

No.10-22/2005-IA-III
Government of India
Ministry of Environment and Forests
(IA-III Division)

Paryavaran Bhavan,
C.G.O. Complex, Lodi Road,
New Delhi-110003

Dated the 26th July, 2006

Sub: Development of Krishnapatnam Port near Nellore, Andhra Pradesh by M/s Krishnapatnam Port Company Limited – Environmental Clearance –regarding.

Reference is invited to the letters No.2103/SADA/2005, dated 16.9.2005 and dated 22.9.2005 from Environment, Forests, Science and Technology Department, Government of Andhra Pradesh regarding the subject mentioned. Further letters No.Nil, dated 26.9.2005, 14.11.2005, dated 28.11.2005 and dated 20.3.2006 from M/s Krishnapatnam Port Company Limited have also been considered. The Andhra Pradesh Pollution Control Board has accorded NOC for the project vide their Order No.APPCB/VJA/NLR/633/HO/2004/9/467, dated 25.5.2004.

The proposal is for development of deep-water port. The proposed Krishnapatnam Deep Water Port is located at latitude 14°15'10"N and longitude 80°08'5"E in R. Sy. Nos.417-426, 433-433/2, 545 and 546 of Krishnapatnam village, Muthukuru Mandal, Nellore District on the East Coast. The area of the proposed Port is 669.5 acres. The existing minor port is located on the northern bank of Khandaleru rivulet. The area is classified Coastal Regulation Zone-III and the inter-tidal zone falling in between High Tide Line and Low Tide Line is categorized as Coastal Regulation Zone-I(ii).

Approach channel in Phase-I proposed is 160 m wide. In phase-I a turning circle of 450 m diameter and 14.95 m depth will be provided for safe maneuvering of design vessel. The stockpile area will be provided for the storage of about 1.2 million tones of iron ore. In addition, stockpile area will be provided for storage of about 0.5 million tonnes of coal. The total capital dredged material in the harbour basin and approach channel in Phase-I is 14 million m³. Of the total dredged material about 6 million m³ will be used for reclamation. The remaining capital dredged material from the harbour basin and the entire capital dredged material from the approach channel will be disposed offshore in the designated disposal ground. The annual maintenance dredging will be about 1 million m³. The dredged canal is about 14 km with -14 mts. The disposal site for dredged material has been identified which will be 14 km from the site and the depth of the disposal is 20 mts. No major fishing activities are there. The salt pans are not in the inter-tidal areas. Construction of 2 breakwaters are also involved, south breakwater of 0.95 km and North breakwater of 1.20 km. No forest area or eco-sensitive areas are involved in the project.

Andhra Pradesh State Coastal Zone Management Authority recommended the project in its meeting held on 16.6.2005.

Accordingly, environmental clearance from Coastal Regulation Zone Notification, 1991, as amended from time to time, is hereby accorded for the phase I of the project subject to effective implementation of the following conditions:-

(A) Specific Conditions:

- (i) All the conditions stipulated by Andhra Pradesh State Pollution Control Board in their letter Order No.APPCB/VJA/NLR/633/HO/2004/9/467, dated 25.5.2004 should be strictly implemented.
- (ii) Detailed plan for protection of the 9 acres of the mangroves should be provided.
- (iii) The fishermen and salt pan workers should be rehabilitated as per the Rules of Government of Andhra Pradesh.

