CHAPTER-1

1.0 INTRODUCTION

Valley Strong Cements (Assam) Ltd. (VSCL) is promoted by Mr. Bijay Kumar Garodia, Mr. Kamakhya Chamaria, Mr. Mahendra Kumar Agarwal, Mr. Santosh Kumar Bajaj, Mr. Prahalad Rai Chamaria and M/s Barak Valley Cements Ltd. VSCL is incorporated with the objective of setting up a unit to manufacture various types and grades of cement and cement clinker.

The cement consumption of India during first financial year of this decade was 105 million tonnes with an incremental growth of 9.37% w.r.t. the previous year and the growth rate was almost between 5.5 and 11.5 in this decade.

Growth in cement consumption in India over the last decade has exhibited a strong correlation to the growth in GDP. This is understandable, since an increase in National Income leads to higher investment in the focus areas of housing and infrastructure, both of which consume high volumes of cement.

The consumption of cement has been growing roughly at 9-10 % annually in the country and particularly NE region.

1.1 NEED FOR THE PROJECT – DEMAND SCENARIO OF CEMENT

The cement market has growth potential due to the central government liberalization policies and new schemes for housing, road and infrastructure projects. Cement demand growth is anticipated to be about 9-10% increase mainly through road projects, Housing Projects (1.3 million houses in rural & 0.7 million in urban areas). Continuous demand for exports to China and other South-East Asian countries along with the increased requirement of the domestic sector have led all the cement manufacturers in the country to plan for increased capacities.

In the present context, there is a huge gap between demand and supply of cement in North Eastern Region. The demand of cement in this region in the year 2007-08 was 35.00 lakh tonnes as against the production of 20 lakh tonnes. Till now, the gap between demand and supply is being met by importing cement from the central region, mainly from Madhya Pradesh to north-eastern region is approximately Rs.1200/- per tonne which is considerably high.

Apart from this Government of India has declared various incentives to promote industrialization in the north-eastern region. The incentives declared by the Government of India includes 100% Central Excise Duty exemption for a period of 10 years, 30% capital subsidy , 90% transport subsidy, Income –Tax holiday for 10 years, 3% working capital subsidy and 100% insurance premium for insurance cover. The State Govt. of Assam has also declared various incentives. Sales Tax exemption for 7 years which gives an edge over suppliers from other states to the tune of Rs.150/- per MT of cement. The other subsidies declared by the State Government includes 30% Capital Investment Subsidy, Pioneer unit subsidy, drawl of power line subsidy and manpower subsidy etc.

1.2 PRESENT PROPOSAL

VSCL has proposed to set up a cement plant to manufacture Ordinary Portland Cement (OPC), Portland Pozzolana Cement and Cement Clinker for the capacity of 0.66 million TPA (2000 TPD) of production.

For deciding to set up an industry, two most important factors i.e. availability of raw materials and existence of market for finished product. At Badarpurghat, both the essential raw materials are available in plenty in near by areas. Abundant quantity of limestone and coal are available in Lumshnong and Bapung areas of Meghalaya, which are 75 to 100 kms from the proposed cement plant site. Also a vast market comprising of Shillong, Jowai, Guwahati, Tinsukia and three districts of Barak Valley viz. Hailakandi, Cachar & Karimganj and which is gate way to three North Eastern States viz. Manipur, Mizoram and Tripura, is available.

1.3 SITE SELECTION CRITERIA

The efficient functioning of the plant depends on the availability of the basic requirements. Apart from this, the suitability / compliance of the site with respect to the guidelines of the Ministry of Environment and Forests and location of the deposit has been evaluated. The reason for the selection of site at Badarpur and rejection of other sites is given below:

- Availability of land and water
- Compliance of the site with the siting guidelines of MoEF
- Proximity of the limestone and coal deposits.
- Availability of road to facilitate transportation of the plant equipment, raw material and product.

- Availability of labour force during construction and operation phase.
- Accessibility of the site from environmental aspects.
- No national park or wild life sanctuary exists within 10 km of the plant.
- There are no sensitive places of archaeological, historical, cultural, and religious or tourist importance within 10 km of the plant.

Mainly, cement plant and captive limestone mine are site specific, In the present context, limestone deposit situated at Lumshnong in Meghalaya, is 70-80 km. from the proposed plant site. The reserves of limestone are cement grade and the CaO content is around 47%.

1.4 LOCATION AND ACCESSIBILITY

The proponent M/s Valley Strong Cements (Assam) Ltd. has decided to set up a cement plant at Jhoom Basti, Debendra Nagar, Badarpurghat, Distt. Karimganj, Assam. The project is about 1km away from NH-44 connecting Guwahati to Silchar and is about 35 km. from Silchar town and 195 km. from Shillong. It is 2 km from Badarpur railway station. Location of the proposed plant is shown in Figure 1.1

TABLE – 1.1: SALIENT FEATURES OF THE SITE

Details Of The Area:	
District & State	Karimganj District, Assam
Tehsil	Badarpurghat
Village	Devendra Nagar
Land Availability	30 Hectares
Nature of the Area	Undulated, uncultivable and barren
Toposheet No	83 D/ 9
Latitude	24^0 51’ 12” to 24^0 51’ 41”
Longitude	92^0 34’ 30” to 92^0 34’ 54”
General Climatic Conditions as per nearest IMD Station Silchar (1951 – 81)	
Maximum Average Temperature	39.8°C (May)
Minimum Temperature	6.2°C (January)
Annual Average Rainfall	3348.6 mm
Predominant Wind Direction	From East
Station Elevation	97 m AMSL
Accessibility	
Road Connectivity	Guwahati is 295 km and 195 km from Shillong

Rail Connectivity	Badarpur Railway Station , 2 km.
Airport	Silchar , 45 km
Historical / Important Places	
Archaeological/ Historically Important Site	None within 10 km radius of the site
Eco-Sensitive Places	None within 10 km radius of the site
Sanctuaries / National Parks	None within 10 km radius of the site

1.5 ENVIRONMENTAL IMPACT ASSESSMENT STUDY

In order to assess the likely impacts of the proposed cement manufacturing facility, the company has initiated steps to carry out Environmental Impact Assessment over a radial distance of 10 km around the proposed project site for which the Environmental Monitoring study was carried out during the period from December 2009 and February 2010. This report presents the baseline scenario, prediction of impacts for the proposed project as per the guidelines of MoEF/ CPCB along with a detailed Environmental Management Plan, which will be implemented during both the construction and operational phases of the proposed cement plant.

FIGURE 1.1 : Location Map