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**BEFORE THE HON'BLE NATIONAL GREEN TRIBUNAL  
WESTERN ZONE, PUNE**

**Appeal No.148/2025 (WZ)**

Shakti Plastics

... Appellant

v/s

MPCB & Ors.

... Respondents

**Affidavit In Reply on behalf of Respondent No.1 Maharashtra  
Pollution Control Board (MPCB)**

I, Kiran Hasabnis, Aged-Adult, Occupation-Service, the Regional Officer of the Maharashtra Pollution Control Board at Thane i.e. Respondent No.5, having office at Plot No. P 30, 5th Floor, Office Complex Building, Wagle Industrial Estate, Mulund Check Naka, Thane (West) 400604, do hereby solemnly affirm and state as under :

1. I say that in compliance of the Order dated 14/8/2025 passed by this Hon'ble NGT, the Respondent-Board is filing its reply to the main Appeal.
2. I say and submit that the Ministry of Environment, Forest & Climate Change (MoEF&CC) vide Notification dated 16/2/2022 has amended the Plastic Waste Management Rules, 2016, wherein,



in Schedule — II inserted Guidelines on Extended Producer Responsibility (EPR) for Plastic Packaging. Thereafter, the Central Pollution Control Board (CPCB) has developed the Standard Operating Procedure (SOP) for registration of Plastic Waste Processors (PWPs) on March 15, 2023 and uploaded the same on CPCB website in accordance with Extended Producer Responsibility (EPR) guidelines.

3. I say and submit that the EPR Guidelines provides that "Central Pollution Control Board by itself or through a designated agency shall verify compliance of Producers, Importers & Brand-Owners through inspection and periodic audit, as deemed appropriate. Central Pollution Control Board, as required, can also verify compliance of Plastic Waste Processors(PWPs) through inspection and periodic audit. In case of Plastic Waste Processors and Producers, Importers & Brand-Owners operating in a State or Union Territory, Central Pollution Control Board may, if required, direct State Pollution Control Board or Pollution Control Committee to take action.
4. I say and submit that that the Appellant-M/s Shakti Plastics Industries, Palghar is engaged in recycling of plastic waste, having plant at Gat No.158, 159, Nandgaon, Manor, Tal-Palghar.
5. I say and submit that the Respondent Boad has granted the Amalgamation of Consent to Operate dated 15/06/2023 for total



plastic waste processing capacity of 2,88,000 Tonnes Per Annum (TPA) (earlier CTO capacity of 1,20,000 TPA -I. expansion of 1,68,000 TPA), for following products:

- i. Plastic granules & reprocess plastic granules (without washing activity)- 7500 MT/Month
- ii. Plastic grinding & agglomerate (Without washing activity) 2500 - MT/Month
- iii. Plastic granules & reprocess plastic granules (with washing activity) 10000 -MT/Month
- iv. Plastic grinding & agglomerate (with washing activity) - 4000 MT/Month

6. I say and submit that the CPCB i.e Respondent No. 3 has conducted random sample audit of M/s Shakti Plastics Industries, Palghar, Maharashtra, and M/s.Technova Recycling India Pvt. Ltd, Thane, Maharashtra (plastic waste recyclers) on August 31, 2023 and September 01, 2023 respectively in accordance with Clause 12.4 of the EPR Guidelines.

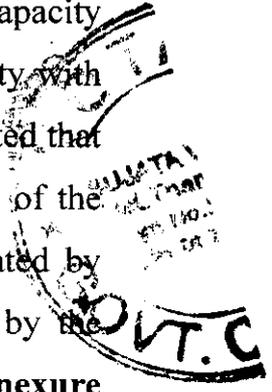
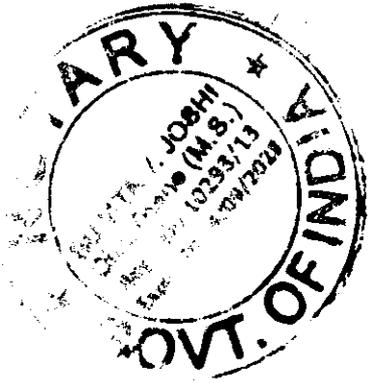
7. I say and submit that on the basis of non-compliance observed during the aforesaid visit, the CPCB has issued directions on 26/10/2023 under Section 5 of the Environment (Protection) Act, 1986 to the Respondent-MPCB and directed to ensure compliance of the Plastic Waste Management Rules, EPR Guidelines and directions / guidelines issued by the CPCB. The CPCB further directed to inspect of all processing facilities of registered PWPs



in MPCB's jurisdiction and confirm that the processing capacity as per the Registration granted to the units is in conformity with the actual facilities provided in each unit. It was also directed that regular monitoring of EPR Certificate generation process of the Registered PWP's to ensure that EPR Certificates generated by PWP's are in accordance with requirements prescribed by the CPCB in its guidelines. Hereto annexed and marked **Annexure "A"** is the Section 5 Direction of CPCB dated 26/10/2023 .

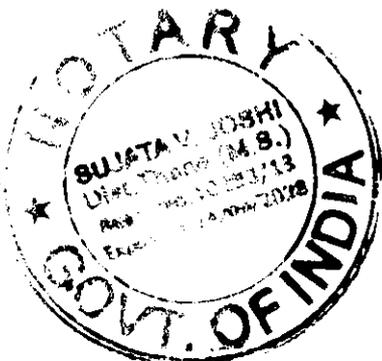
8. I say and submit that the CPCB has issued office order to investigate the matter by joint inspection by MPCB & CPCB. Accordingly, a joint inspection was conducted to the Appellant-M/s. Shakti Plastic Industries by CPCB team and Officials of Respondent-MPCB on 30/01/2024 and 31/01/2024. The Team submitted detailed report reg. visit and documentation provided by industry:-

- The assessed production capacity of the unit is 10,141.2 TPA as per the trial run. wherein the Registered Processing capacity is 2,88,000 TPA.
- Assessed Average Monthly power consumption as per the trial run is 27,456 KWh for production of 842 TPM i.e. 10,141.2 TPA. However, as per electricity bills of 3 months (i.e. September'23 to November'23) is 17,455 KWH which is 64% of power consumption required for production. Based on the



electricity consumption, the actual production for a year is assessed as 6447 TPA.

