Industrial Rollback, Covid-19 & Environmental situation
(Advocacy efforts In Gujarat state)

Report by
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# INDUSTRIAL ROLLBACK, COVID-19 & ENVIRONMENTAL SITUATION

(Advocacy efforts in Gujarat state)

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1. INTRODUCTION

Gujarat - Leader in Industrialization, inefficient in waste management facilities

Gujarat is India’s most industrialized and urbanized state. With roughly 6% of India’s geographical area and 5% of its population, the state accounts for almost 8% of India’s Gross Domestic Product (GDP). As per the Annual Survey of Industries (ASI) 2017-18, Gujarat stood first in India in terms of industrial output with ≈17% of India’s output (http://www.csoisw.gov.in). Gujarat contributes to over 20% of India’s exports (DGCIS), and Gujarat’s ports handle over 40% of India’s cargo.

Gujarat received foreign direct investment (FDI) worth USD 15.6 bn between April 2015–March 2020. In FY 2019-2020, Gujarat saw the highest national increment of 240% in FDI inflows compared to the previous year. With this, the FDI growth in Gujarat is 60 times that of India’s growth. (Ref: Industrial Policy 2020, Gujarat state).

Industrial hazard-prone areas in the state of Gujarat

Being a highly industrialized state, Gujarat is prone to chemical and industrial hazards, which is well supported by the fact that 35% of the total Major Accident Hazard (MAH) units of the country are located mainly at Vapi, Hazira, Ankleshwar, and Dahej, etc. The Government of Gujarat has categorized districts based on chemical and industrial categories, as is presented in the table below:

<table>
<thead>
<tr>
<th>Sr.No</th>
<th>Category</th>
<th>Districts</th>
</tr>
</thead>
<tbody>
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<td>AA Category (Highly Hazardous)</td>
<td>Bharuch and Vadodara</td>
</tr>
<tr>
<td>2</td>
<td>A Category (Hazardous)</td>
<td>Ahmedabad, Jamnagar, Kachchh, Rajkot, Surat, and Valsad</td>
</tr>
<tr>
<td>3</td>
<td>B Category (Less Hazardous)</td>
<td>Anand, Bhavnagar, Gandhinagar, Kheda, Mehsana, Panchmahals, and Porbandar</td>
</tr>
<tr>
<td>4</td>
<td>C Category (Much Less Hazardous)</td>
<td>Amreli, Banaskantha, Dahod, Dangs, Junagadh, Narmada, Navsari, Patan, Sabarkantha and Surendranagar</td>
</tr>
</tbody>
</table>

Industrial waste management scenario in the state of Gujarat

Due to a large number of chemical and pharmaceutical industries, Gujarat is facing severe air and water pollution problems.

Common Effluent Treatment Plants (CETP)

The Kharikat Canal (an irrigation canal for providing water to the farmers) passes through the eastern part of Ahmedabad city. Three big industrial estates (Naroda, Vatva, and Odhav GIDCs) are situated near this canal. The untreated effluents from industrial units of these industrial estates were discharged in Kharikat Canal, which polluted the irrigation and drinking water of three villages situated downstream (popularly known as Kamalbandhi Villages). Due to this pollution problem, in the year 1995, local farmers filed a legal complaint at Gujarat High Court (SCA No. 770/1995 P. J. Patel Vs. the State of Gujarat). In this case, the High Court ordered the construction of Common Effluent Treatment Plants (CETPs). These CETPs were to be set up by an industrial estate, with 50% financial assistance (25% from the central government and 25% from the state government). In addition, it was decided to collect charges from the members (industrial units) according to the pollution load and the volume of effluent.

As per information available on the Gujarat Pollution Control Board website, 33 CETPs are currently operational, 7 CETPs are either proposed or at the commissioning/construction stage, and 1 CETP is ready for commissioning. Out of 33 operational CETPs, 9 CETPs are used for treating effluent generated from textile sectors, 2 for the electroplating sector, and the rest for chemical and other allied industries. The total capacity of 33 operational CETPs of Gujarat is 574.93 MLD. But as per the CAG (Comptroller and Auditor General of India) report (report no 5), not a single CETP is able to achieve prescribed norms. According to the CAG report, the CETPs are not functioning as per regulatory standards despite the state government’s financial support in their upgradation. Despite this fact, the Government of Gujarat plans to provide financial assistance to improve the Common Effluent Treatment Plant in the New Industrial Policy 2020.

(Note: CAG is an authority that is established under Article 148 of the Constitution of India. Its primary role is to audit all the expenditure of central government, state government, and organizations which the government finances.)

The CETPs are not working efficiently, and rivers/other surface water sources have been polluted. People are suffering from ill effects, but neither the industry nor the government is interested in improving the functioning of CETPs.

