



**SPEED POST**

F. No. B-190019-NGRBA/CPCB/2018-19 17160

March 22, 2021

To

**M/s Vadilal Industries Ltd.,  
D-24, Persakhera Industrial Area,  
Bareilly-243502, Uttar Pradesh**

**SHOW CAUSE NOTICE UNDER SECTION 5 OF  
THE ENVIRONMENT (PROTECTION) ACT, 1986**

**WHEREAS**, the Ministry of Environment & Forests, Government of India, vide Notifications No. S. O. 157 (E) of 27.02.1996 and S. O. 730 (E) dated 10.07.2002, has delegated the powers vested under Section 5 of the Environment (Protection) Act, 1986 (29 of 1986) to the Chairman, Central Pollution Control Board, to issue directions to any industry or any local body or any other authority for violation of emission and effluent standards and rules notified under the Environment (Protection) Rules, 1986 and amendment thereof; and

**WHEREAS**, M/s Vadilal Industries Ltd., D-24, Persakhera Industrial Area, Bareilly-243502, Uttar Pradesh (hereafter referred to as the 'Unit') is manufacturing flavoured milk, ice cream, ghee, milk powder, butter/cream etc; and

**WHEREAS**, CPCB issued directions dated 18.12.2018 under section 5 of the Environment (Protection) Act, 1986 to the unit to install the OCEMS and connect with CPCB server within 3 months; and

**WHEREAS**, the unit has not submitted any reply in respect to the directions issued; and

**WHEREAS**, CPCB issued directions dated 14.06.2019 under section 5 of the Environment (Protection) Act, 1986 to the unit to comply with the following directions:

1. The unit shall close down all its manufacturing operations.
2. The unit shall deposit the environmental compensation of Rs. 5,00,000/- only within 15 days in CPCB.
3. The unit shall inform CPCB regarding the closure of manufacturing operations and shall not resume operation without the permission from CPCB.

**AND WHEREAS**, the unit's replies dated 01.07.2019, 02.07.2019 and 05.09.2019 were examined and following observations were made:

1. The unit has installed the Online Continuous Monitoring System at ETP outlet and provided data connectivity with CPCB server on 05.07.2019, which was verified by IT division CPCB.
2. The unit has submitted the self-certificate and informed that unit has closed all its manufacturing operations w.e.f, 30.08.2019.
3. The unit has requested for waving of environmental compensation of Rs. 5,00,000.

**AND WHEREAS**, The Hon'ble National Green Tribunal (NGT), in the matter of OA No. 593/2017 (WP (CIVIL) No. 375/2012), Paryavaran Suraksha Samiti & Anr. Vs. Union of India & Ors. directed Central Pollution Control Board (CPCB) that "*The CPCB may take penal action for failure, if any, against those accountable for setting up and maintaining STPs, CETPs and ETPs. CPCB may also*

*assess and recover compensation for damage to the environment and said fund may be kept in a separate account and utilized in terms of an action plan for protection of the environment";* and

**WHEREAS**, in compliance of above referred Hon'ble NGT order, cases to be considered for levying penalty are discharges in violation of consent conditions/ non-compliance with the directions, such as direction for closure due to non-installation of OCEMS/ non-adherence to the action plans submitted/ intentional avoidance of data submission or data manipulation by tampering OCEMS; and

**WHEREAS**, for unremitting violations of CPCB directions dated 18.12.2018, 14.06.2019 issued under section 5 of Environment (Protection) Act, 1986 to the unit, environmental compensation shall be levied as per CPCB policy dated 04.09.2019 separately after hearing the unit's viewpoints; and

**WHEREAS**, CPCB issued revocation directions under section 5 of the Environment (Protection) Act, 1986 to the unit on 15.10.2019 to comply with the following directions:

- (i) The unit shall resume operation only after receiving valid Consent to Operate from UPPCB.
- (ii) The unit shall ensure uninterrupted connectivity of OCEMS to the CPCB & SPCB servers for treated effluent monitoring.
- (iii) The unit shall immediately inform to CPCB regarding the date of resumption of operations.