- The inspection team also assessed the production capacity of machines was found to be 64,377.45 TPA out of which 45,892 TPA is from grindings and 18,485 TPA is from agglomerates.
- As per clause 3.0 of EPR guidelines 'Recycling' means the process of transforming segregated plastic waste into a new product or raw material for producing new products.
- As per the Indian standard IS 14534:1998 titled Guidelines for Recycling of plastics, the process of recycling of plastic waste includes "the cleaned and washed material as obtained in 7.3.1 may be blended with additives, processing aids, pigments etc., as the case may be, and finally granulated by using appropriate screen mesh for filtration of contaminants and impurities."
- Appropriate sales invoices of recycled products were not found uploaded on the EPR Portal by the unit. The industry has made 698 sale entries on EPR portal till date. No invoice has been uploaded for the sale of recycled plastic on the EPR Portal. 468 no. of the invoices have been issued for services provided by the unit. For the remaining 228 sale entries, invoices have not been uploaded. Only 2 invoices correspond to the sale of

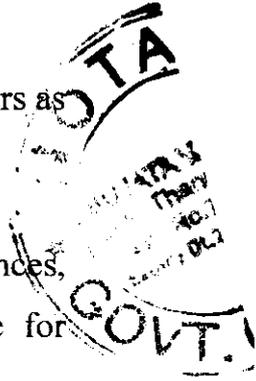


grinded plastic waste of quantity 11.6 Tons uploaded on the EPR Portal.

- The sale of recycled plastic was not confirmed by the buyers as claimed by the unit.

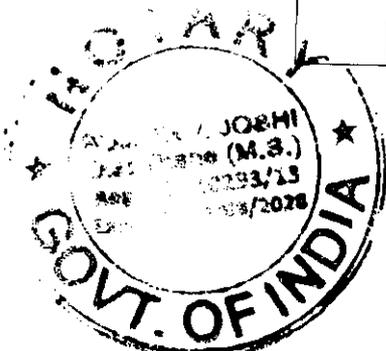
9. I say and submit that on the basis of aforesaid non-compliances, the Respondent-MPCB has issued a Show Cause Notice for closure to the Appellant-M/s Shakti Plastic Industries, Palghar on 08/04/2024. However, the Appellant -Industry has not submitted satisfactory reply to the SCN. Hereto annexed and marked **Annexure " B "** is the SCN dated 8/4/2024.

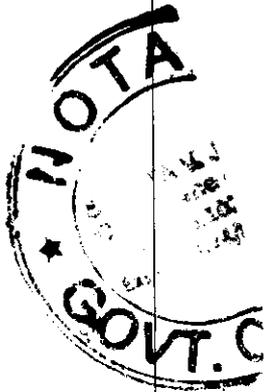
10. I say and submit that the Respondent-MPCB has extended an opportunity of personal hearing to the Appellant-Industry on 14/05/2024. During the personal hearing it was observed that the Appellant-Industry has generated EPR credits for services provided towards collection and recycling and not for the requisite actual sales of recycled plastic/granules for total 2,73,988.4 Tonnes. Considering the BIS 14534:2023 the Grinding, Agglomeration & extruder activity the total capacity of the plant is 74519 TPA, which is also less than registered processing capacity of 2,88,000 TPA. During the personal hearing, it was decided that the Appellant-Industry shall again submit pointwise reply with supporting documents to the Show Cause Notice for Closure within seven days period. Accordingly, the Appellant-



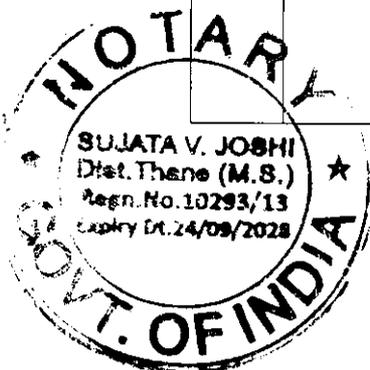
Industry has submitted its reply vide Email dt.18.05.2024 as under:-

Sr. No.	Points of SCN	Industry Reply	Remarks
1	Assessed production capacity as per the trial run conducted by the inspection team was found to be much less than the Registered processing capacity of the unit. The assessed production capacity of the unit is 10,141.2 TPA as per the trial run conducted by the inspection team, wherein the Registered Processing capacity is 2,88,000 TPA. The trial run was conducted as per the	<p>➤ Capacity of Agglomerate and Grinding not taken into consideration: The assessed production quantity by the inspection team does not account for the capacity of the agglomerate and grinding, resulting in lower output than the registered capacity.</p> <p>➤ The updated BIS Guidelines of 2016 and 2023 regarding agglomerates and regrinding being considered as</p>	The processing capacity of agglomerate (45,892 MTA) and grinding (18,485 MTA) assessed by CPCB + MPCB joint inspection, it is 64,377 MTA. Hence, the capacity (grinding + agglomerate + extruder ) of the plant is 74,519 MTA, which is also less than the registered processing capacity of 2,88,000 MTA.

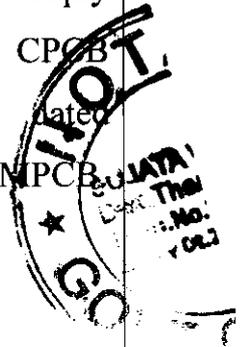


	<p>details (Plant machinery and Process Flow Diagram) provided in the application form.</p>	<p>process of recycling process aligns with the clarification provided in Clause 5(a) of the Plastic Waste Management Rules, 2016. The inclusion of agglomerates and regrinding as a part of the recycling process is in accordance with the guidelines set forth in IS 14534:2016 and IS 14534:2023. The process of transforming segregated plastic waste into agglomerates and regrinding can be considered as recycling.</p>	 
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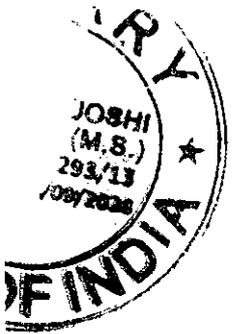
➤ Third Party Report:  
 The Report on Machinery Capacity Audit for Manufacturing and Feasibility of Effluent Treatment Plant of Institute of Chemical Technology (ICT) dated 15th February 2024 states that the capacity of the equipment in our plant is 1420 TPD (tonnes per day) which comes to 5,18,300 TPA. This further supports our claim that our registered processing capacity is in line with the actual capacity.