A CAG report clearly indicated the inefficiency of CETPs: “In the present era of rapid industrialization and urbanization, the CETPs play a vital role to treat the effluent before being let into water bodies or for reuse. The monitoring of CETPs is a challenge to the Government in order to protect the environment. Thus, the role of GPCB assumes importance. The selected CETPs did not adhere to outlet norms in discharging effluents. There was non-disposal of hazardous waste timely leading to the pollution of natural water bodies into which these effluents were discharged and polluting the groundwater as well as soil of the surrounding area.”
Common waste management facilities

7 Common Hazardous Waste Treatment Stabilization Disposal Facilities (HWTSDF) and 6 Common Hazardous Waste Incineration Facilities (HWIF) are Gujarat for disposal of toxic, hazardous industrial wastes. There have been widespread complaints of pollution from the local people residing near these facilities. Whenever an environmental public hearing is announced for new waste disposal sites or expansion, there is lots from the local villagers (Ref. MoM of recently concluded EPH).

In conclusion, we noticed that on the one hand, the state is attracting investment. On the other hand, there isn’t any proper infrastructure for waste management, no efficient system of treating industrial waste, and no proper monitoring system to check common waste management facilities (e.g., CETP). The state declared incentives for industries at the Covid-19 time but didn’t think about the livelihood of workers or poor people.

2. IMPACTS FROM ROLLBACKS

Impact of Lockdown
The Indian government announced the lockdown due to the Covid-19 pandemic with just a few hours’ notice on 24th March 2020. This lockdown stretched for more than 60 days. During this time, the migrant workers, staying in big cities, started return journeys to be with their families; it was one of the biggest migrations in India’s modern history. More than a hundred people died of hunger, heat strokes, and accidents during the migration.

Migrant workers, desperate to return to their hometowns, walk along rail tracks towards a train station in Ahmedabad, India, on Monday, May 11, 2020. (AP Photo/Ajit Solanki)

**Resuming industrial activities in the state of Gujarat–A Pseudo-Rosy picture**

The Gujarat government decided to resume economic activities during the lockdown period in the state as per the Central Government Guidelines, and it received a widespread response. On the first day of re-opening of the industrial units on **April 20**, around 6,000 industries restarted their activities, and about 40,000 to 45,000 workers restarted their jobs. A press release by Gujarat Information Bureau on 20th April 2020 mentioned that “among the industrial units that have resumed functioning in various districts includes, 1000 units in Ahmedabad, 350 units in Rajkot, 600 units in Vadodara, 250 units in 2 Surat, 450 units in Bharuch, 600 units in Valsad, 400 units in Morbi, 400 units in Gandhinagar, 750 units in Kutchh and 850 units situated in rest of districts. These units mostly consisted of chemicals, ceramic tiles, cement, and small-scale industries. Alang shipbreaking Yard of Bhavnagar has also been permitted to resume, and more than 15,000 units are estimated to be operational in the next two days.”

It further mentions, “The Chief Minister also appointed a District Committee headed by the collector to operate the industrial units in the state, keeping in view the strict compliance of the guidelines of the
Government of India including social distancing, while providing employment-economic support to the working-class people during the time of lockdown. The committee has been authorized to withdraw the permission if the industries violate the national guidelines.”

However, the report of Indian Express published on the same day showed the real picture: “Industrial associations, however, said that not all those who got permissions have been able to start operations on Monday due to labor shortage. Ajit Shah, president of Sanand Industrial Association, said, “Though permission has been granted to all 150 units under our association, only 5-6 units began operations today. Few more will be able to start operations in the coming days, but a majority will be able to begin only after May 3 because there is a huge paucity of labor.”

Despite the permissions and incentives given in different phases of removing the lockdown ("unlock"), many service sector employees lost their jobs. Many self-employed people were forced to shut down their ventures due to the unavailability of customers. A reverse migration happened as workers were not able to find jobs in their hometowns. In few cases, employers invited workers with offers of more incentives and more facilities at workplaces, but those were very few.

The Covid-19 outbreak has created a new roadblock for the Indian economy, causing severe disruption on both demand and supply chain, which has the potential threat to breakdown the growth. The MSME and Gujarat textile industries are slowing down due to inadequate or zero demand. The majority of the textile industry workforce is made of migrant workers. Hence, disruption of the workforce, lack of working capital, and European buyers banning exports resulted in an unprecedented crisis in the textile industry. The MSMEs fear the inability to repay their loans, wherein the financial institutions are distressing their portfolio as NPA (Non-performing asset).

On April 23, the state of Gujarat allowed the opening of export-oriented industrial units to complete their existing orders. This step alone benefited nearly 5,000 export-oriented units in the state. Additional incentives, such as exemption from labor laws and MSMEs (Micro, Small and Medium Enterprises) Ordinances, widely contributed to restoring normalcy. But this situation created abnormalcy in workers and the environment. The units avoided legal provisions and bypassed safety measures with blessings from the state government. In the name of promoting the recovery process, the state government relaxed workers’ fundamental rights.

