

BEFORE THE HON'BLE NATIONAL GREEN TRIBUNAL SOUTHERN ZONE

BENCH AT CHENNAI

Appeal No 68 of 2021

BETWEEN:

1. M/S SRI MAHALAKSHMI HATCHERIES

Represented by its Proprietor
Mr. D. Sagar Reddy
S/o D. Venkata Ramana Reddy
Office at Srinivasa Satram, Kothapatnam Village,
Kota Mandal, Sidavaram Post,
Nellore- 524 411
Email: sagar.duvvuru@gmail.com
Ph +91 8978374567

2. MR. PERNATI SHYAM PRASAD REDDY

S/o Pernati Chenchurama Reddy
Residing at Allampadu Village, Molaganuru post,
Kota Mandal, SPSR Nellore District
Andhra Pradesh -524 411
Email: syampernati@gmail.com
Ph 91 9449275554

...APPELLANTS

AND

**1. STATE ENVIRONMENT IMPACT ASSESSMENT
AUTHORITY (SEIAA)**

Represented by its Chairman
No.33-26-14, D/2 Near Sunrise Hospital,
Pushpa Hotel Centre,
Chalamvari Street, Kasturibaipet,
Vijayawada 520010,
Email: chairman@appcb.gov.in
Ph 0866 2463200.

2. ANDHRA PRADESH POLLUTION CONTROL BOARD

Represented by its Member Secretary,
D.No. 33-26-14 D/2, Near Sunrise Hospital,
Pushpa Hotel Centre,
Chalamvari Street, Kasturibaipet,
Vijayawada 520010,
Email: membersecy@appcb.gov.in
Ph 0866 2463200.

3. M/S DIVI'S LABORATORIES LIMITED

Represented by its Managing Director
303, DIVI's towers,
Cyber Hills, Gachibowli,
Hyderabad 500 032.
Email: mail@divislaboratories.com
Ph +91 40 23786300

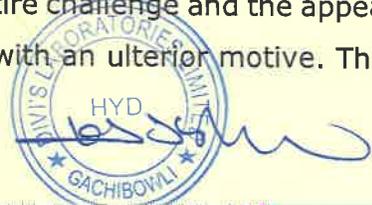
...RESPONDENTS



COUNTER-AFFIDAVIT FILED ON BEHALF OF THE 3RD RESPONDENT

I, K. Subba Rao, aged about 57 years, representing the Answering Respondent, having office at 1-72/23(P)/DIVIS/303, Divi Towers Cyber Hills, Gachibowli Hyderabad, Telangana, 500032 India, do hereby solemnly affirm and sincerely state as follows:

1. I am the General Manager (erstwhile Deputy General Manager) of the Answering Respondent herein and as such well acquainted with the facts of the case and competent to swear to the present affidavit.
2. The contents of the Memorandum of Appeal filed by the 1st and the 2nd Appellant (hereinafter collectively as "Appellant") are specifically denied except those, which are specifically and expressly admitted hereto. Absence of any specific denial shall not be deemed to be an admission by the Answering Respondent.
3. The Appellant has filed this impugned Appeal praying for, inter alia, an order to call for the entire records relating to the Order No. SEIAA/AP/VSP/IND/07/2020/1971/157.09/153.11-318 dated 28.06.2021 of the 1st Respondent granting Environmental Clearance to the Answering Respondent for establishing its unit at Krishnapatnam Industrial Area Survey Nos. 397, 401, 402, 403, 676, 681, 682, 683, 700-709, Kothapatnam (V), Kota (M) SPSR Nellore (hereinafter "proposed area").
4. It is submitted that the final approval has been granted by the 1st Respondent in favour of the Answering Respondent pursuant to its meeting held on 20.06.2021, after due consideration and thorough examination of the proposal submitted by the Answering Respondent and in light of the recommendations made by the State Expert Appraisal Committee (hereinafter "SEAC"). The Environmental Clearance has been accorded under the provisions of the EIA Notification 2006 and its subsequent amendment issued under the Environment (Protection) Act, 1986 subject to the implementation of the specific and general conditions annexed with the approval pertaining to waste handling, air and noise environment, discharge of effluents, water environment, waste generation, solid wastes handling etc by the Answering Respondent. The approval granted after the decision-making process that has been adhered to, the broad consultations, the safeguards imposed, the views of experts that have been taken will all clearly demonstrate that not only has the 3rd Respondent clearly set out the strict compliance with environmental standards, the approving bodies have also considered the entire appraisal process in complete detail and approvals have been granted with conditions to adhere to the highest standards. Each and every aspect has been appropriately and fully considered.
5. The 3rd Respondent's unblemished record together with the records that form part of the approval would clearly demonstrate that the entire challenge and the appeal to the grant of EC is entirely frivolous and evidently with an ulterior motive. This



Respondent wishes to humbly submit that the present Appeal contains several incorrect claims which the Appellant ought to have known the correct position and factual particulars. The appeal is clearly a calculated move by the aquaculture industry near the area to divert attention of the regulatory authorities as also this Hon'ble Tribunal to their violations and attempt to shift the blame with regard to the violations by the aquaculture industry and the impact it has had on the environment on the pharmaceutical industry. The Respondent herein has evidently been made a target since it's expansion and establishment of the present unit has coincided with the commencement of action against the Aquaculture industry and their violations in the area. Significantly, the appeal seeks to project a case as if antibiotics would be released into the sea and surrounding area and pollute the said areas when the truth of the matter is that this Respondent's proposed unit is not even going to be involved in antibiotic manufacture and is being set up for API (Active Pharmaceutical Ingredient) manufacturing.

6. The fact that not only is the 3rd Respondent not in any manner violating any pollution control norms but it is the aquaculture industry of which the appellant is part of which is responsible for the threat to the ecology in that area makes the present challenge all the more objectionable. The records of the 3rd Respondent's existing operations, the studies and reports over the past period clearly demonstrate the adherence of this respondent to all environmental standards with the aquaculture industry being the threat in that area. A thorough study of the Appellant's operations would in fact demonstrate that it is the appellant and similar industries in the area which will have to be shut down to protect the environment. This Tribunal which has broad powers in that regard ought to direct a comprehensive study and report in that regard so that the true purpose and intent of the present challenge would become evident. It is unfortunate that a group belonging to a particular industry is seeking to divert the attention of the regulatory authorities from the illegalities and non-compliances by challenging the present approvals. Be that as it may, the detailed response that this Respondent is now setting forth would clearly demonstrate that the EC has been appropriately granted.

7. It is submitted that the operational activities of the Answering Respondent do not hamper or cause any adverse effect to the aqua culture or its revenue. It is also submitted that the proposed area would strictly function in compliance with rules and regulations issued under all applicable laws, including laws relating to the protection of the Environment such as Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.

8. It is further highlighted that the Answering Respondent has undertaken to adhere to follow a standard treatment process as specified by regulatory and technical

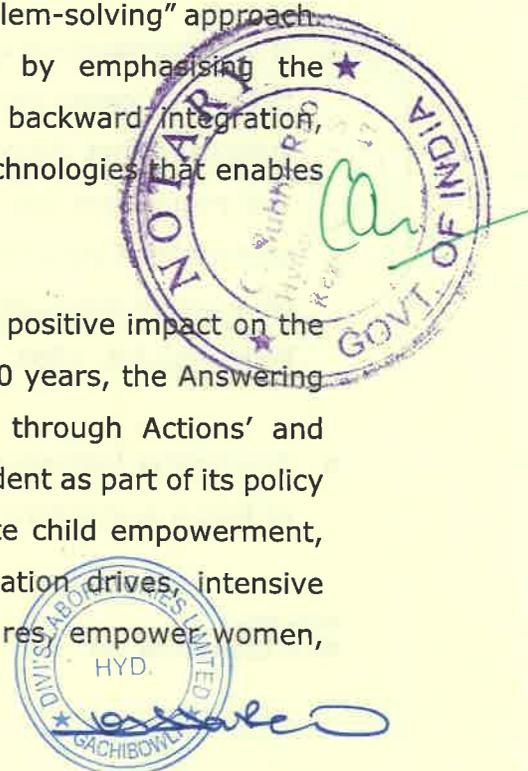


bodies of government which will be environmentally viable and safe and would not bring any harm to the surrounding environment which includes the sea water or any species therein. All requisite statutory permissions for the proposed project have been duly obtained by the Answering Respondent.

9. In spite of the comprehensive statutory regime governing the functioning of the Answering Respondent and the inherent checks and balances, the Appellant has filed this impugned Appeal with no legally tenable justification. At the outset it is submitted that the present Appeal is bereft of any cause of action and has been based entirely on assumptions and surmises and is as such premature, and liable to be dismissed at the threshold.

FACTS IN BRIEF

10. The Answering Respondent was established in the year 1990 in Hyderabad with two manufacturing units and is one among the top pharmaceutical companies in India. The Answering Respondent has been recognized as a reliable supplier of generic Active Pharmaceutical Ingredients (hereinafter "API") intermediates and nutraceutical products and is also one of the top API manufacturers in the world with a portfolio of ~130 products across diverse therapeutic areas for human consumption, offering high quality products with the highest level of compliance and integrity to over 95 countries. It is pertinent to note that the Answering Respondent is not engaged in manufacturing any antibiotics in either of the manufacturing units. Further, the Answering Respondent is committed towards the goal of sustainable chemistry, thereby optimizing the processes and practices that not only protect, but also enhance human health and environment. These are not mere empty declarations but borne out by the substantial efforts that the Answering Respondent has taken to meet and exceed standards that are fixed. The Answering Respondent has around 17,000 highly trained professionals across departments and 500 scientists working together. The Answering Respondent has been driving towards setting the stage for sustenance in all the operational aspects through a "proactive" approach rather than a "problem-solving" approach. The Answering Respondent has defined its approach by emphasising the facilitation for business growth through investments in backward integration, creation of significant capacities, investments in newer technologies that enables sustainable operations.
11. The Answering Respondent has been engaged in creating positive impact on the lives around the communities it operates, over the past 30 years, the Answering Respondent has believed and adhered to 'Sustenance through Actions' and endeavours to follow this principle. The Answering Respondent as part of its policy to contribute to society has also taken efforts to promote child empowerment, provision to safe drinking water, undertake green plantation drives, intensive afforestation efforts, provide access to healthcare measures, empower women,



focus on the well-being of animals, betterment of livelihood and development of rural infrastructure to empower lives of the people.

