
2.

POLLUTION CONTROL PROJECTS

2.1 Common Effluent Treatment Plants (CETPs)

Objectives

The Ministry has undertaken a Centrally Sponsored Scheme for enabling the small scale industries (SSI) to set-up Common Effluent Treatment Plants (CETP) in the country. The SSIs are polluting the environment through their effluents but some of them are unable to afford installation of pollution control equipment. In order to encourage use of new technologies for CETPs for existing SSI clusters of units a scheme for financial assistance has been formulated. This promotional scheme is being instituted and will be implemented during the Tenth Five Year Plan.

Criteria for Consideration for Assistance

- i) CETPs in industrial estates or in a cluster of Small Scale Industrial units are encouraged.
- ii) Central Assistance will be available only for clusters of SSIs.
- iii) Projects for assistance will be prioritised on the basis of :
 - Toxicity of pollutants
 - Pollution load being generated and to be treated; and
 - Number of units covered
- iv) The CETPs are to be set up and managed by the State Industrial Infrastructure Corporation (by whatever name known) or through an appropriate institution including a cooperative body of the concerned units as may be decided by the State Governments/SPCBs concerned.
- v) The project should be self-supporting for repayment of the loan and meeting operation and maintenance costs.
- vi) The project must formulate adequate institutional arrangements for cost sharing, recovery of dues and management and ensure observance of prescribed standards.
- vii) The scheme must have the technical recommendation of the State Pollution Control Boards.
- viii) The CETP project should have the conveyance system from the individual units to the CETP.
- ix) Sludge characteristics (i.e. hazardous Vs. non-hazardous) from the primary and secondary treatment of the CETP should be estimated. Therefore, the CETP should have a sludge management plan which should be prepared based on the sludge characterisation and be documented in the feasibility report of the CETP project.
- x) Possibility of recycling/reusing the treated effluent from the CETPs by the member units should be explored and be documented in the feasibility report of the CETP project.
- xi) An environmental management and monitoring plan/programme to be prepared for the CETP and be documented in the feasibility report of the CETP project.
- xii) A legal agreement between the CETP Co. and its member units to be executed be reflected in the feasibility report of the CETP project.

- xiii) The cost recovery formula developed for the CETP project should be ratified by all members and be documented in the feasibility report of the CETP project.
- xiv) Necessary clearance be obtained from the concerned State Pollution Control Board for discharging the treated effluent and be reflected in the feasibility report of the CETP project.
- xv) All hazardous waste facilities associated with these CETPs should obtain clearance from the concerned State Pollution Control Board and be documented in the feasibility report of the CETP project.

Pattern of Financial Assistance:

- State subsidy : 25% of the total project cost;
- Central subsidy : 25% of the total project cost;
- Entrepreneurs contribution : 20% of the total project cost;
- Loan from financial institutions - 30% of the total project cost.
(e.g. IDBI, ICICI or any other nationalised Banks, State Industrial Financial Corporation etc.)
- If the CETP Co. does not desire to have loans from financial institutions/Banks they may augment the same out of their own resources/contributions, i.e. the entrepreneurs would then contribute 50% of the project cost.
- Central assistance upto 25% of the total cost of the CETP would be provided as a grant to the Common Effluent Treatment Plant(s) on the condition that a matching grant is sanctioned and released by the State Government. The CETP Company should meet the remaining cost by equity contribution by the industries and loans from financial institutions.
- Central assistance will be provided only for the capital costs. No assistance will be provided for recurring costs. The assistance will be released in four equal installments. The first installment of 25% of the assistance will be released when a body has been identified for the purpose of implementing the project, financial arrangements have been tied up, institutional arrangements have been finalised, consent has been obtained from the State Pollution Control Board and State Government has committed its contribution.
- The second installment of 25 per cent and the third installment of 25 per cent will be released after utilisation of the previous money released and adequate progress of work subject to release of their proportionate shares by the State Governments.
- The fourth and the last installments will be released only when utilisation certificates for the previous installments have been submitted and duly verified by the State Pollution Control Boards.

Procedure for Sanction of Assistance

The feasibility study of the Project proposal has to be undertaken by a well reputed organization.

The concerned State Pollution Control Board's consent is sufficient for the company to approach the IDBI/any other financial institutions for obtaining the loan component for CETP. The company would obtain the commitment from IDBI/financial institution for the loan component and the company/financial institution would approach the State Government/State Board for the release of the State's share into the company's book account. Based on the release of the State Government, the Central Government would release its matching share after its approval of Appraisal Committee in the Ministry

and the necessary financial assistance would be released to the project proponent through the State Pollution Control Board/ Pollution Control Committees.

2.2 Customs Duty Exemption for Import of CNG/LPG kits and parts thereof

According to the Ministry of Finance notification No. 21/2002 . dated 01.03.2002, exemption from the custom duty is provided for the following goods:

1. Kits required for the conversion of motor spirit or diesel driven vehicles into CNG driven or LPG driven or Propane driven vehicles.
2. Parts of the kits specified at (1) above.

The duty exemption is provided at the rate of 5% advalorem and the Ministry of Environment & Forests has been empowered to issue such certificate for the organizations/institutions involved in the activities as specified in 1 & 2.