- (iv) Adequate shore protection measures, including construction of revetments/rip-raps, should be taken up based on the scientific studies. The action plan for implementing the shore protection measures should be submitted to this Ministry within 6 months from the date of receipt of this letter.
- (v) Green belt area should be developed along the project and budget earmarked.
- (vi) For rail and road connectivity of the project, separate application should be submitted to this Ministry.
- (vii) The Bay is reported to be calm for most of the days of the year. Even on the day of the visit, having a deep depression in the South-West Bay of Bengal, the basin was calm, though the Bay experienced high waves. Hence, dredging operation in the estuary should not have any adverse impact on the existing mangroves blocks.
- (viii) During the rough weather, resulting in high flood tides, dredging operation in the estuary should be stopped.
- (ix) Regarding the location of stock yard in the salt pan area to be acquired, the proponent should not take up any developmental works in the mangrove area and should ensure that no destruction of mangroves should takes place.
- (x) A disaster management plan covering emergency evacuation mechanisms etc., to deal with natural disaster events should be prepared and furnished to the Ministry.
- (xi) The company must take up and earmark adequate funds for the socio-economic development and for welfare measures in the area including drinking water supply, vocational training, fishery related development programmes (like cold storages).
- (xii) The fishing activities by the fishermen living in the settlement along the creek should not be hindered and a mechanism may be evolved for the movement of fishing boats *vis-a-vis* shipping activities.
- (xiii) The Relocation of the fishermen and local communities in the area should be done strictly in accordance with the norms prescribed by the State Government. The relocated communities should be provided with all facilities including health care, education, sanitation and livelihood.
- (xiv) The company should take up green belt programme in the project area including an ecological park and the plan may be submitted to the Ministry within one year.
- (xv) The company may suitably modify the alignment of channel entrance including its width, turning circle, taking into consideration the wave traversal, its intensity etc. to facilitate smoother navigation of ships.
- (xvi) The breakwater alignment and its design should be further modified based on relevant model studies, bore hole data etc. keeping in view the tranquility condition required for berthing and maneuvering of ships and subsequent cargo handling operations.
- (xvii) The height of dumping in the dumping site should be restricted to 30 cm as against 90 cm proposed.
- (xviii) The project proponent will not undertake any destruction of mangroves during construction and operation of the project.
- (xix) Sewage arising in the port area should be disposed off through septic tank – soak pit system or should be treated alongwith the industrial effluents to conform to the standards stipulated by Andhra Pradesh Pollution Control Board and should be utilized/re-cycled for gardening, plantation and irrigation.
- (xx) Adequate plantation should be carried out along the roads of the Port premises and a green belt should be developed.
- (xxi) Project proponent should prepare and regularly update the Disaster Management Plan from time to time.
- (xxii) Fire Fighting arrangements are examined to the new proposal.

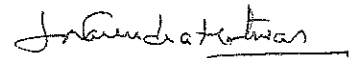
- (xxiii) There should be no withdrawal of ground water in CRZ area, for this project. The proponent should ensure that as a result of the proposed constructions, ingress of saline water into ground water does not take place. Piezometers should be installed for regular monitoring for this purpose at appropriate locations on the project site.
- (xxiv) The project should not be commissioned till the requisite water supply and electricity to the project are provided by the PWD/Electricity Department.
- (xxv) Specific arrangements for rainwater harvesting should be made in the project design and the rain water so harvested should be optimally utilized. Details in this regard should be furnished to this Ministry's Regional Office at Bangalore within 3 months.
- (xxvi) The facilities to be constructed in the CRZ area as part of this project should be strictly in conformity with the provisions of the CRZ Notification, 1991 as amended subsequently.
- (xxvii) Green buffer zone should be provided all around the project area in consultation with local forest department and the report submitted to this Ministry's Regional Office at Bangalore.
- (xxviii) No product other than those permissible in the Coastal Regulation Zone Notification, 1991 should be stored in the Coastal Regulation Zone area.

B. General Conditions:

- (i) Construction of the proposed structures should be undertaken meticulously conforming to the existing Central/local rules and regulations including Coastal Regulation Zone Notification 1991 & its amendments. All the construction designs / drawings relating to the proposed construction activities must have approvals of the concerned State Government Departments / Agencies.
- (ii) Adequate provisions for infrastructure facilities such as water supply, fuel, sanitation etc. should be ensured for construction workers during the construction phase of the project so as to avoid felling of trees/mangroves and pollution of water and the surroundings.
- (iii) The project authorities must make necessary arrangements for disposal of solid wastes and for the treatment of effluents by providing a proper wastewater treatment plant outside the CRZ area. The quality of treated effluents, solid wastes and noise level etc. must conform to the standards laid down by the competent authorities including the Central/State Pollution Control Board and the Union Ministry of Environment and Forests under the Environment (Protection) Act, 1986, whichever are more stringent.
- (iv) The proponents should provide for a regular monitoring mechanism so as to ensure that the treated effluents conform to the prescribed standards. The records of analysis reports must be properly maintained and made available for inspection to the concerned State/Central officials during their visits.
- (v) In order to carry out the environmental monitoring during the operational phase of the project, the project authorities should provide an environmental laboratory well equipped with standard equipment and facilities and qualified manpower to carry out the testing of various environmental parameters.
- (vi) The sand dunes and mangroves, if any, on the site should not be disturbed in any way.
- (vii) A copy of the clearance letter will be marked to the concerned Panchayat/local NGO, if any, from whom any suggestion/representation has been received while processing the proposal.
- (viii) The Andhra Pradesh Pollution Control Board should display a copy of the clearance letter at the Regional Office, District Industries Centre and Collector's Office/Tehsildar's Office for 30 days.
- (ix) The funds earmarked for environment protection measures should be maintained, in a separate account and there should be no diversion of these funds for any other purpose. A year-wise expenditure on environmental safeguards should be reported to this Ministry's Regional Office at Bangalore and the State Pollution Control Board.