12. The Answering Respondent has played a vital role during the pandemic and has supplied the essential products required for treatment of Covid to domestic as well as global customers. It has also supported the economy of country by adding Rs. 5,88,625 Lakhs by means of export of products, paid tax(es) to the extent of Rs. 67,315 Lakhs and earned a total revenue of Rs. 6,86,114 during the Financial year 2021-2021.
13. It is pertinent to note that despite the surge in pandemic the Answering Respondent on proactive basis undertook several steps to protect the community at large by providing sanitizers, undertaking sanitization drives and also supported the migrant workers with food and water, distribution of essential provisions to needy, supplying basic needs and hygiene essentials to quarantine centres, comforting ~6500 people a day. During the second wave, Answering Respondent took initiative by supplying oxygen cylinders and concentrators to government hospitals in Andhra Pradesh and Telangana. Answering Respondent also set up Oxygen generation plants at two major government hospitals at Telangana and Andhra Pradesh respectively.
14. This Respondent is only stating these facts to emphasise the fact that for an entity that has always worked to contribute to society and act in an environmentally responsible manner, it is all the more objectionable that its approvals should be sought to be challenged and questioned by making incorrect claims.
15. The Answering Respondent has followed all the applicable laws, good manufacturing practises and international norms for supply of API. Further, the Answering Respondent has complied with regulatory regime of United States Food and Drug Administration which has inspected the manufacturing units of Divi's several times from 2000 onwards with no major findings leading to any adverse impact on either of the manufacturing unit save on two occasions wherein the observations flagged by the USFDA were attended to on a war footing basis and compliance verified. It is pertinent to note that the Answering Respondent is one of the pioneers in obtaining FDA approval and has maintained an unblemished record. Further, the Answering Respondent has also demonstrated through its compliances by consistently getting quick and time bound approvals from the appropriate authorities.
16. The proposed unit of the Answering Respondent in Krishnapatnam Industrial Area has been proposed to act as a commercial facility for manufacturing APIs & intermediates with a firm commitment towards environmental care. The proposed manufacturing facility would be established in the notified Krishnapatnam Industrial Area comprising of 81.74 Ha (202 Acres) identified for the purpose of

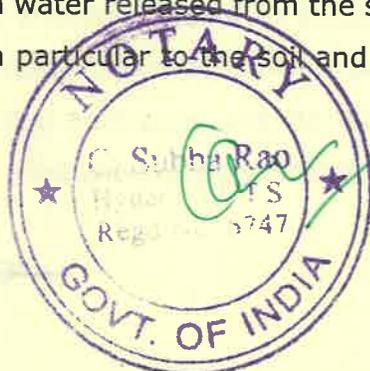


establishing multipurpose production blocks in Kothapatnam village, Kota Mandal, PSR Nellore District of Andhra Pradesh. The region is a part of the notified industrial corridors i.e. the Chennai Bangalore industrial corridor and the Vishakhapatnam Chennai industrial corridor. The present unit is part of a critical policy initiative by the Government of India for ensuring strategic industrial self-sufficiency and manufacturing in India. The Cabinet Committee on Economic Affairs (CCEA) had approved to construct Industrial Corridor nodes in Krishnapatnam and Tumakuru at estimated cost of ₹7,725 cr. The committee simultaneously approved three proposals from the Department of Promotion of Industry & Internal Trade (DPIIT). These include the Krishnapatnam Industrial Area in Andhra Pradesh with an estimated cost of Rs. 2,139.44 crore for the project. The CCEA noted that the objective of Industrial Corridor Programme is the creation of greenfield industrial cities with sustainable, 'plug n play', ICT enabled utilities to facilitate the manufacturing investments into the country by providing quality, reliable, sustainable and resilient infrastructure to industries. These developed nodes are planned for immediate allotment in order to attract investments into manufacturing and positioning India as a strong player in the Global Value Chain, in terms of the CCEA initiative. Through such industrialisation, the planned projects in the areas that formed part of the Committee recommendations are said to generate employment opportunities for more than 2.8 lakh persons. The CCEA stated that "The Industrial Corridor Programme thrives to attain the objective of creation of an 'Atmanirbhar Bharat' to drive the growth of industries and create greater avenues for investments across the country," For the project in Krishnapatnam, around 98,000 persons are estimated to be employed in the first phase. The Chennai Bangalore Industrial Corridor (CBIC) along Chennai - Bengaluru - Chitradurga (around 560 km) will have an influence area spread across the three states - Tamil Nadu, Karnataka and Andhra Pradesh. It is expected to boost commerce by enabling quicker movement of goods from East Asia to the ports in South India. The CBIC is set to have a direct impact on economy and employment by creating competencies with other centres namely, Krishnapatnam in Andhra Pradesh, Tumkur in Karnataka, and Ponneri in Tamil Nadu. The strategic location of the Krishnapatnam Industrial Node along with connectivity to the existing port makes it a very attractive investment destination due to its locational advantage along with development of dedicated area for infrastructure, roads, water bodies, etc. Along with this Respondent's proposed Manufacturing industry many other industries are proposed to be developed in the Krishnapatnam Industrial Node Area. MOEF&CC has granted Terms of Reference (TOR) on 14th August 2019 for preparation of EIA, Public hearing was conducted on 10th November 2020, and MOEF&CC has recommended for issuing Environmental Clearance in 265th EAC meeting (Infra - 1) held during 23rd and 24th June 2021 for Proposed Krishnapatnam North Industrial Node (Area of 4984.1 Ha). The project will be developed by M/s NICDIT Krishnapatnam Industrial City Development Ltd, in Collaboration of Government of India and



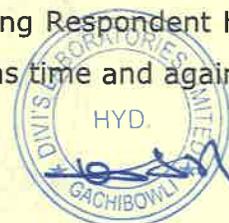
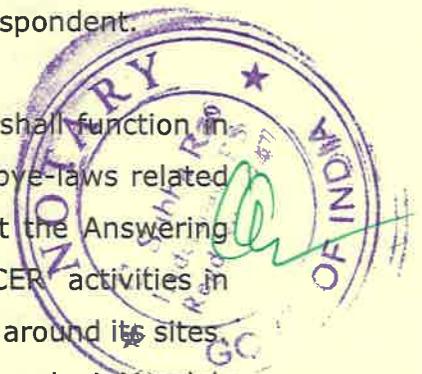
State Government. Thus, the claims of the Appellant based on self-serving data is wholly misconceived. The past challenge as well as the present proceedings clearly demonstrate that the Appellant's other purpose is to create roadblocks through litigation on this planned development in notified industrial areas by making vague claims of damage to environment without there being a factual basis.

17. It is in this context and before proceeding to deal with this Respondent's project it is necessary to highlight certain important issues. The Appellant has not come before this Hon'ble Tribunal with clean hands. While making baseless allegations on the alleged pollution being caused by the Answering Respondent, the Appellant has failed to take cognisance of the adverse effect on the environment caused by its own activities and that of the persons involved in its industry in that area which has caused deep impact. It is pertinent to bring to record that one Stanly Hebzon Singh filed a petition u/s 14 and 15 of the National Green Tribunal Act, 2010 before Hon'ble NGT, Chennai in connection with regions of Chittampur, Kota and Vakadu Mandal on shrimp culture and manner of discharge of seepage used by Aqua farmers along the channels of Pulikaluva and Royalkaluva in Pittivanipalli and Padarthivarikadriga and Ranganathapuram villages of Chittampur Mandal, SPSR Nellore District of Andhra Pradesh.
18. Based on the above petition, the Hon'ble NGT (SZ), had directed the District Collector, SPSR Nellore to appoint a Joint Committee to submit a report and to check for violations found in relation of contamination of ground water due to shrimp cultivation. The said Joint Committee conducted a physical inspection and inspected the brackish water aqua culture ponds existing in the afore mentioned areas and made the following observations:
- (i) Assigned agricultural fields have been converted to shrimp culture in all the aforesaid three Mandal's, which is in violation of the law;
 - (ii) In aggregate the unauthorized culture accounts for 94.09% in all three Mandal's.
 - (iii) The shrimp farmers after harvesting the aqua crop, drained the high saline water into nearby irrigation channels, thus polluting the irrigation water with saline water. It was further observed that when such high content saline water is being used by the farmers for irrigation, it not only leads in significant decrease in crop yields but also deteriorates the quality of soil by increasing the soil salinity.
19. In light of the observations made by the said joint committee, it was concluded that the irrigation channels of Pulikaluva and Royyalakaluva were affected by contaminated brackish water released from the shrimp ponds which caused harm to the environment, in particular to the soil and water. The same resulted low in



productivity and loss of income to farmers who used such contaminated brackish water from Mallam Tank for irrigation of their crops.

