

SPEED POST and E-MAIL

B-33014/30/2013/AQM

15568

January 22, 2019

To,

**The Chairman and Managing Director,
M/s. Nayara Energy Limited (Erstwhile M/s. Essar Oil Limited)
5th Floor, Jet Airways Godrej BKC,
Plot No. C-68, G Block, Bandra Kurla Complex, Bandra East,
Mumbai - 400 051, Maharashtra**

**Sub.: Show Cause Notice under Section 5 of Environment (Protection) Act, 1986
regarding installation of Stage I and Stage II Vapour Recovery Systems in petrol
refueling stations**

WHEREAS, clean air is a matter of right and it is necessary to take steps towards improvement of Air Quality and for protecting public health National Ambient Air Quality Standards have been prescribed for 12 pollutants viz. PM_{2.5}, PM₁₀, SO, NO, CO, Ozone, NH₃, Benzene, Benzo(a)pyrene, Pb, Ni, and As;

WHEREAS, many towns and cities, where ambient air is monitored under National Ambient Monitoring Programme, are not complying with the National Ambient Air Quality Standards, particularly with respect to particulate matter pollution, and NO₂, benzene and Ozone are becoming a matter of concern;

WHEREAS, petrol refueling stations are a major sources of emissions of benzene, which is a carcinogenic compound, and the people in the vicinity of these stations including the workers engaged in the dispensing activities may potentially be at risk of benzene exposure;

WHEREAS, petroleum refueling stations are also source of other volatile organic compounds (VOC), which are emitted from loading/unloading operations, and refueling of individual vehicles and are precursor to tropospheric ozone; therefore, requiring control of VOC emissions from such installations as an important step for improving air quality, particularly in regard to benzene and ozone.

WHEREAS, the Ministry of Environment & Forests, Government of India, vide Notifications No. GSR 913 (E) dated 24.10.89, has delegated the powers vested under Section 5 of the Environment (Protection) Act, 1986 to the Chairman, Central Pollution Control Board, to issue directions to any industry or any local body or any other authority for violations of the standards and the rules notified under the Environmental (Protection) Rules, 1986 and amendment thereof,

WHEREAS, Chairman, CPCB in exercise of the powers vested under Section 5 of The Environment (Protection) Act, 1986 issued the following directions on February 12, 2016 to oil manufacturing companies for compliance:

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1. Stage I & II vapour recovery systems shall be installed in all the retail outlets with capacity 300 KL/M and more, in 46 cities with million plus population by December 2017. The vapour recovery systems shall have minimum 80% vapour recovery efficiency;
2. All new retail outlets with capacity more than 300KL/M, to be commissioned after date of issue of these directions, shall come up with modern dispensing units with in-built VRS facilities;
3. Retail outlets will mandatorily ensure switching off ignition of vehicles during refueling;
4. Submit city-wise action plans within 15 days from receipt of these directions;
5. Provide information regarding number of retail outlets with capacity > 300KL/M, 100-300 KL/M, and <100 KL/M and VRS facilities installed/in progress in 46 cities with million plus population (as per annexed format), within 15 days from receipt of these directions; and

WHEREAS, an application titled as OA No. 147/2016: Aditya N. Prasad Vs Union of India & Ors. was filed before the Hon' ble National Green Tribunal seeking directions regarding installation of Stage I & II vapour recovery systems at fuel stations, distribution centers, terminals, railway loading/ unloading facilities and airports;

WHEREAS, Hon' ble National Green Tribunal vide order dated September 28, 2018 directed oil companies to ensure installation of VRS in petrol pumps selling more than 300 kl per month on or before 31.10.2018 and with regard to remaining on or before 31.12.2018;

WHEREAS, Hon' ble National Green Tribunal vide order dated September 28, 2018 directed CPCB to issue directions and ensure that necessary steps are taken by all the concerned;

WHEREAS, in compliance of directions Hon' ble National Green Tribunal order, CPCB issued direction under Section 5 of The Environment (Protection) Act, 1986 on October 25, 2018 regarding installation of Stage I and Stage II vapour recovery systems in petrol refueling stations;

WHEREAS, M/s. Nayara Energy Limited vide letter dated November 19, 2018 informed that there is only one Retail Outlet selling less than 300 KLM in NCT- Delhi and steps are being taken to comply with the direction of CPCB and Hon'ble NGT order for installation of VRS.

WHEREAS, M/s. Nayara Energy Limited vide letter dated January 14, 2019 informed again that the Company has taken initiatives for procurement of VRS in retail outlet in NCT- Delhi.

WHEREAS, the above status indicates non- compliance of Hon'ble NGT order dated 28.09.2018.

NOW THEREFORE, in view of above and in exercise of power vested under Section 5 of Environment (Protection) Act, 1986, Notice is hereby served to M/s. Nayara Energy Limited to Show Cause as to why Environmental Compensation of Rs 1, 00,00,000/- (Rs. One Crore only) shall not be levied, and prosecution initiated against M/s. Nayara Energy Limited in the Hon'ble National Green Tribunal for non-compliance of Hon'ble NGT order;

The M/s. Nayara Energy Limited shall file its reply/ objections to above notice within 24 hours of receipt of this Notice failing which action as deemed fit under the Environment (Protection) Act, 1986 will be initiated.

(S.P.S Parihar)
Chairman



Copy to:

1. **Joint Secretary,** : for information please
Ministry of Petroleum and Natural Gas,
Shastri Bhawan, New Delhi – 110001
2. **Joint Secretary,** : for information please
CP Division,
Ministry of Environment, Forests and Climate Change,
Indira Prayavaran Bhawan, Jorbagh Road,
New Delhi - 110 003
3. **Divisional Head,**
IT Division, CPCB



(Prashant Gargava)
Member Secretary