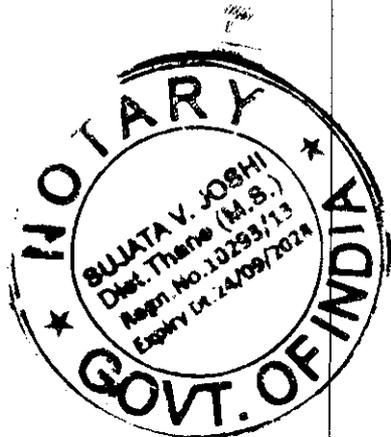
		<p>➤ Industry written letter to CPCB on 04.05.2024 for consideration of the agglomeration and grinding as a recycling plastic waste.</p>	<p>Industry has not submitted reply received from CPCB to the letter dated 04.05.2024 to MPCB.</p>
<p>2.</p>	<p>Assessed Average Monthly power consumption for production of 10,141.2 TPA recycled product was found to be less than the actual power consumption as per the electricity bills. Assessed Average Monthly power consumption as per the trial run is 27,456 KWh for production of 842</p>	<p>➤ Based on the electricity bill summary for the period June-2022 to December-2023 the average monthly power consumption for the production aligns with the actual consumption required for the production. Therefore, the assessed power consumption based on the electricity</p>	<p>➤ Industry has submitted month wise electricity bill for a period of June, 2022 to December, 2023. However industry has not submitted specific information regarding electricity consumption per ton of plastic waste processed.</p>



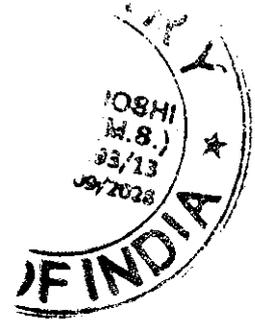
<p>TPM i.e. 10,141.2 TPA. However, average Monthly power consumption as per electricity bills of 3 months (i.e. September'23 to November'23) is 17,455 KWH which is 64% of the assessed power consumption required for production. Based on the electricity consumption, the actual production for a year is assessed as 6447 TPA.</p>	<p>bills reflects the accurate power usage for the production process.</p> <p>➤ As per the literature review, electricity of around 0.4 to 0.6 kWh electricity/kg of plastic waste recycling (extrusion/granule making) is required. Therefore, electricity consumption of the industry for F.Y. 2022-23 i.e. 23.33 lakhs kWh corresponds to 11.66 lakh tonnes of plastic recycling. Less power consumption: The regrinds and agglomerate require</p>	<p>➤ For processing of 288 tons of plastic waste into granules, around 14.4 Lakhs KWh of electricity is required. Whereas electricity consumed for a period June, 2022 to May, 2023 was 24.3 Lakhs KWh as per electricity bill submitted. Therefore, electricity consumption is in line with the processing capacity.</p>
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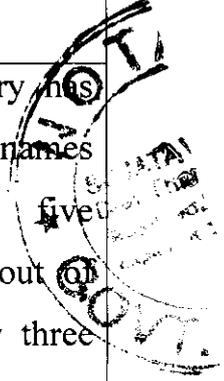
		<p>less energy to produce compared to granules which correlates to our production and electricity consumption.</p>	
<p>3</p>	<p>Appropriate sales invoices of recycled products were not found uploaded on the EPR Portal by the unit. The industry has made 698 sale entries on EPR portal till date. Out of which, only 2 invoices, correspond to sale of grinded plastic waste of quantity 11.6 Tons uploaded on the EPR Portal. No invoice has been uploaded</p>	<ul style="list-style-type: none"> <li>➤ They have diligently uploaded all sales invoices on the portal, but unfortunately, not all of them are currently reflected due to a technical glitch. They have proactively communicated this issue to the authorities through multiple emails.</li> <li>➤ To ensure accuracy in reflecting the sales of recycled</li> </ul>	<ul style="list-style-type: none"> <li>➤ All the invoices submitted by the Industry are towards 'Service for Recycling of Plastic Waste', or Service towards collection. Only three invoices submitted for selling of plastic granules / agglomerate / regrinds of quantity 46.5 tons for January, 2024 (i.e. FY 2023-24). The</li> </ul>



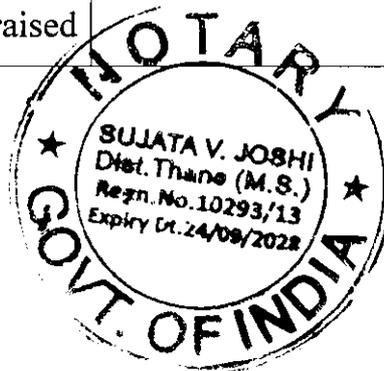
	<p>for the sale of recycled plastic on the EPR Portal. 468 no. of the invoices have been issued for services provided by the unit. For the remaining 228 sale entries, invoices have not been uploaded.</p>	<p>products, they are providing hard copies of all 698 sales entries as an alternative method.</p> <p>➤ Additives: Additionally, they use some percentage of additives/pigments/masterbatch/processing aids/fillers/anti-oxidants/ moisture powder/ lime powder which justifies our actual production of granules.</p> <p>➤ GST Payments: sales operations are reflected in several key financial metrics. These include annual GST collection of Rs. 22</p>	<p>industry has not submitted similar invoices for FY 2022-23.</p>
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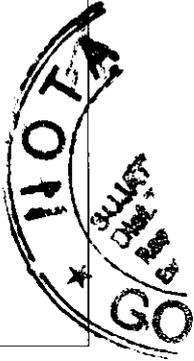
		crores and GST payments of 10 crores.	
4	The sale of recycled plastic was not confirmed by the buyers as claimed by the unit. None of the five units contacted by the inspection team, to whom the unit claimed that it had sold recycled plastic on the EPR Portal, confirmed that they had procured recycled Plastic from M/s Shakti Plastics. It was informed by these five units that they had only procured EPR certificates from	<p>➤ They have provided the details of their customers, including EPR clients, as requested by the CPCB..</p> <p>➤ They have obtained the confirmation from the customers regarding purchase of recycled plastic from them and the consumer has replied back to the inspection team regarding the purchase of agglomerates/</p>	<p>➤ The industry has submitted names of only five customers out of which only three customers invoices are submitted.</p>



	M/s. Shakti Plastics India.	regrinds/granules from industry.	
5	As per your ETP logbook, you are treating 27 m <sup>3</sup> /day of effluent, but as per consent to operate ETP having capacity 3.0 m <sup>3</sup> /day.	Submitted report from Crown Chemicals, the capacity to operate our ETP is determined to be 30 KLD, which is appropriate for treating the amount of effluent mentioned in our ETP logbook.	The industry needs to amend the consent for effluent quantity.
6	You have generated EPR credits for Services provided towards collection and recycling and not for the requisite actual sales of recycled plastic/granules. Industry Reply: Industry has raised	Industry submitted Reply (II) dtd.18.05.2024 which was also found to be not satisfactory.	Only three invoices submitted for selling of plastic granules / agglomerate / regrinds of quantity 46.5 tons for January, 2024 (i.e. FY 2023-24). The industry has not submitted similar invoices for FY 2022-23.