20. Additionally, the presence of antibiotics and harmful pharmacological substances have been detected in the rejected exported products and the reasons behind such rejection can be traced to the non-regulated, indiscriminate and erroneous use of banned antibiotics such as furazolidone, chloramphenicol, veterinary antibiotics and nitrofurans as supplements and feeds by the shrimp farmers in India including shrimp farmers in Andhra Pradesh, which are harmful to the consumers and are banned as per global regulations. The Appellant has not produced a single iota of evidence, before the Hon'ble Tribunal, to suggest that their shrimp farming is being impacted by the treated pharmaceutical effluents and have filed this appeal to cover their own wrongdoings. The Appellant is put to strict proof of the same.
21. In so far as the answering Respondent is concerned, it is submitted that the Answering Respondent has acquired the proposed area with the objective of future expansion of its capacities in order to maintain drug security and to avoid disturbances in supply chain for manufacturing API's in India, in port based industrial area notified by both the Central and State Government and the same is in addition to the existing site of the Answering Respondent located at Thondangi Mandal, East Godavari Dist., AP.
22. Furthermore, the allegation that the proposal for relocation of site from Thondangi Mandal to Nellore was triggered by agitations and protests pertaining to potential health hazard and pollution is false, without evidence, baseless and misconceived. The Appellant has based such averment without any documentary evidence and the Appellant is put to strict proof of the same. It is hereby submitted that the existing site of the Answering Respondent located at Thondangi Mandal, East Godavari District, AP is independent of the subject proposed site at Kothapatnam Village, Kota Mandal in Nellore District allocated to Answering Respondent.
23. It is reiterated that the Answering Respondent adheres to and shall function in strict compliance of all applicable statutory rules, norms, laws, bye-laws related to the environment. It is also important to bring to notice that the Answering Respondent has been initiating and constantly conducting CSR/CER activities in order to maintain, preserve and upgrade the environment in and around its sites. The allegations pertaining to but not limited to unrest at Thondagi Mandal, discharge of effluents into the sea, air pollution, solid wastes etc are vehemently denied since they are mere statements without any proof and have been repeated without any basis. Mere repetition of false allegations without an iota of proof ought to be rejected. The Appellant has wrongfully contended violations by the Answering Respondent, when in fact the Answering Respondent has been found in compliance of all necessary statutory obligations time and again.

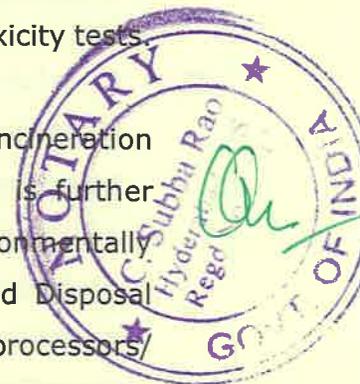
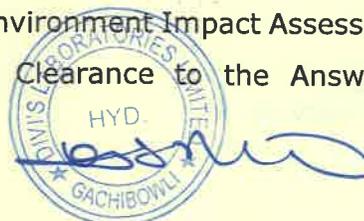


24. It is submitted that the proposed area would strictly function in compliance with rules and regulations issued under all applicable laws and the Answering Respondent has undertaken to adhere to follow a standard treatment process as specified by regulatory and technical bodies of government which would be environmentally viable and safe and would not bring any harm to the surrounding environment which includes the sea water or any species therein.
25. It is submitted that the location of the proposed area as described by the Appellant is misleading and incorrect and the proposed area does not abut the Buckingham canal (NW4) nor is surrounded or abutted by any reserved forest as contented by the Appellant and the Appellant is put to strict proof of the same. The proposed area is a part of the notified industrial corridors i.e. (i) Chennai Bangalore industrial corridor and (ii) Vishakhapatnam Chennai industrial corridor and is surrounded by 4 announced industrial projects. Thus to project a claim of establishing this Respondent's unit in a notified area as if it is situate in an environmentally protected area is completely without basis.
26. The map in this regard is being filed which will demonstrate the falsity of the claims. This singular fact of making incorrect pleas even as to the location ought to be considered and this Tribunal may consider dismissing the appeal as the Appellant has come to this forum with unclean hands by making assertions which they ought to know are false.
27. Further, the averment that around 21 hatcheries are registered and located within the proposed area is false and far away from the truth and the site of the Answering Respondent. It is submitted that, three hatcheries are located within 3kms of the proposed area, out of which one is operating, another is rarely operating and the third one is non-operational. Further, 14 other hatcheries are located more than 12 -15 kms away from the proposed area and they do not fall within the jurisdiction of Kota Mandal, but form part of Vakadu Mandal. The map in this regard is also being filed.
28. Pertaining to the concerns of discharge of treated effluents in the sea, it is submitted that an absolutely fail proof mechanism has been conceived and is being implemented wherein the treated effluents would be stored in guard ponds which are duly facilitated with a lock and seal system in accordance with the norms prescribed by the Andhra Pradesh Pollution Control Board. The whole activity pertaining to discharge of the treated effluents would be done in the presence of the officials of the APPCB only after receiving the necessary conformation based on treatments and standards prescribed by them.
29. It is pertinent to note that the Marine outfall point has been consciously chosen and specifically designated by considering various parameters like Dispersion



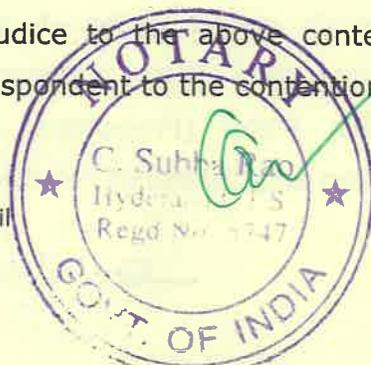
modelling study, Rate of dilution, Marine environment , all based on the Marine EIA Studies carried out by Indomer Hydraulics (P) Limited, Chennai which is an empanelled accredited body of the Ministry of Environment, Forest & Climate Change. As per the recommendations of the aforementioned study, the treated effluents can be discharged into the sea at a distance of 1000 m and depth of 8 m from the land fall point, where the treated effluents attain the maximum dilution.

30. It is submitted that the effluents will be treated in a diversified manner to ensure that they adhere to the standards prescribed by the APPCB and are not directly discharged. As per the SOPs issued by the APPCB, the industries which are permitted with marine outfall system, shall install online continuous effluent monitoring system to verify the status of the treated effluents being discharged into sea, which in turn is further linked with the Central Pollution Control Board (hereinafter "CPCB")/ APPCB's website. At any cost, untreated effluents shall not be discharged from the Marine Outfall Point.
31. It is submitted that, the treated effluents shall be stored in guard ponds, whose outlet pumping system is guarded under a lock & key facility. The treated effluents in the guard ponds shall be analysed by the APPCB officials for its compliance with the norms of the board, and only after duly ensuring that the treated effluents are following the marine discharge standards prescribed by the Board, the discharge into the sea is carried out in the presence of APPCB officials. Online cameras focusing the guard ponds are installed and are connected to the APPCB/CPCB servers for 24x7 surveillance. The Answering Respondent shall also conduct the Bio - Assay tests for analyzing the toxicity level of treated effluent discharges from marine outfalls as per the Ministry of Environment, Forests and Climate Change (hereinafter "MoEF&CC") and CPCB guidelines, and the analysis reports shall be sent to the APPCB every six months. The test species being used is Danio rerio (Zebra fish) which is very sensitive and broadly used for acute toxicity tests.
32. The proposed scheme of disposal of the other residue products like incineration ash, process salt and residue, used oil, spent acids, catalysts etc is further indicative of the fact that the Answering Respondent has taken environmentally viable measures by sending such wastes to Treatment Storage and Disposal facilities (hereinafter 'TSDF') or by sending them to duly authorised re-processors/ recyclers or agencies. Adequate mechanisms are put in place to monitor air pollution as well. Thus, highest standards would be adhered to.
33. Furthermore, the Answering Respondent has duly obtained all the necessary clearances from the appropriate authorities. The committee of State Expert Appraisal Committee (SEAC) and the State Level Environment Impact Assessment Authority (SEIAA) have granted Environmental Clearance to the Answering



Respondent after examining the project proposal; MOEF&CC OMs, CRZ Clearance from Andhra Pradesh Coastal Zone Management Authority (APCZMA); Consent for Establishment (CFE) from the APPCB for laying of marine outfall facility to discharge treated effluents.

34. Therefore, the averments made by the Appellant that any such industrial discharge into the sea will have adverse effects on the production and farming undertaken in the Hatcheries, is misconceived and hence denied. It is further submitted that the Appellant has merely made misconstrued and baseless allegations for the sake of making allegations and the same are not in furtherance of any environmental cause. Firstly, as a part of the manufacturing, no production of antibiotic products is envisaged in the proposed manufacturing unit, thus there is no potential threat of any antibiotic APIs being present in discharge water. Re-emphasis is placed on the fact that hazardous waste i.e., solid waste will not be disposed into the sea at any instance or cost. Such waste shall be duly sent to TSDF/ co-processors/ recyclers/ authorised vendors as substantiated in the submissions below.
35. Additionally, it is pertinent to note that after submission of representation from the proprietor of the First Appellant namely Mr. D. Sagar Reddy and the preliminary Joint inspection report, the respective parties along with the members of the joint inspection committee were asked to make representations before the Consent for Establishment (hereinafter 'CFE') Committee to discuss the said issue on 22.10.2020 through video conference. In accordance with the same, all respective parties appeared and were duly given an equal opportunity to represent their claims. After detailed deliberations of all the issues and claims and careful scrutiny, the CFE Committee granted CFE (NOC) for marine outfall facility under section 25 of the Water (Prevention & Control Pollution Act) 1974 and Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and the rules made thereunder to the Answering Respondent. It is pertinent to note that all objections raised by the Appellant were examined in detail and only subsequent to which the CFE (NOC) for Marine outfall in favour of the Answering Respondent was issued based on scientific reasons. This would in itself demonstrate that all aspects were appropriately considered and stakeholders views fully considered and appropriate measures fixed by the approving bodies.
36. In light of the above submissions, where the Answering Respondent is in compliance with every letter of the Statute and has obtained all necessary permissions for operation from the appropriate statutory authorities, the impugned Appeal deserves to be dismissed *in limine*.
37. Without prejudice to the above contentions, the para wise response of the Answering Respondent to the contentions of the Appellant are as under:



