

**BEFORE THE NATIONAL GREEN TRIBUNAL  
SOUTHERN ZONE BENCH, CHENNAI**

**Appeal No : 1 of 2021**

**IN THE MATTER OF**

Piramal Pharma Ltd.  
(Through Ms.Pritee Misra, Senior Legal Consultant)  
Unit Address : Village – Digwal  
Kohir Mandal, Sangareddy District  
Telangana – 502 301

Regd. Office : Ground Floor, Piramal Ananta  
Agastya Corporate Park, Opposite Fire Brigade  
Kamani Junction, LBS Marg, Kurla(West),  
Mumbai, Maharashtra – 400 070

....Appellant

v.

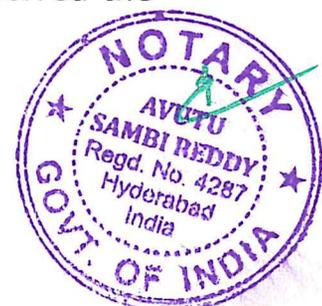
Telangana State Pollution Control Board  
(Through its Member Secretary)  
Address : Paryavarna Bhavan  
A-III, Industrial Estate, Santhannagar  
Hyderabad, Telangana – 500 018

...Respondent

**REPLY FILED BY THE RESPONDENT**

The respondent, Telangana State Pollution Control Board, states as follows:

1. The Respondent denies all allegations, averments and statements contained in the Appeal as false and incorrect, except those specifically admitted herein.
2. The above Appeal has been filed seeking to set aside the direction to pay an environmental compensation of Rs.8,31,60,000/- (Rupees Eight Crores Thirty One Lakh and Sixty Thousand Only) by way of Order No.MDK-07/TSPCB/UH-V/TF/2016-1362, dated 09.12.2020.
3. The present appeal owes its genesis to orders dated 21.07.2020 and 13.10.2020 issued by this Hon'ble Tribunal in Appeal No.09 of 2020 (SZ) and Appeal No.27 of 2020(SZ) respectively. The appellant had preferred the

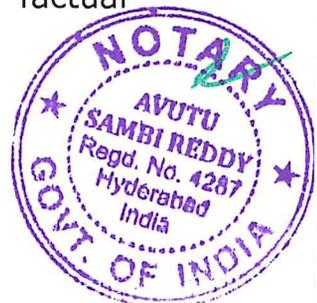


appeal in Appeal No.9 of 2020 (SZ) challenging order dated 29.01.2020 vide Order No. MDK-07/TSPCB/TF/HO/2016 issued by the respondent to the limited extent of quantum of compensation fixed. This Hon'ble Tribunal opined that since the appellant had not been given an opportunity of hearing before the imposition of environmental compensation, the impugned order, to the limited extent of fixing environmental compensation, deserves to be set aside. The Hon'ble Tribunal directed the impugned order therein to be treated as a fresh show cause notice for which the appellant was required to submit objections within a period of 15 days with an opportunity of hearing, if it desires so.

4. The respondent submits that the respondent complied with the order and after hearing the appellant passed a fresh order vide Order No. MDK-07/TSPCB/TF/HO/2016-828 dated 19.09.2020 imposing environmental compensation of Rs.8,31,60,000/- (Rupees Eight Crore Thirty One Lakh and Sixty Thousand Only). The said order was made the subject matter of appeal in Appeal No.27 of 2020(SZ) wherein this Hon'ble Tribunal held that the impugned order could not be termed as a speaking order and remitted the matter to the respondent for passing of fresh orders as observed by the Tribunal therein as well as in the earlier order passed in Appeal No.09 of 2020. An opportunity of personal hearing was directed to be given before passing a fresh speaking / reasoned order.

5. The respondent complied with the afore-mentioned order in letter and spirit and passed the order impugned herein imposing an Environmental Compensation of Rs.8,31,60,000/- (Rupees Eight Crore Thirty One Lakh and Sixty Thousand Only). Aggrieved by the said order, this appeal has been filed.