Applicability Criteria

In order to avail of the Custom duty exemption, the interested company has to apply to the Director, Pollution Control Division in the Ministry. The application should contain the following;

- i) The summary sheet of all the goods/parts to be imported:
- ii) An undertaking by the company in non-judicial stamp paper in the prescribed format:
- iii) The copy of the invoice sent by the importer company:
- iv) A copy of the type approval certificate of the parts to be imported;
- v) Necessary approval from Automakers Research Association India (ARAI)/ Vehicle Research Development Establishment (VRDE) wherever required.

The application has to be sent at least 15 days in advance before the arrival of the goods.

UNDERTAKING

This is to certify that the goods being imported against proforma invoice No. _____ dated _____ for (Value) from M/s. _____ (Name & Address of Supplier), are required for pollution control. The goods are kits/parts for LPG driven vehicles. They would be used for conversion of diesel/petrol driven vehicles into LPG/CNG/Propane mode/dual mode and the benefit obtained from the concessional custom duty would be passed on to actual usual/consumer of the kits/parts.

We, the importers, shall maintain a log book in this regard showing the name, address along with phone no. of the consumer/dealer to whom these kits are supplied/sold, actual imported cost of kits/parts, custom duty paid proforma invoice No. and selling price of the kits/parts. In case the kits are sold to dealer, who subsequently sells to consumer/user, a log book containing the details as mentioned above would be maintained separately by the dealer also. An undertaking shall be taken by importer from the dealer in this regard. These log books of importer as well as dealer shall be shown to the MOEF/Government officials, as and when required.

For (Name of Importer Company)

Authorized Signatory

2.3 Industrial Pollution Abatement through Preventive Strategy

The scheme is an amalgamation of the on-going three schemes viz. Environmental Audit, Adoption of Clean Technologies in Small Scale Industries and Environmental Statistics and Mapping, which have been continuing since 8th Five Year Plan.

The Policy Statement for Abatement of Pollution lays emphasis on preventive aspects of pollution abatement and promotion of technological inputs to reduce industrial pollution. It also states that authoritative statistical data on the environment is vital for decision-making. The scheme on “Industrial Pollution Abatement through Preventive Strategy” accordingly, covers important components of environmental audit, waste minimization/cleaner production and environmental management systems.

The scheme will be implemented through the Central and State Pollution Control Boards, expert institutions and other concerned agencies to seek viable solutions to the pollution problems with specific reference to small and medium scale industrial sectors. The proposals on the thematic subjects can be sent to Ministry for financial assistance.

2.4 Waste Minimization

Waste Minimization is an appropriate strategy to address the problems of industrial pollution. The objective of the scheme is to assist the small and medium scale industries in adoption of cleaner production practices. Under the grant-in-aid scheme Industrial Pollution Abatement through Preventive Strategies, a component of “Waste Minimization in Small Scale Industries” is being implemented through National Productivity Council and other agencies. So far 118 Waste Minimization Circles have been established in 41 sectors in 17 geographic locations through out the country. The activities undertaken under this include the following:

- ❖ Establishing and running Waste Minimization Circles in clusters of Small Scale Industries.
- ❖ Capacity building in the area of Waste Minimization/Cleaner Production through training and awareness programmes.
- ❖ Waste Minimization demonstration studies in selected industrial sectors.
- ❖ Preparation of sector specific technical manuals on waste minimization.
- ❖ Preparation of compendium of success stories on cleaner production/waste minimization.

2.5 Clean Technology

Another grant-in-aid scheme on “Clean Technology” is in operation in the Ministry since 1994. The objectives of the scheme are as follows:

- (i) To develop and promote programmes for clean technologies
- (ii) To develop tools and techniques for pollution prevention
- (iii) To formulate strategies and programmes in sustainable development.

Since inception of the scheme, a number of studies have been undertaken through IITs, CSIR, NPC and other agencies. These studies include Life Cycle Assessment (LCA) in key industrial sectors, Carrying Capacity(CC) studies in selected geographical regions and pollution prevention studies in important industries.

2.6 Assistance for Abatement of Pollution

Objectives

The scheme meets the need to strengthen the Central Pollution Control Board and State Pollution Control Boards/Pollution Control Committees for enforcing the statutory provisions for

taking up pollution abatement measures. Grants are being provided to the State Pollution Control Boards/UT Pollution Control Committees, Environment Departments, Central/State Research Institutions and other government agencies/organizations with the aim of strengthening their technical capabilities to achieve the objectives of the Policy Statement.

Pattern of Assistance

Appropriate equipment for emerging concerns will be provided to all States/Union Territory PCCs e.g. noise, land, air and water pollution and bio-monitoring facilities. Grants/assistance will also be given for studies related to environmental management in the critically polluted areas and river stretches, urban areas; health related studies including contamination of ground water from chemicals; establish a computerized database; and upgrading the administrative and scientific capabilities of the scientists through training in CSIR, IIT and Institute of Management within the country.

Mode of Application

The complete application indicating the requirements, list of equipments, if any, along with the objectives, justification, budgets and in case of short studies the need for undertaking such studies as well as utilization of output towards abatement of pollution may be sent to the Director (CP), Ministry of Environment and Forests, New Delhi 110003.