DETAILED OBJECTIONS: PARAGRAPH-WISE REPLY

1. With respect to Paragraph 1, the contents pertain to details of parties to the present Appeal and the same are accepted, to the extent they are borne out of records and corresponding submissions made above are reiterated.
2. With respect to Paragraph 2, it is submitted that the impugned Environmental Clearance Order has been granted by the 1st Respondent in favour of the Answering Respondent pursuant to its meeting held on 20.06.2021, only after due consideration and thorough examination of the material on record of the proposal submitted by the Answering Respondent and in light of the recommendations made by the SEAC. The 1st Respondent vide the impugned order has accepted the recommendations of the SEAC to be strictly complied by the Answering Respondent, and has consequently accorded Environment Clearance to the proposed project vide impugned order dated 28.06.2021 under the provisions of the EIA Notification 2006 and its subsequent amendment issued under the Environment (Protection) Act, 1986 subject to the implementation of the specific and general conditions annexed with the impugned order pertaining to waste handling, air and noise environment, discharge of effluents, water environment, waste water generation, solid wastes handling etc by the Answering Respondent.
3. It is submitted that the representations of the Appellant were duly examined by the CFE Committee, APCZMA, SEAC and SEIAA, who laid down standard safety norms and precautions which are to be adhered by the Answering Respondent. The NOC's have been granted subject to the strict adherence of required norms and procedures as laid out in the Annexure to the Orders.
4. With respect to Paragraph 3, the contents pertain to the details of the Answering Respondent and it is submitted that, the Answering Respondent is a Public Limited Company and a leading manufacturer of APIs (Active pharmaceuticals ingredients), Intermediates and Registered starting materials for generic drugs on a commercial scale. The Answering Respondent has been engaged in the business of manufacturing the same for over 30 years. At the outset, it is submitted that all manufacturing units belonging to the Answering Respondent are operating in compliance of all applicable statutory norms and guidelines, after duly obtaining the requisite Consent for Operations and Consent for Establishment from the appropriate statutory authorities.
5. It is further submitted that the proposed area would strictly function in compliance with rules and regulations issued under all applicable laws, including laws relating to the protection of the Environment such as Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981. It



is further highlighted that the Answering Respondent has undertaken to adhere to follow a standard treatment process as specified by regulatory and technical bodies of government which will be environmentally viable and safe and would not bring any harm to the surrounding environment which includes the sea water or any species therein. All requisite statutory permissions for the proposed project have been duly obtained by the Answering Respondent.

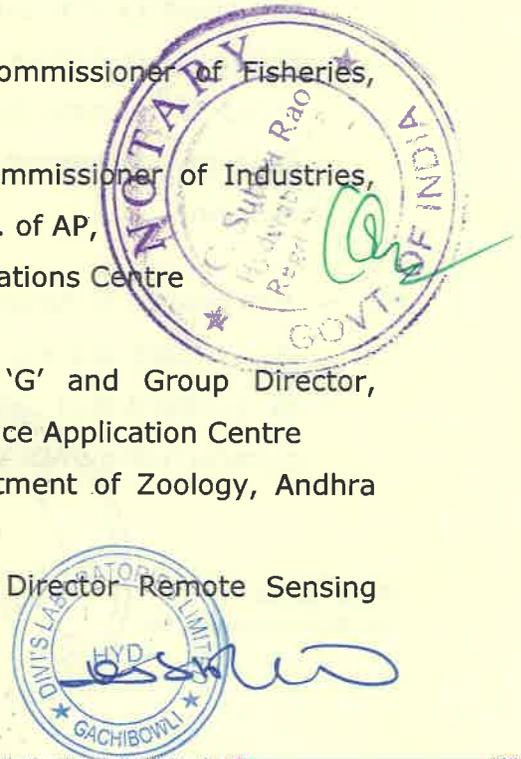
6. With respect to Paragraph 4, the averment that the proposed construction of a commercial facility of the Answering Respondent at Thondangi Mandal was put to hold by the Government of Andhra Pradesh owing to widespread agitation and protests by the villagers against potential hazard and pollution is misinformed and the details have been grossly misconstrued by the Appellant and hence denied in toto. It is pertinent to state that the agitations and protests at Thondangi Mandal were in relation to the land being situated in an undeveloped industrial area and mainly pertaining to the ex-gratia fixed by the Government of Andhra Pradesh and not on any allegations of potential hazard or pollution as stated by the Appellant and the Appellant is put to strict proof of the same. further, the Appellant's attempt to connect two different projects of the Answering Respondent without any reference to the subject matter of the grant of EC, only shows lack of application of mind to the issue sought to be raised.
7. In continuance to the above, it is submitted that the subject matter concerning the ex-gratia was challenged in the erstwhile Hon'ble High Court of Andhra Pradesh and Telangana. The Hon'ble Court of Andhra Pradesh vide common order dated 05.05.2021 disposed the Writ petitions by confirming the ex-gratia as fixed by the Government of Andhra Pradesh. A copy of the common order dated 05.05.2021 of the Hon'ble High Court of Andhra Pradesh are annexed herewith.
8. It is also at this stage pertinent to highlight that post the disposal of the writ by the Hon'ble High Court, the Answering Respondent continues to hold the peaceful possession of the site at Thondangi Mandal and has also obtained of all necessary statutory approvals for construction of the said manufacturing facility. It is further reiterated that; the Answering Respondent was never asked to relocate the site at Thondangi Mandal and the averment of the Appellant is incorrect and misleading and the Appellant is put to strict proof of the same.
9. With respect to Paragraphs 5 & 6, it is submitted that the contents are devoid of any merit and are false and the Appellant is put to strict proof of the same. As substantiated above, the proposed unit is a commercial facility for manufacturing APIs and the application for Environmental Clearance was made



in accordance with the notifications issued by the Ministry of Environment, Forests and Climate Change. It is further submitted that the Environmental Impact Assessment (hereinafter "EIA") study for the proposed unit was carried out by M/s Ramky Enviro Services Pvt Ltd., an accredited EIA consultant by National Accreditation Board for Education and Training (NABET), Quality Council of India (QCI), MoEF&CC. Further, Marine EIA Studies were carried out by Indomer Hydraulics (P) Limited, Chennai which is an empanelled accredited body of the MOEF&CC along with the Indian Remote Sensing (IRS), Anna University, Chennai as an authorised agency of Ministry of Environment, Forests and Climate Change for demarcation of CRZ area including HTL and LTL duly superimposing the activities on the map of approved CZMP, who further examined the environmental and social impacts and proposed the mitigation measures for identified impacts. All the reports have been duly submitted by the Answering Respondent to SEAC, SEIAA, APCZMA and APPCB who laid down standard Environment safety norms. It is pertinent to note that all documents were duly examined carefully by all the committee members and only subsequently the EC, CRZ NOC and CFE for laying of marine outfall facility to discharge treated effluent for the proposed Manufacturing Unit was given to the Answering Respondent.

10. It is further submitted that all the team members who were involved in Terrestrial EIA and Marine EIA Studies are highly trained professional holding Post Graduations and PhDs in specialized subjects like, Environmental Emission Experts (Air, Water and Solid Waste), Ecology and Biodiversity Experts, Risk Assessment and Hazardous Management, Hydrogeology expert, etc., The Committee members of APCZMA: (2020 – 2023) are

1. Special Chief Secretary to Government (or) Principal Secretary to Government, Environment, Forest, Science and Technology Department, Govt. of AP;
2. Principal Secretary to Government (or) Special Commissioner (Disaster Management), Revenue (Disaster Management) Department, Govt. of AP;
3. Principal Secretary to Government (or) Commissioner of Fisheries, Fisheries Department, Govt of AP;
4. Principal Secretary to Government (or) Commissioner of Industries, Industries and Commerce Department, Govt. of AP,
5. Head/Director, Andhra Pradesh Space Applications Centre
6. (APSAC), Govt of AP
7. Shri. Kalluri Hanumantha Rao, Scientist 'G' and Group Director, Oceanography (Retired) Andhra Pradesh Space Application Centre
8. Prof. Ummey Shammem, Professor, Department of Zoology, Andhra Pradesh University
9. Dr. P.V.N. Rao, Scientist 'H' and Deputy Director Remote Sensing



Application Area (RSAA), National Remote Sensing Centre (NRSC) (Indian Space Research Organisation), Department of Space, Government of India

10. Dr. Shaik Basha, Senior Principal Scientist and Head, Council of Scientific and Industrial Research (CSIR) - National Environmental Engineering Research Institute (NEERI)
11. Dr. T. Byragi Reddy, Professor, Department of Environmental Sciences, Andhra Pradesh University
12. Dr. Deepak Amban Mishra, Faculty Member, Indian Institute of Petroleum and Energy (IIPE)
13. Dr. S. Venkata Mohan, Senior Principal Scientist, Department of Energy and Environmental Engineering, Council of Scientific and Industrial Research (CSIR) - Indian Institute of Chemical Technology (IICT)
14. Dharitri Rakshitha Samithi, Kakinada (NGO)
15. Member Secretary, Andhra Pradesh Pollution Control Board

Committee members of SEIAA: (2017 – 2021)

1. Sri Sarasa Balasubramanyam, Indian Administrative Service, (Retired),
2. Dr. Smt. Padma Sree Ravi, Professor, Department of Chemical Engineering, Andhra University College of Engineering (A),
3. Special Secretary/Additional Secretary, Environment, Forests, Science and Technology Department, Government of Andhra Pradesh

Committee Member of SEAC: (2017-2021)

1. Prof. Baghavathula Venkata Sandeep, Head Department of Technology & Co-ordinator, Department of Food, Nutrition and Dietetics, College of Science and Technology, Andhra University,
2. Prof. Muvva Vijayalakshmi, Dean, Research and Development, Chairperson, Post Graduate Board of Studies in Botany and Microbiology, Department of Botany and Microbiology, Acharya Nagarjuna University.
3. Dr. Pulipati King, Department of Chemical Engineering, A.U. College of Engineering (A), Andhra University
4. Dr. Seepana Bala Prasad, Professor, Department of Civil Engineering, A.U. College of Engineering (A), Andhra University
5. Prof. Patruni Jagannadha Rao Department of Civil Engineering, A.U. College of Engineering (A), Andhra University
6. Prof. Kameswara Rao, Department of Environmental Science, Andhra University
7. Prof. KVSG Murali Krishna, University College of Engineering, Jawaharlal Nehru Technological University
8. Dr. Devala Rao Garikapati, Prof. and Principal
9. Dr. M. Bullaiah, Indian Forest Service (Retired)



10. Prof. Seshaiiah Kalluru, Chairman Board of Studies, Department of Chemistry, Sri Venkateswara University,
11. Dr. V.S.R.K Prasad, Visakhapatnam - 530 017, Andhra Pradesh

It is respectfully submitted that once 3 expert bodies consisting of subject experts, having specialized knowledge in their area of expertise, have duly considered the relevant material and submitted their suggestions/views, which culminated in the grant of EC by the 1st Respondent, the appellants have not made out any case for interference with the grant of EC.