<p>the invoices of Services as general practices and as per the requirement of the clients and generated the EPR credit as Sales.</p>		
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11. I say and submit that as per Plastic Waste Management (Amendment) Rules, 2022 section (11.4), in case, at any stage it is found that the information provided by the plastic waste processor is false, the plastic waste processor shall be debarred by State Pollution Control Board, as per procedure laid down by Central Pollution Control Board, from operating under the Extended Producer Responsibility framework for a period of one year. I say that on the basis of the false information provided by the Appellant, the compensation of Rs.137,00,42,000/- was imposed . I say that unless and until the compensation is deposited by the Appellant for the past violation , question of debarment doesn't arise . I say that the Appellant industry is still closed since the closure order dated 18/6/2024 . I say that moreover the answering Respondent has not approved Appellants portal to generate any points in future . I say that the Board has disapproved the portal of the Appellant on 23/07/2024. I say that moreover the Appellant has to submit an Application for debarment to the Board which the



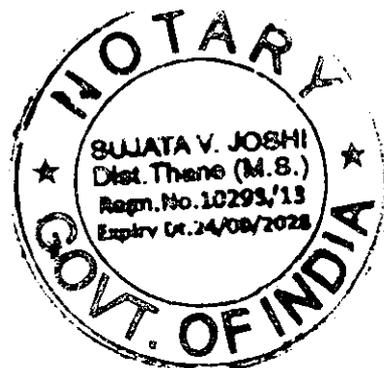
Appellant has not submitted till date which clearly show its sincerity in operating the industry.

12. I say and submit that for Environmental Compensation, CPCB framed Guidelines for assessment of environment compensation to be levied for violation of Plastic Waste Management Rules, 2016 on April 2024 as under:

(a) As per Environmental Compensation Guidelines 4.0 Action to be Taken for Non- Compliance of PWM Rules (a) EC Assessment & Penal Action.

(b) As per point no. 12.4, 13.1 & 11.6 of the EC Guidelines, misreporting in quantity of plastic procured, EPR certificate generated EC to be levied @ Rs. 5000/T of plastic weight misreported (for 2nd time default EC to be levied @ Rs.10000/- per ton and for 3rd time default @ Rs.20000/- per ton)

(c) It is noticed that Appellant-Industry has generated 2,74,000 Tons of EPR credits and in which only 11.6 Tons EPR credits generated towards sale invoice of grinded plastic waste which is uploaded on EPR portal and remaining 2,73,988.4 Tons EPR credits generated for the Services provided towards collection and recycling and not for the requisite actual sales of recycled plastic/granules for total quantity 2,73,988.4 Tons. Hence, the Environmental Compensation calculated @5000/Ton i.e Rs. 1,36,99,40,000/-.



(d) As per point no 10.1 & 11.4 of the EC Guidelines, -  
 Submission of False information: Cancellation of Registration and & EC of double of Application fees proportionate Penalty up to Rs. 1,00,000/- (For 2nd time default EC of four times the application fees and 3rd time default EC of eight times the application fees). Accordingly proportionate Penalty Rs. 1,00,000/- imposed to the industry.



13. I say and submit that in view of the above non-compliances, the Respondent-Board has issued directions of closure dated 18/6/2024 to the Appellant-Industry and directed them to stop their manufacturing activities forthwith.

14. I say and submit that further the Respondent Board has issued letter dated 21/09/2024 to the Appellant-Industry to Levy Environmental Compensation as per provisions of Plastic Waste Management Rules, 2016 & amendment thereto on excess EPR credits generated than estimated plastic waste quantity processed and directed to deposit the Environment Compensation amount of Rs.136,99,42,000/- + Penalty of Rs.1,00,000/- i.e. Total Rs.137,00,42000/- in the account of Respondent-MPCB.



15. I say and submit that the Respondent-MPCB has given reasonable opportunity to the Appellant-Industry to submit the Environment Compensation, however, the Appellant-Industry has failed to

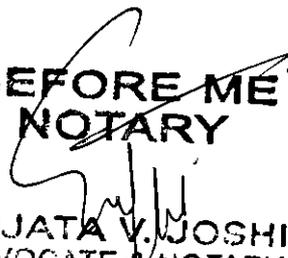
submit the Environment Compensation amount of Rs.137,00,42000/- to the Respondent-MPCB till the date. I say that since the passing of the closure order dated 18/6/2024 and EDC imposition order dated 21/9/2024 , the Appellant has time and again chosen the wrong forum clearly indicating its sincerity in pursuing the legal remedies. Therefore, this Hon'ble NGT may kindly dismiss the Appeal directing the Appellant to deposit the compensation amount on the background of the above submissions .

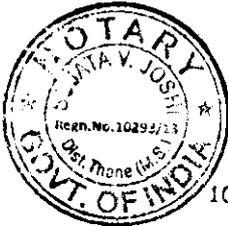
Solemnly affirmed on this ...<sup>06<sup>th</sup></sup> day of November, 2025 at Thane.

For and on behalf of Maharashtra Pollution Control Board,

  
( Kiran Hasabnis )  
Regional Officer-Thane

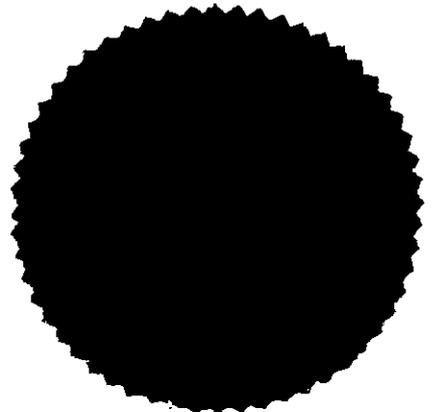
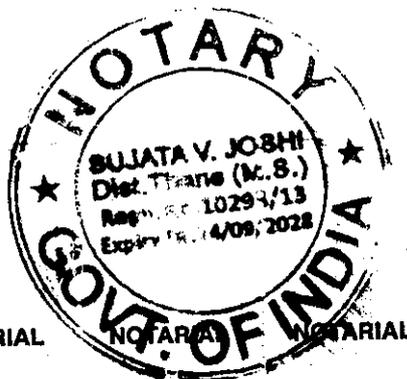
BEFORE ME  
NOTARY

  
SUJATA V. JOSHI  
ADVOCATE & NOTARY  
101/102, Vishal Bldg., Station Road,  
Kalwa (W), Thane-400 605.



