

No.J.11011/3/2006-IA II(I)
Government of India
Ministry of Environment & Forests
I.A. Division

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Paryavaran Bhawan,
C.G.O. Complex, Lodi Road,
New Delhi - 110 003
Dated the August 20, 2007

To

M/s Indian Strategic Petroleum Resource Limited
424-425, World Trade Centre
Babar Road
New Delhi- 110001

Sub: Expansion of Strategic Crude Oil Storage facility in Underground Rock Caverns from 1MMT to 1.33 MMT at Vishakapatnam in Andhra Pradesh by M/s Indian Strategic Petroleum Resource Limited (ISPRL)

Sir

This has reference to D.O. No.ISPRL / MoEF dated 11th July, 2007 from Joint Secretary, Ministry of Petroleum and Natural Gas on the above mentioned subject seeking exemption from public hearing and environmental clearance.

2. The proposal of M/s ISPRL has been examined based on the documents submitted to the Ministry. It is noted that company is proposing to enhance the Cavern capacity from 1MMT to 1.33MMT for Strategic Crude Oil Storage in Underground Rock Caverns at Vishakapatnam in Andhra Pradesh. It is also noted that there will be no increase in the land requirement, water requirement and surface facilities. However, there will be increase in volume of excavated material which will be used for strengthening of break water or construction work etc.

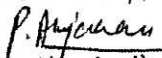
3. As per para III (Stage (3)- Public consultation) of Environmental Impact Assessment Notification, 2006 'all projects or activities concerning national defence and security or involving other strategic considerations as determined by the Central Government' are exempted from the Public consultation.

4. Keeping the above in view, Ministry has No Objection to the proposed increased caverns capacity of strategic storage of crude oil from 1.0 MMT to 1.33 MMT by M/s ISPRL at Vishakapatnam subject to the following Terms and conditions:



- i. The company shall comply with all the conditions stipulated by the Ministry vide its letter no. J-11011/3/2006-IA-II(I) dated 22nd September, 2006 while according environmental clearance to construction of 1 MMT strategic crude oil storage in underground rock caverns at Vishakapatnam in Andhra Pradesh.
- ii. The water requirement shall not increase 351.2m³/d and shall be met from the Vishakapatnam Municipal Corporation Water Supply and not from the ground water source.
- iii. Expansion of the proposed project shall be carried within the existing land area of 27 ha.
- iv. The rock debris generated shall be stacked at the earmarked site and shall be used for strengthening of break water and construction work.
- v. The recommendations made in the EIA/EMP/Risk Assessment Report and Disaster Management Plan prepared for the existing project shall be strictly followed.
- vi. No further modernization /expansion of the project shall be carried without prior environmental clearance .
- vii. Implementation of the project vis-à-vis environmental management/Risk mitigation measures shall be reported to the Ministry/Regional Office/SPCB regularly on six monthly basis.

Yours faithfully,


(Dr. P.L. Anjan)
Director

Copy to

1. The Secretary, Ministry of Petroleum and Natural Gas, Shastri Bhavan, New Delhi.
2. Chief Conservator of Forests, Regional Office (SZ), Kendriya Sadan, 4th Floor E&F, Wings 17th Main Road, 1 Block, Koranmangala, Bangalore-560 034.
3. The Chairman, Andhra Pradesh State Pollution Control Board, 2nd Floor, HUDA Complex, Maitrivaram , S.R.Nagar, Hyderabad- 500 038.
4. Record file
5. Monitoring file