11. It is reiterated that, the Answering Respondent shall comply with all the conditions stipulated by SEIAA/SEAC in Environmental Clearance, APPCB in CFE/CFO, APCZMA in CRZ NOC, General Conditions and Industrial environmental Standards issued time to time by CPCB and MoEF&CC therefore the proposed unit's functioning shall not result in any negative impact to the surroundings and only propose positive impacts to the country's economy, health infrastructure and generate employment opportunities.
12. With respect to Paragraph 7, it is submitted that the location of the proposed area as described by the Appellant is misleading and incorrect as the proposed area does not abut the Buckingham Canal (NW4) and the Appellant is put to strict proof of the same. It is highlighted that the Buckingham Canal is located at an average distance of 400-500 meters from the proposed area and the actual site boundary details are as follows:

Direction	As alleged by Appellant	Actual Details
North	By KPIL Land and Reserved Forest	KPIL Land
South	By Village Road	Road (Mannegunta to Kothapatnam)
East	By KPIL Land (towards sea at a distance of 2.2 kms)	KPIL Land
West	by Road	Andhra Pradesh Industrial Infrastructure Corporation ("APIIC") Land

13. It is submitted that the proposed area is located in the notified Krishnapatnam Port Industrial Area which is a part of the new notified industrial corridors i.e. the Chennai Bangalore industrial corridor and the Vishakhapatnam Chennai industrial corridor. Furthermore, it is pertinent to note that the proposed area is not surrounded or abutted by any reserved forest as alleged by the Appellant and the Appellant is put to strict proof of the same.

14. With respect to Paragraph 8, it is submitted that the proposed area is not in close proximity to the notified Aqua Zone and the Appellant is put to strict proof of the same, thereof. On the other hand, it is submitted that, the proposed area is located in the Industrial corridor as notified by the Government of India, the Government of Andhra Pradesh, the Department of Industrial Policy and Promotion (DIPP) of Ministry of Commerce and Industry. Furthermore, the averment that around 21 hatcheries are registered and located within the proposed area is false and far from the truth and site of the Answering Respondent. The Appellant only to add weightage in form of numbers to the current Appeal has conveniently cloaked the averment and is put to strict proof of the same. It is submitted that only three hatcheries are located near the proposed area.

Hatchery	Distance from proposed area / Site boundary
Teknomin Hatcheries	2.13 Km
Mahalakshmi Hatcheries	2.56 Km
Vijaya Hatcheries	2.6 Km

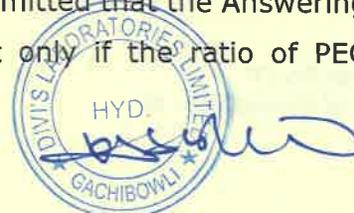
15. It is submitted that aforementioned three hatcheries are located within 3 km away from the proposed area, out of which only one is operation, another is rarely operating and the last is non-operational. Further, about 14 other hatcheries are located more than 12-15 kms away from the proposed area and they do not fall within the jurisdiction of Kota Mandal, but form part of Vakadu Mandal. The Appellant is put to strict proof of its averments.

16. With respect to Paragraph 9, it is reiterated that there are no eco sensitive areas located near to the proposed area belonging to the Answering Respondent. It is reiterated at the cost of repetition that the proposed area is in new notified industrial corridors i.e. the Chennai Bangalore industrial corridor and the Vishakhapatnam Chennai industrial corridor and the site is surrounded by KPIL and APIIC land. In addition to this, it is submitted that the proposed area belonging to the Answering Respondent is surrounded by 4 announced industrial projects as under:

- (i) Navayuga Pharma City;
- (ii) North Krishnapatnam Industrial Project approved and announced by Government of India and Government of Andhra Pradesh through Andhra Pradesh Industrial Infrastructure Corporation;
- (iii) Steel Plant approved the Government of Andhra Pradesh and State Investment Promotion Board ('SIPB'); and
- (iv) Other Industries are in the process of obtaining Environmental Clearance for setting up their manufacturing units.



17. Furthermore, the nearest habitation to the proposed site is Yemadinnepalem of Kothapatnam, which is located at a distance of about 250 mtrs towards the Eastern Side. Yemadinnepalem consists about 50 to 60 houses with a population of about 300 people. Thus, it is submitted that the allegation by the Appellant that the villages are in close proximity of the proposed area belonging to the Answering Respondent does not represent the whole truth and is denied. One village is located and by virtue of the establishment of the plant, the local population would greatly benefit.
18. With respect to Paragraphs 10 & 11, it is submitted that the proposed area would function in compliance with rules and regulations issued under all applicable laws only after obtaining requisite statutory permissions. Further, the effluents shall be treated in a diversified manner to ensure that they adhere to the standards prescribed by the APPCB and are not directly discharged. In this regard, the APPCB has formulated SOPs for monitoring marine outfall systems in the State. As per the SOPs, the industries which are permitted with marine outfall system, shall install online continuous effluent monitoring system to verify the status of the treated effluents being discharged into sea, which in turn is further linked with the Central Pollution Control Board (CPCB)/ APPCB's website.
19. It is submitted that, the treated effluents shall be stored in guard ponds, whose outlet pumping system is guarded under a lock & key facility. The lock and seal system is kept intact without any disturbance and the seal will be opened only at the time of marine discharge by the APPCB officials only. The treated effluents in the guard ponds shall be analysed by the APPCB officials for its compliance with the norms of the Board, and only after duly ensuring that the treated effluents are following the marine discharge standards prescribed by the Board, the discharge into the sea is carried out in the presence of the APPCB officials. Online cameras focusing the guard ponds are installed and are connected to the APPCB's servers for 24x7 surveillance. The Answering Respondent shall also conduct the Bio - Assay tests for analyzing the toxicity level of treated effluent discharges from marine outfalls as per the MoEF&CC and CPCB guidelines, analysis reports shall be sent to APPCB every six months. The test species being used is Danio rerio (Zebra fish) which is very sensitive and broadly used for acute toxicity tests.
20. Additionally, the pharmaceutical concentration in the effluents from the proposed unit shall be closely and frequently analysed and monitored in order to ensure that the pharmaceutical concentration in effluents is in line with the applicable standards prior to any discharge. It is submitted that the Answering Respondent shall be allowed to discharge effluent only if the ratio of PEC



(Predicted Environmental Concentration) & PNEC (Predicted No Effect Concentration) is less than 1 ppm and those effluents having >1 ppm will be directly subjected to Forced Evaporation Systems. It is pertinent to note that, only after obtaining the mandatory approval from the concerned regulatory body, the Answering Respondent shall release the effluents in sea. Further, only if the API concentration is less than 1 ppm the effluents will be allowed for discharge as mentioned in the scope of release.

21. It is submitted that a pre-analysis of treated effluents shall be carried at both levels i.e. inhouse by the Answering Respondent and externally by PCB Zonal Laboratory prior to discharge. The effluents shall be treated in the sophisticated facilities until they attain the Dissolved Oxygen ("DO") concentration of 4ppm. As per the notification issued by Ministry of Environment, Forest & Climate Change & CC Govt. of India, the Answering Respondent is meticulously in line with all the stipulations and the treated effluents would be in the Safe Exposure Levels.
22. Furthermore, it is pertinent to note that the Marine outfall point has been consciously chosen and specifically designated by considering various parameters like Dispersion modelling study, Rate of dilution, Marine impact assessment, all based on the Marine EIA Studies carried out by Indomer Hydraulics (P) Limited, Chennai which is an empanelled accredited body of the Ministry of Environment, Forest & Climate Change. As per the recommendations of the aforementioned study, the treated effluents can be discharged into the sea at a distance of 1000 m and depth of 8 m from the land fall point, where the treated affluents attain the maximum dilution. Adequate mechanisms are put in place to monitor air pollution as well.
23. It is submitted that the Answering Respondent has duly obtained all the necessary clearances from the appropriate authorities. The committee of State Expert Appraisal Committee (SEAC) and the State Level Environment Impact Assessment Authority (SEIAA) have granted Environmental Clearance to the Answering Respondent after examining the project proposal; MOEF&CC OM's, CRZ Clearance from the Andhra Pradesh Coastal Zone Management Authority (APCZMA); Consent for Establishment (CFE) from the APPCB for laying of marine outfall facility to discharge treated effluent etc.

24. It is noteworthy that, during the CFE meeting conveyed by the APPCB for determining a marine outfall facility to discharge treated effluents, the committee recommended that a meeting should be convened with the President and Secretary of All India Shrimp Hatcheries Association, Members of the Joint Inspection Committee and representatives of the industry to discuss the issue and to take a decision. Accordingly, the concerned representatives of the All India Shrimp Hatcheries Association, Members of



Joint Inspection Committee and representatives from the industry were invited to participate in the CFE Committee meeting held on 22.10.2020 through Video Conference.