6. The respondent submits that it has objections with respect to the maintainability of the present appeal. A perusal of the memorandum of appeal would show that the appellant has disputed the factual findings of the respondent in terms of the various violations imputed as against the appellant. Such an appeal instituted on the strength of disputing factual

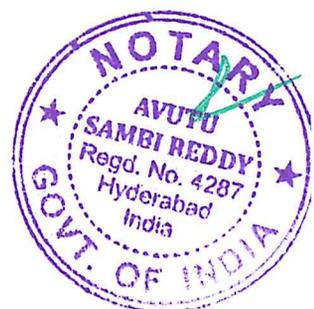


findings is not maintainable as it exceeds the scope of the order of remand in Appeal No.09 of 2020 (SZ) and Appeal No.27 of 2020(SZ). In Appeal No.9 of 2020 (SZ), this Hon'ble Tribunal vide paragraph 11 categorically observed that the merits of the order dated 29.01.2020 whereby the respondent had issued a revocation order directing closure of the appellant unit was not under challenge and that the appeal was to the limited extent of environmental compensation alone, since no opportunity was given to them before the fixing the quantum of compensation. It was on this basis that the Hon'ble Tribunal remanded the matter to provide an opportunity of hearing, in both the appeals.

7. It is submitted that on account of the afore-mentioned reasons, the appellant is precluded from disputing the facts / violations that prompted the passing of the closure order and the revocation order dated 29.01.2020. Since the appellant has not filed any appeal challenging the findings of the authorities constituted by the Hon'ble Principal Bench till date, the findings therein have become final and it is not open to the appellant to dispute the same in the present appeal.

8. The respondent further submits that the Central Pollution Control Board, in compliance of the orders issued by the Principal Bench of this Hon'ble Tribunal has issued guidelines prescribing a methodology for assessing, imposing and utilising Environmental Compensation from polluting units. The respondent has strictly adhered to the same while fixing the compensation.

11. The respondent denies the averments in paragraph A to C in the grounds of appeal. The report of the Joint Committee in O.A.No.688 of 2019 dated 30.10.2019 as submitted before the Principal Bench of this Hon'ble Tribunal records a categorical finding to the effect that there are effluent spillages within the industry premises at the effluent handling area and other unfloored areas thereby causing surface and ground water pollution in the surrounding area as well as runoff-carrying in the low lying areas. It has



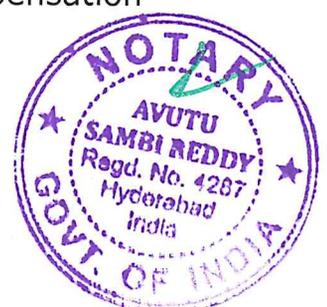
been expressly observed therein that the industry is not taking adequate measures to control air and water pollution.

12. The respondent denies the averments in paragraph D to I. The Report of the Joint Committee records that the water in the rain water harvesting pits was contaminated and noted the presence of some compounds in all the samples collected from the said pits, which indicates improper lining of the pits and faulty handling of effluents.

13. The respondent denies the averments in paragraph J to T of the appeal. The respondent's stand that various inspections conducted in the year 2018 did not result in a finding that violations were committed is factually and legally untenable in view of the unambiguous findings in the Joint Committee Report dated 30.10.2019. Once the findings have been crystallised in the form of a consolidated report, it is not open to the appellant to take cover under any previous reports/inspections.

14. The respondent denies the averments in paragraph U to X of the appeal. The violations committed by the appellant in terms of effluent discharge, improper lining of rain water harvesting pits etc cannot be termed as superfluous violations. The report of the Joint Committee records that telephonic complaints were received by the District Collector from villagers regarding pollution problems caused by the industry and contamination of ground water affecting their health, crops and livestock.