At the end of December, the state government stated that Gujarat accounted for 53% of the total FDI in the first half of 2020-21 (financial year 20-21 started from April 2020 and finishes in March 2021). Of the total USD 30 billion FDI inflow into India during the first six months (April-September 2020) of the current financial year, USD 16 billion came to Gujarat. The state also saw a 400% growth in investments during this period compared to last year. The Gujarat government put all its efforts into attracting investments, especially multinationals operating in China and relocating due to the Covid pandemic. All the relaxations were offered without thinking about the livelihood of the local community. The state focused on attracting investments rather than paying attention to the environment or workers’ safety. In the next section, we will look into that.
Industrial accidents in 2020 – less monitoring, more negligence

As per the data from the Director of Industrial Safety and Health under the Labour and Employment Department, the number of fatal work-related accidents in the state of Gujarat in previous years are as below:

<table>
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<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tbody>
<tr>
<td>No. of fatal accidents</td>
<td>230</td>
<td>236</td>
<td>188</td>
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In the lockdown time and afterward, it was frequently reported that the number of industrial accidents increased, and the state government had to strengthen the existing provisions. Over 130 workers died in industrial accidents in Gujarat during the first seven months of 2020, of which 57% were reported in four months after the lockdown was lifted in phases in the state.

According to the Director of the Industrial Safety and Health (DISH) office, under the Ministry of Labour and Employment of the state government, 89 industrial accidents happened between January and July 2020 across Gujarat, in which 130 workers died. Of these, 51 accidents happened between April and July, when the industries were re-opening after the lockdown, and 74 workers died.

More industrial accidents occurred in this time phase because industries re-opened with a limited number of workers, and workers were forced to work for extended hours. In addition, government officials were unable to monitor safety provisions, and industrial units took advantage of this situation to bypass safety provisions. They even avoided treating their effluent to save money and dumped their hazardous waste in the open for financial benefits. There are several examples of dumping effluent illegally by industries, including:

- Gujarat: Lockdown used as an excuse by Vapi’s industries to pollute Damanganga
- Chemical waste dumping racket busted in Mehsana

Additionally, a joint committee report on the monitoring of CETP, Vapi Industrial Area presented in NGT by CPCB mentioned that during April-June 2020, CETP was not meeting with inlet norms in terms of COD for four parameters and not meeting outlet norms in 2 monitoring parameters.

The safety protocols were not implemented fully due to a lack of sufficient skilled manpower, and units reaped benefits of the lockdown situation.

**Gujarat State Industrial Policy 2020**

The Gujarat government released a circular in February 2020 to extend the time limit of various incentive schemes under the industrial Policy of 2015 for another six months due to a delay in the announcement of a new industrial policy. After that, on 7th August, the state government announced Gujarat’s Industrial Policy 2020. Translated into eight foreign languages, it was an attempt globe. This industrial policy was shared with Indian embassies in 43 countries to attract investment.
Highlights

- It is expected that the average annual outlay for the New Gujarat Industrial Policy 2020 will be up to INR 8,000 crore.
- The policy aims to boost job creation and manufacturing and create an "innovation-driven ecosystem" in the state.
- It announced an open invitation to companies that wanted to shift their operations from China in the wake of the coronavirus pandemic to set up a base in Gujarat. The Gujarat government would offer relocation incentives to companies trying to move from other locations on a case-by-case basis.
- It identifies thrust sectors and core sectors that the state considers a priority in investment and manufacturing. Investors in mentioned sectors shall receive focus and special incentives.
- Talukas (or potential areas of investment) have been categorized into three categories. Capital subsidies to large investments will be awarded based on the location the company chooses to invest in. The three categories are as follows: Category 1: Backward Districts; Category 2: Developing Districts; and Category 3: Mature Districts.
- All the units will continue to get an Electricity Duty Exemption for five years.
  - New incentives and subsidies have been announced for industries in the Micro, Small, and Medium Enterprises (MSME) segment. Both capital, as well as interest subsidies, have been announced to boost their growth.
  - The Gujarat government will lease out government land for a long term – up to 50 years – to industrial enterprises at a 6% market rate.
  - It exempts new companies for 1000 days from all labor laws in the state.
  - It provides incentives to establish common Environmental Infrastructure Facilities such as Common Effluent Treatment Plants, Waste Management Systems, augmentation, and technology upgradation of existing CETPs, common spray dryers, common multiple effect evaporators, etc., at 40% of the project cost up to INR 50 crore.
- Development of Green Estate at 25% of project cost for set up/ relocation / retrofitting of existing polluting industrial units into Green Industrial Estates up to INR 25 crore.
- The policy will also provide assistance of up to 75% of the cost for the preparation of site master plan for relocation and retrofitting of existing pollution industrial units into Green Industrial Estates up to INR 80 lakhs.