- (x) Full support should be extended to the officers of this Ministry's Regional Office at Bangalore and the officers of the Central and State Pollution Control Boards by the project proponents during their inspection for monitoring purposes, by furnishing full details and action plans including the action taken reports in respect of mitigative measures and other environmental protection activities.
- (xi) In case of deviation or alteration in the project including the implementing agency, a fresh reference should be made to this Ministry for modification in the clearance conditions or imposition of new ones for ensuring environmental protection.
- (xii) This Ministry reserves the right to revoke this clearance, if any of the conditions stipulated are not complied with to the satisfaction of this Ministry.
- (xiii) This Ministry or any other competent authority may stipulate any other additional conditions subsequently, if deemed necessary, for environmental protection, which should be complied with.
- (xiv) The project proponent should advertise in at least two local newspapers widely circulated in the region around the project, one of which should be in the vernacular language of the locality concerned, informing that the project has been accorded environmental clearance and copies of clearance letters are available with the State Pollution Control Board and may also be seen at Website of the Ministry of Environment & Forests at <http://www.envformin.in>. The advertisement should be made within 7 days from the date of issue of the clearance letter and a copy of the same should be forwarded to the Regional Office of this Ministry at Bangalore.
- (xv) The Project proponents should inform the Regional Office at Bangalore 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 Land Development Work.

The above mentioned stipulations will be enforced among others under the ^①Water (Prevention and Control of Pollution) Act, 1974, the ^②Air (Prevention and Control of Pollution) Act, 1981, the ^③Environment (protection) Act, 1986, the ^④Hazardous Chemicals (Manufacture, Storage and Import) Rules, 1989, the ^⑤Coastal Regulation Zone Notification, 1991 and its subsequent amendments and the ^⑥Public Liability Insurance Act, 1991 and the Rules made thereunder from time to time. The project proponents should also ensure that the proposal complies with the provisions of the approved Coastal Zone Management Plan of Andhra Pradesh State and the Supreme Court's order dated 18th April, 1996 in the Writ Petition No.664 of 1993 to the extent the same are applicable to this proposal.

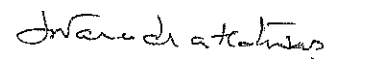

(Dr. N. H. Hosabettu)
Director

To

Principal Secretary,
Government of Andhra Pradesh,
Environment, Forests, Science and Technology Department,
Secretariat, Hyderabad – 500022

Copy to:

1. The Chief Conservator of Forests, Ministry of Environment & Forests, Kendriya Sadan, 4th Floor, E&F Wings, 17th Main Road, 1st Block Koramangala, Bangalore – 560034.
2. The Chairman, Central Pollution Control Board, Parivesh Bhavan, CBD-cum-Office Complex, East Arjun Nagar, Delhi – 110032.
3. The Chairman, Andhra Pradesh State Pollution Control Board, 2nd Floor, Maitrivanam, HUDA Complex, S.R.Nagar, Hyderabad - 38.
4. M/s Krishnapatnam Port Company Limited, 1259, Lakshmi Toweres, Road No.36, Jubilee Hills, Hyderabad - 500033.
5. DIG (SU), Regional Office Cell, Ministry of Environment & Forests, New Delhi.
6. Guard File.
7. Monitoring Cell.
8. Direct (EI), Ministry of Environment & Forests, New Delhi.


(Dr. N. H. Hosabettu)
Director