**AND WHEREAS**, the unit has not submitted any reply in respect to the revocation directions issued; and

**WHEREAS**, CPCB vide letter dated 11.12.2019 asked the unit to deposit environmental compensation of Rs. 5,00,000 (Rupees Five Lakh only) and to inform date of resumption of operations; and

**WHEREAS**, The Hon'ble NGT vide orders dated 22<sup>nd</sup> May, 2019 in Appeal No. 27/2019 with Appeal No. 35/2019 and order dated 29/07/2019 in Appeal no. 22/2019 (Shri Vitthalsai SSK Ltd) directed that, "*CPCB may treat the impugned order as tentative and pass further appropriate order after permitting the affected parties to furnish their viewpoint for personal hearing of related Unit.*"; and

**WHEREAS**, CPCB constituted a 4-Member Committee vide office order no. MSCB/03/2017/930 dated 24.11.2020 to examine the representations against environmental compensation and to further strengthen the mechanism; and

**WHEREAS**, in compliance of above referred NGT order dated 22<sup>nd</sup> May, 2019 in Appeal No. 27/2019 and as per unit's request vide letter dated 02.07.2019 to waive off the EC, the matter was examined by the 4-member committee on 23.02.2021 and following observations were made by the committee:

1. The unit failed to comply with directions of CPCB dated 18.12.2018 to install OCEMS system and to provide connectivity with CPCB & SPCB server within 3 months.
2. Subsequently, CPCB issued closure direction dated 18.12.2018 along with environmental compensation (EC) of amount Rs.5,00,000/- (Rupees Five Lakh only) for the non-compliance period starting from 18.03.2019 (target time given) till 06.06.2019 (the date on which closure and EC decision was approved on file).
3. Connectivity of OCEMS with CPCB was established on 05.07.2019, therefore, the non-compliance period for calculation of EC will be applicable between 18.03.2019 (target time given) till 04.07.2019.

**AND WHEREAS**, as per the methodology for assessing penalty and environmental compensation, the environmental compensation to be levied to the unit **M/s Vadilal Industries Ltd., D-24, Persakhera Industrial Area, Bareilly-243502, Uttar Pradesh** is calculated as **Rs. 6,81,250/-** for the non-compliance period (18.03.2019 - 04.07.2019). The details of calculation are as under:

EC Calculation details*	From	To	N	PI	R	S	LF	Total Amount
	18.03.2019	04.07.2019	109	50	250	0.5	1	$EC = N \times PI \times R \times S \times L.F$ $EC = 109 \times 50 \times 250 \times 0.5 \times 1$ $= \text{Rs. } 6,81,250/-$

\*EC calculations details: N= No. of days of violation; PI= Pollution Index of Industrial Sector; R= A factor in Rupees for EC; S= Scale of operation; LF= Location factor

**NOW, THEREFORE**, in view of the above observations and in exercise of the powers, delegated to the Chairman, CPCB under section 5 of the Environment (Protection) Act, 1986, the Unit, **M/s Vadilal Industries Ltd., D-24, Persakhera Industrial Area, Bareilly-243502, Uttar Pradesh** is directed to show cause as to, why Environmental Compensation of **Rs. 6,81,250/-** should not be levied on the unit for the non-compliance period of 18.03.2019 to 04.07.2019.

You are hereby given an opportunity to file your objections (if any) to the above proposed direction within 15 days from the date of receipt of this notice, failing which appropriate action will be taken against the Unit without giving any further notice, in accordance with provision of the Environment (Protection) Act, 1986.



(SHIV DAS MEENA)  
CHAIRMAN

**Copy to:**

- 1) **Member Secretary,**  
Uttar Pradesh Pollution Control Board,  
Building No. TC-12V, Vibhuti Khand, Gomti  
Nagar, Lucknow-226 010, Uttar Pradesh : for kind information please.
- 2) **Joint Secretary (CP division)**  
Ministry of Environment, Forests and  
Climate Change, Prithvi Wing, 2<sup>nd</sup> Floor,  
Room No. 216, Indira Paryavaran Bhawan,  
Aliganj, Jor Bagh Road, New Delhi-110003 : for kind information please.
- 3) **District Magistrate,**  
Station Road, Civil Lines,  
Bareilly, Uttar Pradesh 243001 : for kind information please.
- 4) **Regional Director (North),**  
Central Pollution Control Board  
Regional Directorate, PICUP Bhawan  
Vibhuti Khand, Gomti Nagar,  
Lucknow - 226 010 : for kind information please.
- 5) **1/c IT division, CPCB, Delhi** : for uploading the direction at CPCB  
website.
- 6) **Master copy (Dairy), WQM-II Division.** : for record

  
(PRASHANT GARGAVA)  
MEMBER SECRETARY