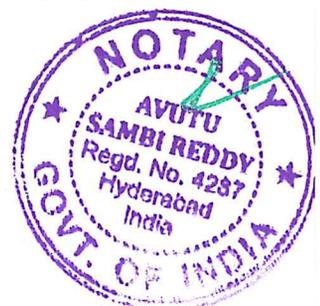
15. Though the respondent admits that Bank Guarantee furnished by the appellant to the tune of Rs.99,00,000/- (Rupees Ninety Nine Lakhs Only) has been forfeited as stated in Paragraph Y, the said amount cannot be set off against the environmental compensation. The bank guarantee was given to ensure compliance of the conditions of consent. It therefore implies that in the event of any violation in the undertaking or non-compliance with the provisions of consent order, the respondent is entitled to invoke the bank guarantee. This cannot be equated with the environmental compensation



which is based on the 'Polluter Pays' principle. The factum of encashment of bank guarantee would not preclude the respondent from directing the appellant to pay compensation and hence the averments in paragraph Z are denied. The fact that the appellant did not raise any complaint in respect of the encashment of the Bank Guarantee shows that the appellant has admitted the violations and never disputed the same at the relevant point of time, but doing so now only for the purposes of this appeal for evading the payment of the Environmental Compensation.

16. The respondent denies the averments stated in paragraph AA, BB, CC and DD. The violations committed by the appellant has enjoyed an uninterrupted existence; the Report of the Joint Committee is replete with details regarding the same. Therefore, the appellant's claims that the same was a miscalculation and that it did not necessitate such a heavy compensation, has no legs to stand. Various directions issued by the Board from time to time to the appellant's unit would categorically establish the violations that were continuing un-abated and without taking any steps to rectify and minimise the effects of pollution to the soil and surroundings.

17. The respondent respectfully states and submits that the environmental compensation has been imposed for the period during which the violations have been noticed i.e. 1386 days and the details of the violations have been explicitly set out in the impugned order itself. The reference of the appellant to its communications dated 29/01/2020, 12/02/2020, 14/08/2020, 06/09/2020, 28/10/2020, 10/11/2020, 18/11/2020 and 23/11/2020 are rather misplaced and is without reference to the closure order issued on 29/11/2018 after noticing the unabated violations. None of the appellant's communications is categorical with reference to the compliance of the conditions and on the other hand the periodical directions issued by the Board would show the continued non-compliance and violations committed by the appellant. The closure order dated 29/11/2018 was not contested by the appellant and was accepted. Even in their response dated 04/12/2018 after the closure order, it was not their case that the compliances have been made earlier and that the reasons set out in



the closure order are not correct. On the other hand, they sought to make out a case of compliance after the issuance of the closure order and sought for revocation of the closure order. The correspondence in the matter would show categorically that the directions have been complied only by January, 2019 and in those circumstances, it can be appreciated that all the relevant facts and criteria have been taken into consideration in the matter of imposition of the Environmental Compensation and that it is after affording due opportunity to the appellant at every stage that the impugned order has been passed. It is respectfully submitted that the appeal is filed only by way of afterthought and not bonafide and does not contain any valid or acceptable grounds.

In the light of the afore-mentioned reasons, it is most humbly prayed that this Hon'ble Tribunal may be pleased to dismiss the appeal and thus render justice.

Date at Hyderabad on this the 10 day of March, 2021

*T. Jankar*

**COUNSEL FOR RESPONDENT**

*[Signature]*

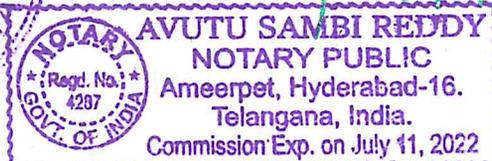
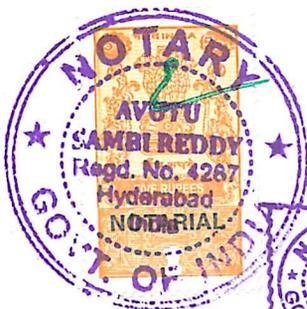
**RESPONDENT**

MEMBER SECRETARY  
T.S. Pollution Control Board  
Paryavaran Bhavan, A-3, I.E.,  
Sanathnagar, Hyderabad-18.

### VERIFICATION

I, Neetu Kumari Prasad, W/o. Rajesh Kumar, aged about 47 years, Occ.Member Secretary, Respondent Board, do hereby verify that what are all stated above are true and correct to the best of my belief, knowledge and information.

Verified at Hyderabad on this the 10 day of March, 2021



*[Signature]*

**RESPONDENT**

MEMBER SECRETARY  
T.S. Pollution Control Board  
Paryavaran Bhavan, A-3, I.E.,  
Sanathnagar, Hyderabad-18.