25. The Joint Director-Fisheries, Deputy Director-Industries Department, and representatives of the All India Hatcheries Association, attended the meeting through video conference from Regional office: Nellore, APPCB. The views, apprehensions and suggestions of the joint committee members and the representatives of All India Shrimp Hatcheries Association were duly heard by the CFE committee. The members of the Association expressed their concern over presence of traces of antibiotics in the effluents discharged from pharmaceutical manufacturers in the area into the sea and that presence of the antibiotics in the shrimp may lead to rejection of the consignments of shrimp from the other countries. This aspect has been adequately responded to by the Authorities and the Answering Respondent is not aware why the entire factual position has not been placed before this Hon'ble Tribunal.
26. Further the contentions of the entire appeal are generic and based on an apprehension of pollution. However, in light of the bigger picture, it is stated that, the picture as painted by the Appellants represents a potential situation when the standards prescribed under law are not adhered to, which is not the situation in the present case as the functioning of Answering Respondent is wholly in adherence to law. Therefore, the averments advanced by the Appellant that any such industrial discharge into the sea will have an adverse effect on the production and farming undertaken in the Hatcheries, is misconceived and hence denied.
27. With respect to Paragraph 12, it is submitted that the data presented by the Appellant is incorrect and misleading and the Appellant is put to strict proof of the same. Further, re-emphasis is placed on the fact that hazardous waste i.e. solid waste will not be disposed into the sea at any instance or cost. Such waste shall be duly sent to TSDF/ co-processors/ recyclers/ authorised vendors as explained in the preceding submissions. A bird's eye view of the proposed scheme for disposal of the residue, in accordance with the norms of the Pollution Control Board is as follows:

Product	Discharge Scheme/Method *
Process Residue	Sent to authorised cement plants for co-processing/ incineration at onsite / Treatment Storage and Disposal Facility (' TSDF ').
Process Salts	Sent to TSDF/ authorised vendors.
ETP Sludge	Sent to TSDF for secured land filling.

Multiple effect evaporation or forced evaporation salts	Sent to TSDF/ authorised vendors.
Incineration Ash	Sent to TSDF
Containers & Container liners of Hazardous chemicals & hazardous Wastes	After due detoxification, sent to outside agencies/ authorised vendors.
Spent Carbon	Will be recovered from the premises/ sent to authorised re-processors or recyclers.
Used oil/Waste lubricant oil	Sent to authorised re-processors/ recyclers.
Spent Solvents	Will be recovered from the premises/ sent to authorised re-processors or recyclers.
Mixed spent Solvent	Sent to authorised agencies/ co-incineration in cement industries.
Spent acids	Sent to authorized agencies.
Spent Catalysts	Sent to authorised re-processors/ recyclers.
Ash	Sent to Brick/Tile/Cement manufacturers.

28. With respect to Paragraph 14, the contents thereof are incorrect, misleading and devoid of any merit and denied in toto. It is pertinent to note that the Answering Respondent is in compliance with all the CFO conditions issued by the TSPCB. Further, activities of the Answering Respondent are being periodically monitored, inspected, and audited by MoEF, CPCB, TSPCB Inter-disciplinary committee has conducted joint inspection of M/s. Divi's Laboratories Limited (Unit -1) and surroundings on 16.03.2021, 30.03.2021 and 16.04.2021.

Interdisciplinary Committee

1. The Revenue Divisional Officer, Choutuppal, Yadadri Bhuvanagiri District.
2. The District Agricultural Officer, Yadadri Bhuvanagiri District.
3. The District Ground Water Officer, Yadadri Bhuvanagiri District.
4. Expert from CSIR-NEERI, Hyderabad.
5. The Environmental Engineer, TSPCB, Regional office, Nalgonda

Each team collected around 20 Ground water sample from surrounding villages agriculture borewells wherever as shown by the Villagers. The collected borewells where located at a distance of about 800 m to 5 km from the industry. The committee observed from the analysis reports of the samples



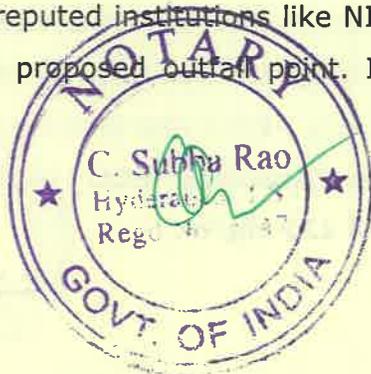
collected and recommended that out of 20 samples collected in surroundings of M/s Divis Laboratories and results of chemical analysis, only few samples showing just more than desired/ permissible limits due to the excess usage of manures to the agricultural crops, local rock formation, eugenic, and its mineral composition. It also reveals that the groundwater quality is suitable for agriculture purpose. TSPCB has also collected Ambient air samples in Aregudem Gramapanchayat Office continuously for 7 days during the period from 22.04.2021 to 29.04.2021. As per the monitoring results, the Particulate Matter (RSPM), SO₂ & NO₂ and NH₃ levels are within the National Ambient Air Quality Standards. Hence the influence of Divis Laboratories Limited effluents stands ruled out basing on the analytical results of water samples collected and analysed. and observed no Non-Compliance in the functioning of the industry by the concerned regulatory body.

29. It is submitted that the Solid waste generated will be safely disposed to the nearest TSDF facilities as specified under the Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 and subsequent amendments while following all the enumerated safety protocols while transport.
30. It is further submitted that, at any cost, no solid waste will be disposed into the ground by the Answering Respondent. Primarily, any such activity would amount to a direct violation of stipulations mentioned in the consent orders granted to the Answering Respondent and the Answering Respondent has undertaken to strictly comply with all statutory rules and regulations. Additionally, the News articles relied by the Appellant does not provide any evidence that the pollution to ground water in nearby location is traceable to the activities Answering Respondent. In fact, the said article doesn't even mention about "Dumping solid wastes in borewell and other water bodies" and the Appellant is put to strict proof of the same. It is submitted that, the contents were merely blind allegations levelled against the Answering Respondent by some disgruntled elements without any corroborative evidence.
31. Further, it is submitted that Solid Waste Management at the Answering Respondent's Units are strategically planned and handled as per the rules prescribed by CPCB. Solid wastes generated in the industry are stored under closed sheds, constructed with impermeable flooring and leachate collection system. Final disposal system of Solid Waste is stipulated to be under the surveillance of PCB Online Manifest System connected through registered vehicles.
32. It is submitted that the Answering Respondent has devised a safe protocol for managing, handling and safely disposing any generated solid waste. Hence,



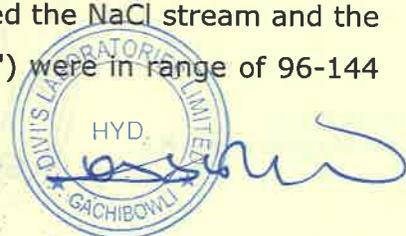
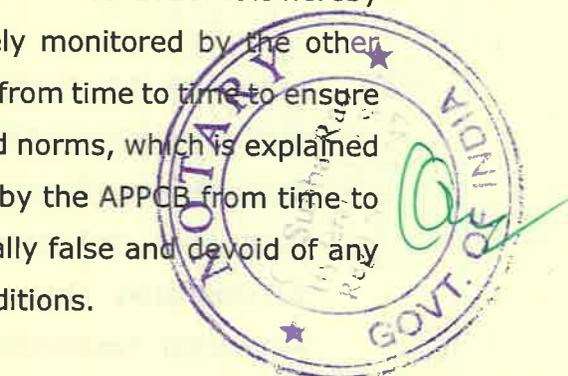
the apprehension of illegal solid wastes dumping by the Answering Respondent is vague and bereft of any merit or reasoning. It is noteworthy that there are no complaints before any Regulatory bodies against the Answering Respondent and all baseless and frivolous allegations were raised by disgruntled elements in the absence of any corroborative evidence and cannot be sustained.

33. With respect to Paragraph 15, the allegations raised by Appellant are vehemently denied as the same are levelled without any substantial proof. It is submitted that the Answering Respondent has installed a full-fledged ETP (Effluent Treatment Plant) with advanced technology and operating as a ZLD (Zero-Liquid Discharge) system for the effective treatment of effluents and to reuse the duly treated effluents. The Answering Respondent is continuously operating ZLD system for effluent treatment and the treated water is re-used within the industry. Furthermore, the Answering Respondent has developed a thick green belt within and around its manufacturing unit and is also engaged in several maintenance and eco-friendly activities in order to maintain and provide living in clean environment. Additionally, it is pertinent to note that the Answering Respondent is providing timely data regarding ZLD compliance to concerned authorities.
34. With respect to Paragraph 16, the contents are denied as the same are misleading by providing only part/selected information. It is submitted that Environmental Clearance issued by SEAC/SEIAA for the proposed project is as per S.O 1223 dated 27th March 2020 "*All proposals for projects or activities in respect of Active Pharmaceutical Ingredients (API), received up to the 30th September 2020, shall be appraised, as Category 'B2' projects....*" Based on the aforesaid notification, the Proposed project was applied under B2 Category and thus, the Terms of Refence (ToR) are not applicable for Preparation of EMP as per EIA Notification 2006 and its subsequent amendments. In light of the same, thus, no TOR was issued for the proposed project, and the order was rightly issued based on Form -1 and the EMP study report submitted to SEAC and SEIAA.
35. With respect to Paragraphs 17 & 18, it is reiterated that the treated effluents shall be discharged through the Marine Outfall Point only after meeting the requisite sea discharge standards and the released only under the direct supervision and control of the appropriate statutory authorities, as already substantiated above. Additionally, based on the directions issued, the Answering Respondent shall install requisite flow meters to record the quantities of treated effluents discharge and shall regularly monitor coastal water through reputed institutions like NIO/NEERI for analysing the quality if water near the proposed outfall point. It is reiterated that, the Answering



Respondent has undertaken to comply with all the standards stipulated by the APPCB in the CFE/CFO in order to discharge the treated effluents.

