Pollution Control Board, State Government and any other statutory authority.
- ii. No further expansion or modifications in the plant shall be carried out without prior approval of the Ministry of Environment, Forest and Climate Change. 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 environmental protection measures required, if any.
- iii. The locations of ambient air quality monitoring stations shall be decided in consultation with the State Pollution Control Board (SPCB) and it shall be ensured that at least one stations is installed in the upwind and downwind direction as well as where maximum ground level concentrations are anticipated.
- iv. The National Ambient Air Quality Emission Standards issued by the Ministry vide G.S.R. No. 826(E) dated 16th November, 2009 shall be followed.
- v. The overall noise levels in and around the plant area shall be kept well within the standards 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).
- vi. The Company shall harvest rainwater from the roof tops of the buildings and storm water drains to recharge the ground water and use the same water for the process activities of the project to conserve fresh water.

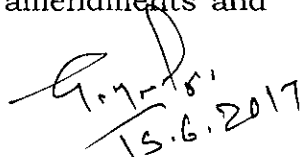
- vii. Training shall be imparted to all employees on safety and health aspects of chemicals handling. Pre-employment and routine periodical medical examinations for all employees shall be undertaken on regular basis. Training to all employees on handling of chemicals shall be imparted.
- viii. The company shall also comply with all the environmental protection measures and safeguards proposed in the documents submitted to the Ministry. All the recommendations made in the EIA/EMP in respect of environmental management, risk mitigation measures and public hearing relating to the project shall be implemented.
- ix. The company shall undertake all relevant measures for improving the socio-economic conditions of the surrounding area. CSR activities shall be undertaken by involving local villages and administration.
- x. The company shall undertake eco-developmental measures including community welfare measures in the project area for the overall improvement of the environment.
- xi. A separate Environmental Management Cell equipped with full fledged laboratory facilities shall be set up to carry out the Environmental Management and Monitoring functions.
- xii. The company shall earmark sufficient funds towards capital cost and recurring cost per annum to implement the conditions stipulated by the Ministry of Environment, Forest and Climate Change as well as the State Government along with the implementation schedule for all the conditions stipulated herein. The funds so earmarked for environment management/pollution control measures shall not be diverted for any other purpose.
- xiii. A copy of the clearance letter shall be sent by the project proponent to concerned Panchayat, Zilla Parishad/Municipal Corporation, Urban local Body and the local NGO, if any, from whom suggestions/representations, if any, were received while processing the proposal.
- xiv. The project proponent shall also submit six monthly reports on the status of compliance of the stipulated Environmental Clearance conditions including results of monitored data (both in hard copies as well as by e-mail) to the respective Regional Office of MoEF&CC, the respective Zonal Office of CPCB and SPCB. A copy of Environmental Clearance and six monthly compliance status report shall be posted on the website of the company.
- xv. The environmental statement for each financial year ending 31st March in Form-V as is mandated shall be submitted 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 clearance conditions and shall also be sent to the respective Regional Offices of MoEF&CC by e-mail.
- xvi. 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/Committee and may also be seen at Website of the Ministry at <http://moef.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 concerned Regional Office of the Ministry.

xvii. 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 start of the project.

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

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

16. The above conditions will 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, the Hazardous and Other Wastes (Management and Trans-boundary Movement) Rules, 2016 and the Public Liability Insurance Act, 1991 along with their amendments and rules.


(Yogendra Pal Singh)
Scientist 'D'

Copy to:-

1. The Secretary, Department of Forest, Environment & Ecology, Government of Karnataka, Room No. 708, Gate 2, Multi Storied Building, Dr. Ambedkar Veedhi, Bangalore - 560 001.
2. The Additional Principal Chief Conservator of Forests (C), Ministry of Environment, Forest and Climate Change Regional Office (SZ), Kendriya Sadan, 4th Floor, E&F Wings, 17th Main Road, Koramangala II Block, Bangalore - 560 034.
3. The Chairman, Central Pollution Control Board, Parivesh Bhawan, CBD-cum-Office Complex East Arjun Nagar, Delhi - 110 032.
4. The Chairman, Karnataka State Pollution Control Board, "Parisara Bhawan", #49, 4th & 5th Floor, Church Street, Bangalore - 560 001.
5. Monitoring Cell, Ministry of Environment, Forest and Climate Change, Indira Paryavaran Bhavan, Jor Bagh, New Delhi - 110 003.
6. Guard File/Monitoring File/Website/Record File.


(Yogendra Pal Singh)
Scientist 'D'