NOTED & REGISTERED  
Sr. No. 10670/2025

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केन्द्रीय प्रदूषण नियंत्रण बोर्ड  
CENTRAL POLLUTION CONTROL BOARD  
पर्यावरण, वन एवं जलवायु परिवर्तन मंत्रालय भारत सरकार  
MINISTRY OF ENVIRONMENT FOREST & CLIMATE CHANGE GOVT OF INDIA

F.No. CP-20/80/2021-UPC-II-HO-CPCB-HO Part(1)

26.10.2023

To,

**The Chairman**  
Maharashtra Pollution Control Board,  
Kalpataru Point, 3rd and 4th floor,  
Opp. PVR Theatre, Sion (E),  
Mumbai - 400 022

**Sub: Directions under Section 5 of the EPA, 1986 regarding compliance of various provisions under Schedule – II of Plastic Waste Management Rules, 2016, i.e., Guidelines on Extended Producer Responsibility (EPR)**

**WHEREAS**, the Ministry of Environment, Forest & Climate Change (MoEF&CC) has notified Plastic Waste Management Rules, 2016, in exercise of the powers conferred under sections 3, 6 & 25 of the Environment (Protection) Act, 1986 vide Notification No. G.S.R 320 (E) dated March 18, 2016; and

**WHEREAS**, Plastic Waste Management Rules, 2016 was amended and notified by Ministry of Environment, Forest & Climate Change (MoEF&CC) on 16 February, 2022 to insert Schedule – II, i.e., Guidelines on Extended Producer Responsibility for Plastic Packaging (hereinafter referred as "EPR Guidelines"); and

**WHEREAS**, as per Section 6.1(a) of the EPR Guidelines, "The following entities shall register on the centralized portal developed by Central Pollution Control Board namely: - (i) Producer (P); (ii) Importer (I); (iii) Brand owner (BO), (iv) Plastic Waste Processor engaged in (a) recycling, (b) waste to energy, (c) waste to oil, and (iv) industrial composting; and

**WHEREAS**, as per Section 11.1 of the EPR Guidelines, "All plastic waste processors shall have to register with concerned State Pollution Control Board or Pollution Control Committee in accordance with provisions of 13(3) of Plastic Waste Management Rules, 2016 on the centralized portal developed by Central Pollution Control Board. Central Pollution Control Board shall lay down uniform procedure for registration within three months of the publication of these guidelines" and

**WHEREAS**, CPCB developed the Standard Operating Procedure (SOP) for registration of PWP's on March 15, 2023 and uploaded the same on CPCB website in accordance with EPR guidelines; and

**WHEREAS**, as per Section 11.2 of EPR Guidelines, "The Plastic waste processors shall submit annual returns after end of every financial year by 30th April of the next financial year on the quantity of plastic waste processed category-wise as per prescribed pro forma on the centralized portal developed by Central Pollution Control Board; and

**WHEREAS**, as per Section 11.5 of the EPR Guidelines, "Only plastic waste processors registered under Plastic Waste Management Rules, 2016, as amended, shall provide certificates for plastic waste processing, except in case of use of plastic waste in road

**'परिवेश भवन' पर्वी अर्जुन नगर, दिल्ली-110032**

Parivesh Bhawan, East Arjun Nagar, Delhi-110032

दूरभाष/Tel : 43102030, 22305792, वेबसाइट/Website : www.cpcb.nic.in

construction. In case where plastic waste is used in road construction the Producers, Importers & Brand-Owners shall provide a self-declaration certificate in pro forma developed by Central Pollution Control Board. The certificate provided by only registered plastic waste processors shall be considered for fulfilment of Extended Producer Responsibility obligations by Producers, Importers & Brand-Owners; and

**WHEREAS**, as per Section 11.7 of the EPR Guidelines, "The certificate for plastic packaging waste provided by registered plastic waste processors shall be in the name of registered Producers, Importers & Brand-Owners or Local authorities, as applicable, based upon agreed modalities. Central Pollution Control Board will develop mechanism for issuance of such certificate on the centralized portal "; and

**WHEREAS**, as per the EPR Guidelines, CPCB has developed the Centralized portal for registration of Producers, Importers and Brand-owners (PIBOs) & Plastic Waste Processors (PWPs) that has been formally launched on April 05, 2022; and

**WHEREAS**, CPCB has developed the mechanism for Generation & Transfer of EPR Certificates by PWPs (as given in the Guidance Manual developed by CPCB) on the EPR Portal and the corresponding online module of the EPR Portal was launched on November 19, 2022; and

**WHEREAS**, Registration of PWPs by SPCBs/PCCs is on the basis of information provided online by PWPs on the EPR Portal which includes details of plant and machinery (processing capacity, production capacity, power rating, etc.), geotagged photograph of the plant & machinery, raw material, production and sales section of the Units, short video of the Unit etc.; and

**WHEREAS**, as per clause 4(iv) of SOP "Physical Audit of the PWP to be completed by SPCB/PCC within 30 days of grant of Registration. The PWP shall be able to issue certificates to PIBOs post conduction of Audit and validation of its facilities by the SPCB/PCC"; and

**WHEREAS**, in accordance with aforesaid clause of SOP, upon grant of registration to PWP, SPCB/PCC are required to physically verify details of plant and machinery (processing capacity, production capacity, power rating etc.), geotagged photograph of the plant & machinery, raw material, production and sales section of the Units, short video of the Unit etc. as per the checklist provided on EPR portal for the purpose; and

**WHEREAS**, CPCB has developed the Guidance manual for operating Centralized EPR Portal which includes details of procedure for Registration of PIBOs/PWPs, Generation & Transfer of EPR certificates etc., which was made available on EPR portal. Several training sessions/meetings were also conducted with SPCBs/PCCs/Industrial Associations/PWPs and other stakeholders in which inspection requirements/procedures for grant of approval of physical verification of PWPs to be followed by SPCBs/PCCs were covered. SPCBs/PCCs were required to upload approval status of Physical verification of PWPs on the EPR portal following these procedures; and

**WHEREAS**, CPCB vide directions dated 10.03.2023 and 04.07.2023 reiterated that all SPCBs/PCCs to complete physical verification of all registered PWPs in their jurisdiction within the stipulated time frame to enable the PWPs to generate EPR certificates within the timelines stipulated in EPR guidelines; and

**WHEREAS**, CPCB vide directions dated 21.12.2022 had directed all PWP to upload GST E-invoice of all transactions (sales/ purchase) related to processing of plastic packaging & plastic waste on the EPR Portal; and

**WHEREAS**, viewing rights of the PWP dashboard have been provided to the officials of SPCBs/PCCs to monitor the PWP operations including procurement, production, sale and Certificate generation & transfer by PWP Units registered in their jurisdiction and the same was communicated during the training sessions for SPCBs/PCCs conducted by CPCB for the purpose; and

**WHEREAS**, Section 12.4 of the EPR Guidelines provides that "*Central Pollution Control Board by itself or through a designated agency shall verify compliance of Producers, Importers & Brand-Owners through inspection and periodic audit, as deemed appropriate. Central Pollution Control Board, as required, can also verify compliance of Plastic Waste Processors through inspection and periodic audit. In case of plastic waste processors and Producers, Importers & Brand-Owners operating in a State or Union Territory, Central Pollution Control Board may, if required, direct State Pollution Control Board or Pollution Control Committee to take action*"; and