36. Further, the mortality of aquatic species is analysed using Bio - Assay Test. The test species being used for this project is Danio rerio (Zebra fish) which is very sensitive and is generally used as a test and marker for acute toxicity tests. The results of the study, show that the mortality of such species is almost zero. Further the output of MIKE 21 modelling studies indicate that the treated effluents get diluted to the order of 50 times at a distance of 250 mtrs from the proposed outfall during fair weather. During South-West monsoon and North- East monsoon periods due to combined action of wind and turbulent waves, it's observed that the effluent gets diluted to the order of 50 times within a distance of 50 mtrs from the proposed outfall. Studies show that the impact due to the discharge of treated industrial effluent from the industry on the marine environment would be insignificant.
- 37: It is pertinent to note that the proposed unit is an API manufacturing industry and no fermentation process is proposed, no antibiotic products are planned to be manufactured in the proposed unit and there can be no presence of any antibiotic residue in the discharge water/treated effluent.
38. With respect to Paragraph 19, the allegation that the Answering Respondent's unit at Vishakhapatnam illegally discharged 850095 KL of effluent into the sea without knowledge of the Board between September 2019-2020 is vehemently denied as it is false and the same is merely alleged to cloak the impugned Appeal with a serious tenor, which though is untrue. It is pertinent to mention here that the discharge of NaCl i.e. salt water was made in accordance with the consent for operation (hereinafter "CFO") issued by the APPCB. During the Task Force Committee meeting held on 12.08.2020, the whole issue was examined in detail and thereafter directed the industry to discharge it through the same stream into the guard ponds with effect from 07.09.2020. It is hereby submitted that functioning of the industry is closely monitored by the other Respondents and routine inspections are conducted from time to time to ensure that the industry follows all applicable standards and norms, which is explained in detail in the routine inspection report submitted by the APPCB from time to time. Thus, the allegations are denied as being totally false and devoid of any merit as the industry has not violated any CFO conditions.
39. Additionally, during the Board officials visit in June 2020, the APPCB had recommended the Industry to specifically connect to Guard pond No. 6, prior to the same it was discharged through the neutralisation tank as authorized by CFO conditions. Post June 2020, the APPCB analysed the NaCl stream and the chemical oxygen demand values (hereinafter 'COD') were in range of 96-144 mg/ltr as against the standard of 225 mg/ltr.



40. With respect to Paragraph 20, the contents are denied as, there are only three (3) hatcheries are located within 3 kms of the proposed area, out of which one (1) is operating, second (2) is rarely operating and the third (3) is non-operational. Further, 14 other hatcheries are located more than 12 -15 kms away from the proposed area and other submissions made above are reiterated. It is stated that, while the generic position as outlined by the Appellant may be correct in circumstances where there are uncontrolled and unmonitored discharges, however the issue does not arise for consideration in the present case, as the Answering Respondent has always functioned in compliance with all prescribed and applicable statutory norms and standards as prescribed by the Government pertaining but not limited to waste management handling and discharge of treated effluents. It is highlighted that the core operational activities of the Answering Respondent do not hamper or cause any adverse effect to the aqua culture or its revenue.
41. As per the study, the treated effluents can be discharged into the sea at a distance of 1000 m and depth of 8 m from the land fall point, where they attain maximum dilution and the effect is insignificant. The output of MIKE 21 modelling studies indicate that the effluent gets diluted to the order of 50 times at 250 mts from the proposed outfall during fair weather. During South-West monsoon and North- East monsoon periods due to combined action of wind and turbulent waves, it is observed that the effluent gets diluted to the order of 50 times within 50 metres from the proposed outfall. Studies also show that the impact due to the discharge of treated industrial effluent from the industry on the marine environment would not cause adverse effects. Further, as substantiated above, the Answering Respondent shall also conduct Bio - Assay tests for analyzing the toxicity level of treated effluent discharges from marine outfalls as per the MoEF&CC and CPCB guidelines, analysis reports shall be sent to APPCB every six months. The test species being used is Danio rerio (Zebra fish) which is very sensitive and broadly used for acute toxicity tests. The results shown that the mortality of such species is almost zero.
42. It is submitted that the Answering Respondent has obtained Environmental Clearance from SEAC/SEIAA, MOEF&CC, Govt. of India. The committee of SEAC and SEIAA has granted Environmental Clearance to the Answering Respondent after examining the Project proposal, MOEF&CC OMs, CRZ Clearance from APCZMA, CFE from APPCB for laying of marine outfall facility to discharge treated effluent. It is pertinent to note that, during CFE meeting in APPCB for laying of marine outfall facility to discharge treated effluent, the committee recommended that a meeting shall be convened with the President and Secretary of All India Shrimp Hatcheries Association, Members of the Joint Inspection Committee and representatives of the industry to discuss the issue



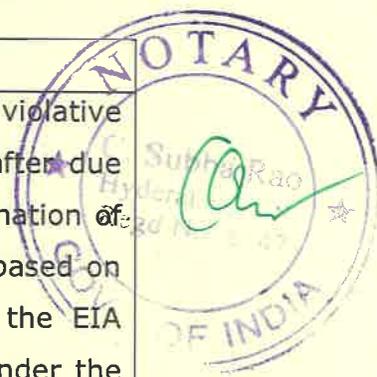
and to take a decision. Accordingly, the concerned representatives of the All India Shrimp Hatcheries Association, Members of Joint Inspection Committee and industry representatives were invited to participate in the CFE Committee meeting held on 22.10.2020 through Video Conference.

43. The Joint Director-Fisheries, Deputy Director-Industries Department, and representatives of the All India Hatcheries Association, attended the meeting through video conference from Regional office: Nellore, APPCB. The views, apprehensions and suggestions of the joint committee members and the representatives of All India Shrimp Hatcheries Association were heard by the CFE committee, who expressed their concern over presence of traces of antibiotics in the effluents discharged from the industry into the sea and presence of the antibiotics in the shrimp may lead to rejection of the consignments of shrimp from the other countries. With regard to the Antibiotics, the Chairman, APPCB has clarified that series of meetings were conducted in the Secretariat regarding return of the aqua products by some of the European countries like U.K. etc. It was revealed that the processing units processed the prawns collected from several farmers cultivating the aquaculture in different ponds. It was observed that antibiotic residues were present in the processed aqua products. The Government of India and Fisheries Department, A.P. have taken steps to create awareness among the farmers to avoid usage of antibiotics. After detailed discussions only, the committee recommended to issue NOC to the project proponent for establishment of marine outfall.
44. Further, based on the directions issued, the Answering Respondent shall install flow meters to record the quantities of treated effluent discharge and regular monitoring of coastal water shall be carried out by the reputed institutions like NIO/NEERI for Water quality near the proposed outfall. Industry shall also comply with the standards stipulated by APPCB in the CFE/CFO order for discharge of treated effluent. The Answering Respondent will cause to discharge the treated effluents only after meeting the discharge standards stipulated by APPCB in the CFE/CFO order and its functioning shall be in accordance with all the stipulations in the order in line with the Safe Exposure Levels.
45. With respect to Paragraph 21, as substantiated above, no antibiotic products are proposed to be manufactured in the proposed manufacturing unit and thus, there shall not be any antibiotic APIs present in discharge water. It is reiterated at the cost of repetition that; the Answering Respondent has undertaken to adhere to and follow a standard treatment process which will be environmentally viable and safe and would not bring any harm to the surrounding environment which includes the sea water or any species therein.

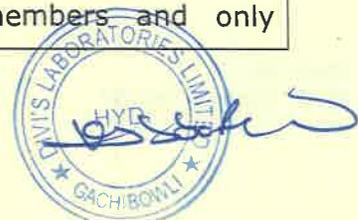
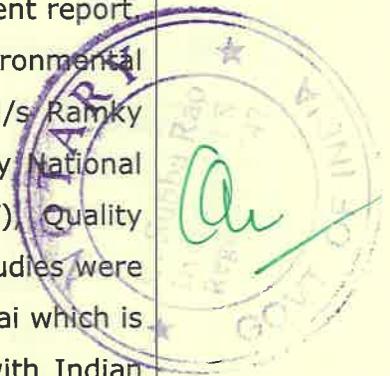


46. With respect to Paragraphs 22 & 23, as substantiated above, the process residues and mixed spent solvent will be sent to authorized co-processing units for reuse and recycle as per conditions stipulated by APPCB in CFE/CFO. The incineration facility will be used as a standby only for emergency situations like Covid-19, where the transportation of such waste to authorized vendors is difficult. It is submitted that the Standby incinerator shall be operated as per Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016, and CPCB Guidelines issued time to time. Standby Incinerator shall be provided with Air Pollution Control Devices (APCDs), which protects the flue gas escape to atmosphere. It will be equipped with Packed Bed Scrubber, Spray dryer and cyclone separators, etc., which helps for the complete mitigation of Particulates to escape in to ambient air. The Answering Respondent shall meet the Flue gas emission standard prescribed for Common Hazardous waste Incinerator by CPCB.
47. It is further submitted that the incineration systems shall be continuously monitored using various high efficiency monitoring equipment like SPM analysers, NOx, SO₂ THC, TF analyser. Continuous online monitoring stations will be installed, and data shall be made available, round the clock by way of online connectivity to the servers of the Andhra Pradesh Pollution Control Board & Central Pollution Control Board. Real time data relating to the same can be monitored from anywhere in the RTDMS websites (Real Time Dynamics Monitoring System) of the Pollution Control Board. Thus, the averments of the Appellant that incinerating solid waste would directly impact the air quality index are misconstrued and as such necessary precautions as and when issued by the approving authorities shall be adhered to by the Answering Respondent.
48. With respect to Paragraph 24, the contents pertain to the 1st Respondent and no reply is warranted by the Answering Respondent.
49. With respect to the grounds, the replies to each specific ground is as follows