**WHEREAS**, random sample audit of (i) M/s Shakti Plastics Industries, Palghar, Maharashtra, and (ii) Technova Recycling India Pvt. Ltd, Thane, Maharashtra (plastic waste recyclers); was conducted by CPCB on August 31, 2023 and September 01, 2023 respectively in accordance with Clause 12.4 of the EPR Guidelines; and

**WHEREAS**, M/s Technova Recycling India Pvt. Ltd, Thane, Maharashtra, was registered with Maharashtra Pollution Control Board (MPCB) on 20.6.2023 followed by physical verification of the Unit and uploading approval thereto by MPCB on 07.07.2023 and M/s Shakti Plastics Industries, Palghar, Maharashtra, was registered on 21.7.23 followed by physical verification of the Unit and uploading approval thereto by MPCB on 17.8.23 on the EPR portal; and

**WHEREAS** the following observations were made by the CPCB officials during the aforesaid audit:

- i. **M/s Shakti Plastics Industries, Palghar, Maharashtra**
  - a. The plastic waste processing capacity of the Unit is 2,88,000 (Tonne per annum) TPA, as registered by Maharashtra Pollution Control Board (MPCB) and CTE/CTO issued. The plant processing capacity as per the plant machinery and process flow diagram given in the application form is 17,760 TPA. The audit team found plant machinery corresponding to 17,760 TPA installed and commissioned in the Unit. The plant machinery corresponding to the registered capacity of 2,88,000TPA was neither declared on the EPR portal nor found to be installed and commissioned in the Unit by the Audit team.
  - b. The Unit has generated EPR Certificates of the order of 2,74,000 Tonnes and transferred EPR Certificates of 2,68,000 Tonnes values to Producers/Importers/Brand Owners (PIBOs). Quantities mentioned in the invoices uploaded on EPR Portal by the Unit are fallacious & very high as compared to the declared production capacity since the plant operations had not yet commenced. As per the information on the EPR Portal, invoices were randomly verified and it has been observed that all verified invoices have been

- generated for Services provided towards collection and recycling and not for the requisite actual sales of recycled plastic.
- c. No relevant information as stated below were made available to verify processing of 2,15,000 Tonnes of plastic waste and sale of corresponding quantity of finished product, by the Unit to the audit team:
    - i. Procurement of Plastic waste (Procurement invoices, Supplier details, etc.)
    - ii. Electricity consumption (Electricity bill)
    - iii. Procurement of additives required for processing plastic waste
    - iv. Sale of recycled plastic (GST Statement, Sales invoices, etc.)
  - d. Only 40 workers were available in the Unit as against 125 reported in the application form.

In view of the above, it is observed that EPR Certificates of the value of 2,56,240 tonnes have been generated by the Unit in excess of its actual processing capacity (17760 TPA) and the Unit neither has processing capacity for the said quantity nor relevant prescribed supporting documents/information for the same. The Unit has obtained registration and generated the said EPR certificates of 2,56,240 Tonnes without any actual processing of plastic waste at the Unit and by submitting false documents/information, which is in gross violation of provisions of EPR Guidelines notified as Schedule II of PWM Rules by MoEFCC and CPCB's. Guidance manual for operating Centralized EPR Portal and other directions/communications issued by CPCB from time to time in this regard. The process of generation of EPR Certificates by the Unit was also not monitored by MPCB, despite being the prescribed authority for enforcement as notified under the PWM Rules and having provision of viewing the PWP dashboard on the EPR portal.

ii. **Technova Recycling India Pvt. Ltd, Thane Maharashtra**

- a. The plastic waste processing capacity of the Unit is 97200 Tonnes Per Annum, as registered by MPCB and CTO/CTE issued. The audit team found plant machinery corresponding to 4700 TPA (Cat I 2000 TPA and Cat II/III: 2700 TPA (considering the plant is operated for 24 hrs for 300 days) instead of 97200 TPA as per the trial run conducted by the Unit during which the plant was run at full capacity. Further the processing capacity of Grinder was found to be 400 TPA as against the reported value of 18500 TPA in the application. Also the processing capacity of agglomerator was found to be 2700 TPA as against 60000 TPA reported in the application. The plant machinery corresponding to the registered capacity 97200TPA was not found to be installed and commissioned in the Unit by the Audit team.
- b. The Unit has generated EPR Certificates of the order of 97200 Tonnes and transferred EPR Certificates of 95200 tonnes value to Producer/Importer/ Brand Owners. Quantities mentioned in the invoices uploaded on EPR Portal by the Unit are fallacious & very high as compared to the declared production capacity since the plant operations had not yet commenced. As per the information on the EPR Portal, invoices were randomly verified and it has been observed that such verified invoices have been generated for actual sales of plastic for only 82 Tonnes and the balance quantity has been generated for Services provided towards collection and recycling and not for the requisite actual sales of recycled plastic.
- c. No relevant information as stated below were made available to verify processing of 97200 Tonnes of plastic waste and sale of corresponding quantity of finished product, by the Unit to the audit team:

- i. Procurement of Plastic waste (Procurement invoices, Supplier details, etc.)
  - ii. Electricity consumption (Electricity bill)
  - iii. Procurement of additives required for processing plastic waste
  - iv. Sale of recycled plastic (GST Statement, Sales invoices, etc.)
- d. Only 6 workers were available in the Unit as against 30 reported in the application form.
  - e. Also, the plant area was found to be 270 sqm as against the 1226 Sqm area reported in the application. Also, The GPS location of the Facility, as submitted in the EPR Portal, was found inaccurate. The actual GPS co-ordinates of the Facility are: Latitude-19.288865 (19°17'19.9"N) Longitude-73.097299 (73°05'50.3"E). The distance between the GPS location as submitted by the facility in the EPR Portal and the actual GPS location of the facility is about 2.2 kms.
  - f. The facility has provided 3 godowns (each with an area of about 90 m<sup>2</sup>). The plant machinery, raw material and finished products are placed in these godowns. The total raw material storage area provided by the facility, which is about 170 m<sup>2</sup> area, is observed to be inadequate considering the raw material required for the production of recycled products of 97,200 MTA as per the Registration granted by Maharashtra SPCB.
  - g. The Unit has not installed Extruder to produce plastic pellets/granules (products). The facility produces semi-finished products of Grindings & Agglomerates (plastics chips), in its Agglomerator & Grinders. However, MPCB has granted consent to the Unit for production of 86400 TPA pellets/grinding/ agglomerates.

In view of the above, it is observed that EPR Certificates of the value of 92500 T have been generated by the Unit in excess of its actual processing capacity (4700 TPA) and the Unit neither has processing capacity for the said quantity nor relevant prescribed supporting documents/information for the same. The Unit has obtained registration and generated the said EPR certificates of 92500 Tonnes without any actual processing of plastic waste at the Unit and by submitting false documents/information, which is in gross violation of provisions of EPR Guidelines as notified under Schedule II of the PWM Rules by MoEFCC, CPCB's Guidance manual for operating Centralized EPR Portal and other directions/communications issued by CPCB from time to time in this regards. The process of generation of EPR Certificates by the Unit was also not monitored by MPCB, despite being the enforcing agency notified under the PWM Rules and having provision of viewing the PWP dashboard on the EPR portal.

**WHEREAS**, as per Section 11.4 of the EPR Guidelines "*In case, at any stage it is found that the information provided by the plastic waste processor is false, the plastic waste processor shall be debarred by State Pollution Control Board, as per procedure laid down by Central Pollution Control Board, from operating under the Extended Producer Responsibility framework for a period of one year*"; and

**WHEREAS**, as per Section 11.6 of the EPR Guidelines "*The pro forma for the certificate shall be developed by Central Pollution Control Board. In no case, the amount of plastic packaging waste recycled by the enterprise shall be more than installed capacity of the enterprise. The certificates will be for plastic packaging category-wise and shall include GST data of the enterprise*"; and

**WHEREAS**, as per Section 13.1 of the EPR Guidelines "*The concerned State Pollution Control Board or Pollution Control Committee shall register Producers, Importers & Brand-Owners (operating in one or two states) and plastic waste processors, through the online portal developed by Central Pollution Control Board. Provision for registration shall be made on the Extended Producer Responsibility portal. State Pollution Control Board or Pollution Control Committee by itself or through a designated agency shall verify compliance of Producers, Importers & Brand-Owners through inspection and periodic audit, as deemed appropriate, of Producers, Importers & Brand-Owners as well as plastic waste processors in their jurisdiction as per the Plastic Waste Management Rule, 2016*"; and

**WHEREAS**, as per Rule 18 of PWM Rules "*The Environmental Compensation shall be levied based upon polluter pays principle, on persons who are not complying with the provisions of these rules, as per guidelines notified by the Central Pollution Control Board*"; and

**WHEREAS**, as per the EC Regime framed by CPCB in 2022, Environmental Compensation is to be levied on PWP @ Rs. 5000/- per ton of plastic waste misreported for quantity of plastic procured and EPR certificate generated after following due legal procedure"; and

**NOW, THEREFORE**, in view of above and in exercise of the powers vested to Chairman, Central Pollution Control Board (CPCB) vide Notification No. S.O.730 (E) dated July 10, 2002 notified as per provisions of Section 5 of the Environment (Protection) Act, 1986, following directions are issued for compliance:

1. To conduct detailed enquiry as to how physical verification of the units namely M/s The Shakti Plastics Industries and M/s. Technova Recycling India Pvt. Ltd (Reg No. PR-20-MAH-06-AAHCT3188J-23) was approved by MSPCB on the EPR portal, in view of the gross violations observed by the Audit team, as above, and also as to why the process of generation of EPR Certificates was not monitored by MSPCB.
2. To fix the liability on erring official/s and take disciplinary action against erring officials, if any, as per the findings of the enquiry set up, as at (1) above.
3. To immediately take the following actions against the afore-mentioned PWP Units namely M/s The Shakti Plastics Industries (Reg No. PR-31-MAH-07-AAMFS7839M-23) and M/s. Technova Recycling India Pvt. Ltd (Reg No. PR-20-MAH-06-AAHCT3188J-23)
  - i. To suspend the consent/authorization/registration issued to the Units with immediate effect and issue show cause notice for debarring the Unit from operating under the Extended Producer Responsibility framework for a period of one year as per Clause 11.4 of the EPR Guidelines or/ and for the revocation of the consent/authorization/registration issued to the Unit;
  - ii. To levy Environmental Compensation (EC), corresponding to the quantum of EPR certificates generated not in conformity with requirement prescribed in CPCB Guidance manual for operating Centralized EPR Portal. The EC is to be levied as per "Guidelines for Assessment of Environmental Compensation to be levied for violation of PWP Rules"

([https://cpcb.nic.in/uploads/plasticwaste/EC\\_Regime\\_PWM.pdf](https://cpcb.nic.in/uploads/plasticwaste/EC_Regime_PWM.pdf))

and Unit be directed to deposit the same in the designated Escrow Account, created by the MPCB for the purpose.

- iii. To take necessary action against every Unit as per applicable law as the Units have submitted false documents for obtaining registration as well as for generating EPR certificates. It may further be ensured that action taken by MPCB regarding these units should act as a deterrent for other Units in committing such violations.
4. To take immediate necessary actions to improve upon the system of grant of registration within MSPCB, monitoring and enforcement thereto ensuring compliance of the Plastic Waste Management Rules, EPR guidelines and directions/guidelines issued by CPCB, including the following:
    - i. Inspection of all processing facilities of Registered PWPs in your jurisdiction within a fortnight from the issue of these Directions and to confirm that the Processing capacity as per the Registration granted to units is in conformity with the actual facilities provided in each Unit. All other information provided in the online application form are also to be revalidated by MPCB.
    - ii. Regular monitoring of EPR Certificate generation process of the Registered PWPs to ensure that EPR Certificates generated by PWPs are in accordance with requirements prescribed in the CPCB guidance manual including uploading of GST E-invoice corresponding to the sales of finished products on the EPR Portal.
  5. To take all necessary steps to ensure that every Unit henceforth complies with all conditions including generating GST E-invoice for all sales of finished products and uploads the same on the EPR Portal, failing which necessary action be immediately taken including levying of EC against each non-complying Unit.

You are, hereby, directed to take necessary action immediately for ensuring compliance of the aforesaid directions and submit action taken report to this office within 10 days from the date of issuance of this direction.

H  
26/10  
(Tanmay Kumar)  
Chairman



# MAHARASHTRA POLLUTION CONTROL BOARD

Phone No.: 022-2410437,  
24020781

Email: robmw@mpcb.gov.in

Website: www.mpcb.gov.in



Kalpataru Point, Third Floor,  
Sion Matunga Scheme Road No. 8,  
Sion Circle, Sion (E),  
Mumbai - 400022

No. MPCB/RO(BMW)/B-237

Date: 08/04/2024

To  
**M/s. Shakti Plastic Industries.,**  
Gut No.158 & 159, Vill-Nandgaon,  
Manor, Dist-Palghar.