Ground	Reply
1.	The impugned Order is not arbitrary, unreasonable, illegal or violative of the principles of Natural justice and has been passed after due consideration and application of mind after thorough examination of the proposal submitted by the Answering Respondent and based on recommendations of the SEIAA under the provisions of the EIA Notification 2006 and its subsequent amendment issued under the Environment (Protection) Act, 1986.
2.	The impugned Order has been issued subject to the implementation of the specific and general conditions annexed with the impugned order pertaining to waste handling, air and noise environment,



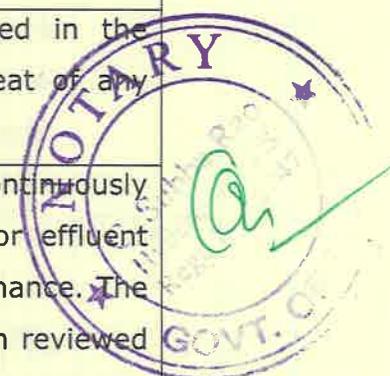
	discharge of effluents, water environment, waste water generation, solid wastes handling etc by the Answering Respondent. Thus, the impugned Order duly addresses the concerns on any adverse effect on the environment by the activities of the Answering Respondent.
3.	The impugned Order been passed after due consideration and application of mind, only thorough examination of the proposal submitted by the Answering Respondent and based on recommendations of the SEIAA.
4.	As substantiated above only 3 hatcheries are present within a radius of 3 kms from the proposed area and the Appellant has grossly fabricated and misrepresented essential coordinates. Further, the treated effluents stored in the ponds shall be discharged in the sea at a distance of 1000 m and depth of 8 m from the land fall point only in the presence of the APPCB officials. The marine outfall point has been consciously chosen based on the Marine EIA Studies carried out by Indomer Hydraulics (P) Limited, Chennai which is an empanelled accredited body of the Ministry of Environment, Forest & Climate Change. Due prior examination and analysis of treated effluents shall be undertaken in the APPCB's zonal laboratory before discharging at the Marine outfall point along with lock and seal mechanisms in place. The same is squarely indicative of the fact that the treated effluents discharged by the Answering Respondent hampering the marine life at the proposed site would be not be affecting the Appellant. Further no solid waste shall be directly discharged as apprehended by the Appellant and will be sent to TDSF facilities as substantiated above.
5.	As substantiated above, a detailed marine study on the flora and fauna of the coast was done by eminent environmental and marine experts, who in turn submitted a detailed marine assessment report. Additionally, for the proposed manufacturing unit, Environmental Impact Assessment (EIA) studies were carried out by M/s Ramky Enviro Services Pvt Ltd., an accredited EIA consultant by National Accreditation Board for Education and Training (NABET), Quality Council of India (QCI) & MoEF&CC. Further, Marine EIA Studies were carried out by M/s. Indomer Hydraulics (P) Limited, Chennai which is an empanelled accredited body of the MOEF&CC along with Indian Remote Sensing (IRS), Anna University, Chennai as an authorised agency of Ministry of Environment, Forests and Climate Change for demarcation of CRZ area including HTL & LTL duly superimposing the activities on the map of approved CZMP. All the mentioned reports have been submitted to SEAC, SEIAA, APCZMA and APPCB who laid down standard Environment safety norms. Documents were duly examined carefully by all the committee members and only



	subsequently the EC, CRZ NOC and CFE for laying of marine outfall facility to discharge treated effluent for the proposed Manufacturing Unit were granted.
6.	As substantiated above, the allegation made is baseless and frivolous. The Answering Respondent has since inception of its units at Hyderabad and Vishakhapatnam been found compliant of all requisite standard and safety norms at all times. The Answering Respondent prioritises health, hygiene and the environment and has always adopted all advanced trends, technological upgradations and environmental safeguards in its day to day functioning. Never in the past has there been any evidence to establish that the Answering Respondent's functioning is causing health problems to the people or has impacted the environment due to its manufacturing operations. Additionally, functioning of the Answering Respondent is closely monitored by the other Respondents and routine inspections are conducted from time to time to ensure that the Answering Respondent is following all applicable standards and norms. Neither have the officials of the APPCB found any violations of the CFO conditions by the Answering Respondent and thus all allegations made by the Appellant are false and vehemently denied.
7.	As substantiated above, the functioning of the Answering Respondent is not prejudicial to the interests of the Appellant and if any, would only provide for additional employment opportunities for the rural population. The working of the Answering Respondent will be closely monitored by the instrumentalities of the State and there will be no impact on livelihood of the shrimp industry nor any adverse effect on the environment. It is re-emphasised that the Answering Respondent has provided assurance that it shall strictly adhere to all the prescribed safety and standard norms approved by the 5 th Respondent. In light of the above undertaking, all conditions and apprehensions of the Appellant have been already addressed and as such the application is liable to be dismissed.
8.	As substantiated above, the Answering Respondent has undertaken a comprehensive process for disposal of its wastes. For liquid treated effluents, as substantiated above, the same shall be discharged through the Marine Outfall Point after requisite analysis and in the presence of the APPCB officials. Further, solid waste will not be disposed into the sea at any instance or cost. Such waste shall be duly sent to TSDF/ co-processors/ recyclers/ authorised vendors as substantiated in the submissions made above.
9.	The Answering Respondent has installed a full-fledged ETP (Effluent Treatment Plant) with advanced technology and operating as a ZLD



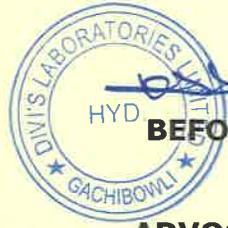
	<p>(Zero-Liquid Discharge) system for the effective treatment of effluents and to reuse the duly treated effluents. The Answering Respondent is continuously operating ZLD system for effluent treatment and the treated water is re-used within the industry. Furthermore, the Answering Respondent has developed a thick green belt within and around its manufacturing unit and is also engaged in several maintenance and eco-friendly activities in order to maintain and provide living in clean environment. Additionally, it is pertinent to note that the Answering Respondent is providing timely data regarding ZLD compliance to concerned authorities.</p>
10.	<p>The Answering Respondent has installed a full-fledged ETP (Effluent Treatment Plant) with advanced technology and operating as a ZLD (Zero-Liquid Discharge) system for the effective treatment of effluents and to reuse the duly treated effluents. The Answering Respondent is continuously operating ZLD system for effluent treatment and the treated water is re-used within the industry. Furthermore, the Answering Respondent has developed a thick green belt within and around its manufacturing unit and is also engaged in several maintenance and eco-friendly activities in order to maintain and provide living in clean environment. Additionally, it is pertinent to note that the Answering Respondent is providing timely data regarding ZLD compliance to concerned authorities.</p>
11.	<p>The mentioned complaint is generic in nature against three private parties by few disgruntled persons and is devoid of any substance. It is pertinent to note that the Hon'ble Supreme Court has issued a stay on the order passed by the NGT-SZ in this matter.</p>
12.	<p>Since no production of antibiotic products is envisaged in the proposed manufacturing unit, there is no potential threat of any antibiotics being present in discharge water.</p>
13.	<p>As substantiated above, Answering Respondent is continuously operating a full-fledged ETP adopted as ZLD system for effluent treatment and spending crores of amounts for its maintenance. The Compliance status of the Answering Respondent has been reviewed and certified by the concerned authority, who confirmed the operation of the ZLD systems without any deviation.</p>
14.	<p>As substantiated above, the functioning of the Answering Respondent shall be continuously monitored by Appropriate Statutory Authorities and no adverse effect on the environment shall be caused by operation of the proposed unit.</p>
15.	<p>As substantiated above, the impugned Order has been granted only after detailed scrutiny of the application made by the Answering Respondent and based on recommendations of the SEAC. Thus, the</p>



allegation that the permission granted is in total disregard of the ecological relevance of the area, arbitrary or unsustainable is misconstrued and hence denied. It is submitted that the representations of the Appellant were duly examined by the CFE Committee, APCZMA, SEAC and SEIAA, who laid down standard safety norms and precautions which are to be adhered by the Answering Respondent. It is re-emphasised that the Answering Respondent has provided assurance that it shall strictly adhere to all the prescribed safety and standard norms approved by the APPCB In light of the above undertaking, all conditions and apprehensions of the Appellant have been already addressed and as such the application is liable to be dismissed.

It is therefore, humbly prayed that this Hon'ble Tribunal may dismiss the Appeal with costs, and pass such order/orders as this Tribunal may deem fit and proper in the facts and circumstances of the case and thus render justice.

Solemnly affirmed at 10 NOV 2021 on this
day of November 2021 and signed
his name in my presence.



BEFORE ME
ADVOCATE,




C. SUBBA RAO, B.Com, LL.B
ADVOCATE & NOTARY
Apptd. by Govt. of India, Reg.No: 6747
LIG-76, Dharma Reddy Colony Ph-I, KPHB
Kukatpally, Hyderabad-500 072, T.S., India.
My Commission Expires on 15th Sep 2023
Cell: +91 9391170066

Sworn & Signed before me
10 NOV 2021
on.....

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

**Appln/Appeal No. 68/2021
(SZ)**

M/s. Sri Mahalakshmi Hatcheries
& Others

..Applicants/Appellants

AND

State Environment Impact
Assessment Authority (SEIAA)
& Others

.. Respondents

**COUNTER AFFIDAVIT FILED ON
BEHALF OF 3RD RESPONDENT**

**M/s. R. Parthasarathy,
Rahul Balaji,
Madhan Babu,
Vishnu Mohan
Rangasaran Mohan**

COUNSEL FOR RESPONDENT NO.3