**Sub: Show Cause Notice for Closure under Water (P & CP) Act, 1974, Air (P & CP) Act, 1981 and r/w Plastic Waste Management Rules, 2016**

- Ref: 1) CPCB Direction u/s 5 F. No. CP-20/80/2021-UPC-II-HO-CPCB-HO Part (1) dt. 26.10.2023.  
2) Consent to Operate granted dt. 15.06.2023 valid up to 31.08.2026  
3) Plastic EPR registration granted by the M P C Board vide no.PR-31-MAH-07-AAMFS7839M-23 dt.31.07.2023.  
4) Joint inspection of your industry on 30 & 31 January 2024.

**WHEREAS**, you are operating industry located in the "Pollution Prevention Area" under the Water Act, 1974; under the Air Act, 1981 and Authorization under the Hazardous & Other Wastes (Management & Transboundary Movement) Rules, 2016 followed by further amendments made therein from time to time.

**AND WHEREAS**, it is obligatory on your part to obtain Consent to Operate of the Board under section 26 of the Water (Prevention & Control of Pollution) Act, 1974; under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016 and to comply the same.

**AND WHEREAS**, it is an obligatory on your part to provide pollution control systems as it warranted and to operate and maintain the same continuously and effectively so as to achieve the standards prescribed in the consent.

**AND WHEREAS**, as per clause 11.4 of Guidelines on Extended Producer Responsibility published by MoEF & CC dated 16.02.2022, 'In case, at any stage it is found that the information provided by the plastic waste processor is false, the plastic waste processor shall be debarred by State Pollution Control Board, as per procedure laid down by Central Pollution Control Board from operating under the Extended Producer Responsibility framework for a period of one year'.

**AND WHEREAS**, the Board has granted Consent to Operate on 15.06.2023 for plastic Granules & Plastic Grinding and agglomerates 24000 MT/M valid till 31.08.2026.

**AND WHEREAS**, the EPR registration application was approved and registration was granted on 31.07.2023 to your industry.

**AND WHEREAS**, CPCB has issued directions u/s vide above ref. no.1 wherein it was directed to conduct detail enquiry with respect to your industry.

**AND WHEREAS**, As per the clause 3.0 of EPR guidelines 'Recycling' means the process of transforming segregated plastic waste into a new product or raw material for producing new products. Accordingly, the PWP (recyclers) can be registered on the EPR portal for production of pellets/chips/products (process code R1 to R6) and EPR certificates can be generated for the sale of the same. Grindings & agglomerates of plastic waste does not amount to transforming of plastic waste and hence cannot be considered as product from "Recycling process". Also, as per clause 5 (a) of the Plastic Waste Management Rules, 2016, "plastic waste, which can be recycled, shall be channelized to registered plastic waste recycler and recycling of plastic shall conform to the Indian Standard: IS 14534:1998 titled as Guidelines for Recycling of Plastics, as amended from time to time". And as per the Indian standard IS 14534:1998 titled Guidelines for Recycling of plastics, the process of recycling of plastic waste includes "the cleaned and washed material as obtained in 7.3.1 may be blended with additives, processing aids, pigments etc., as the case may be, and finally granulated by using appropriate screen mesh for filtration of contaminants and impurities".

**AND WHEREAS**, in connection with the CPCB Direction, a joint inspection of the CPCB & MPCB Officials have visited to your industry on 30 & 31 January 2024 to assess the plant production capacity, machinery details, Manpower deployed, GST invoice uploaded on the EPR portal etc and observed following non-compliances

- i. Assessed production capacity as per the trial run conducted by the inspection team was found to be much less than the Registered processing capacity of the unit. The assessed production capacity of the unit is 10,141.2 TPA as per the trial run conducted by the inspection team, wherein the Registered Processing capacity is 2,88,000 TPA. The trial run was conducted as per the details (Plant machinery and Process Flow Diagram) provided in the application form.
- ii. Assessed Average Monthly power consumption for production of 10,141.2 TPA recycled product was found to be less than the actual power consumption as per the electricity bills. Assessed Average Monthly power consumption as per the trial run is 27,456 KWh for production of 842 TPM i.e. 10,141.2 TPA. However, average Monthly power consumption as per electricity bills of 3 months (i.e. September'23 to November'23) is 17,455 KWH which is 64% of the assessed power consumption required for production. Based on the electricity consumption, the actual production for a year is assessed as 6447 TPA.
- iii. Appropriate sales invoices of recycled products were not found uploaded on the EPR Portal by the unit. The industry has made 698 sale entries on EPR portal till date. Out of which, only 2 invoices, correspond to sale of grinded plastic waste of quantity 11.6 Tons uploaded on the EPR Portal. No invoice has been uploaded for the sale of recycled plastic on the EPR Portal. 468 no. of the invoices have been issued for services provided by the unit. For the remaining 228 sale entries, invoices have not been uploaded.
- iv. The sale of recycled plastic was not confirmed by the buyers as claimed by the unit. None of the five units contacted by the inspection team, to whom the unit claimed that it had sold recycled plastic on the EPR Portal, confirmed that they had procured recycled Plastic from M/s Shakti Plastics. It was informed

by these five units that they had only procured EPR certificates from M/s. Shakti Plastics India.

- v. As per your ETP logbook, you are treating 27 m<sup>3</sup>/day of effluent, but as per consent to operate ETP having capacity 3.0 m<sup>3</sup>/day.
- vi. You have generated EPR credits for Services provided towards collection and recycling and not for the requisite actual sales of recycled plastic/granules.

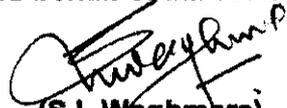
**NOW THEREFORE**, you are hereby called upon to show cause as to:

- 1) Why consent to operate shall not be revoked and Closure Directions shall not be issued against your industry under the Water (P & CP) Act, 1974, Air (P & CP) Act, 1981 and r/w Plastic Waste Management Rules, 2016 and amendment thereto.
- 2) Why penalty or environmental compensation per ton of plastic waste misreported for quantity of plastic procured and EPR certificate generated shall not be levied upon you as per Rule 18 of Plastic Waste Management Rules, 2016 and Rule 9 of Plastic Waste Management (amendments) Rules, 2022 as per Environmental Compensation regime framed by CPCB in 2022.

You are hereby directed to submit your reply to this Show Cause Notice within 07 days from the date of issuance of this notice, failing which, Consent to Operate will be revoked and final Closure Directions will be issued without any intimation to you as per the provision of various environmental enactments mentioned above, which may please be noted.

This is issued with the approval of the competent authority.

For and behalf of M.P.C. Board,

  
(S L Waghmare)  
Regional Officer, (BMW)

**Copy to:- Regional Officer, M.P.C. Board, Thane/Sub-Regional Tarapur-II :- You are directed to ensure the receipt of this Show Cause Notice for closure to the industry.**