Additionally, the CONCLUSION part of the industrial policy clarifies the intention very clearly. It mentions,
“Gujarat Industrial Policy 2020 is indeed a game-changer. Never before stand-out features like offering land on lease, de-linking incentives from tax structure, and replacing it with capital subsidy without any upper ceiling will attract many souls to take the entrepreneurial path. Industrial Policy 2020 spearheads balanced regional development and are the torchbearer for inclusive growth. The policy will ensure to establish Gujarat on the world map as the best business destination, thereby making Gujarat – The Business Card of India.”

The possible environmental impacts of the new industrial policy can be found on page number 15.

No Transparency: Deep Sea discharge pipeline project

In December 2018, just before the Vibrant Gujarat Global Investors Summit (VGGIS)-2019, the Gujarat Government announced an integrated policy for deep-sea discharge of treated industrial wastewater from Veraval to Vapi belt with an expectation to attract industrial investment of Rs. 34,000 crore and direct job creation for 5,00,000 people. Wastewater is currently discharged mainly in rivers, so the government announced that the proposed deep-sea discharge pipeline project would reduce the pollution in rivers.

The Gujarat Chief Minister’s Office tweeted @CMOGUJ in July 2019, “Gujarat Govt, in its commitment to control the river pollution, to come up with the first-of-its-kind multi-beneficial project of Deep Sea Discharge Pipeline for Treated Industrial Effluents of thousands of industries of Ahmedabad, Vadodara, and Jetpur estimated at Rs.2275 crore.”

The state government allocated Rs. 500 crore in the budget for the year 2018-2019 for this project. The total project cost has been estimated at Rs.2275 crore, and the state government have put the budget expenditure, but no feasibility study or environment impact assessment report has been done for this project. There is no other information available on this project in the public domain.

Though this project was initiated before Covid time, the state government took advantage of the Covid situation to speed it up. This project is meant to transfer industrial wastewater to the deep sea, which increases the chances of marine pollution, so we demanded transparency in the process. As we mentioned earlier, the industrial waste management facilities are not sufficient and not working properly in the state; even the auditing agency CAG mentioned this in their report (and Greenpeace also mentioned this in a report they completed).
The state government and industrial associations collaborated to implement this project on a fast track basis because they wanted to benefit in the name of the recovery process. The state government's monitoring system is already lethargic. They have received many directions from NGT (National Green Tribunal – apex court for environment-related issues) for the country’s proper functioning of CETPs in the state.

3. POLICY RECOMMENDATIONS

We suggest a few recommendations here that should have been implemented a long time ago but weren’t for many reasons. Now, as the state started the recovery process after lockdown, these recommendations, though old, are relevant in the recovery process in a pandemic situation.

The country has issued a good deal of legal provisions and directions through the National Green Tribunal on waste management issues, especially on managing hazardous waste. However, as with almost all laws, the implementation process is not as stringent as possible.

These are a few policy suggestions that will be helpful in this pandemic time to rollback the effects of industrial pollution by undertaking proper environmental management precautions.

Joint campaign to find out illegal storehouses - A joint campaign should be launched across the state by concerned departments to find out illegal storage places of hazardous chemicals.

Fire No Objection Certificate (NOC) and renewal - Check that NOC of fire safety has been taken by all industrial units. Industrial units that don’t have a Fire NOC should be shut down with immediate effect. Some industrial units do take NOC on fire safety but do not renew the license even after expiring. A campaign should be launched to renew the permission immediately and make it mandatory to renew the fire safety license every year.

Training is essential - It is mandatory to set up fire safety training centers in all the GIDCs (Gujarat Industrial Development Corporation), SEZs (Special Investment Zones), and SIRs (Special Investment Regions) of Gujarat. Mechanisms should be arranged for every officer or employee involved in the fire safety work of each industrial unit to undergo refresher training every six months. Recent fire incidents showed that fire safety equipment was available, but people didn’t know how to operate it.

Disposal from closed industries - If any hazardous chemicals are stored in industries that are shut down, they should be disposed of immediately, in the safest and most technically advanced, environmentally-friendly way (for example, using non-combustion alternatives). If there is any kind of gas in the tanks of the closed industries, it should also be disposed of as per the prescribed norms. (Experience in Gujarat showed that gas leaks and damage have occurred from the tanks of closed industries.)

In addition, we would like to cite part of the expert committee report of the Ahmedabad blast case for which NGT took suo moto. The report mentions that:

“Due to leakage or mishandling of chemicals in the storage of the hazardous chemicals (in the assembly as well as other drums having flammable and explosive chemicals), as the premises were without
ventilation, vapor cloud might have been formed, and the blast occurred on account of either spark of electricity or otherwise. The possibility cannot be ruled out for the blast due to the fall of drums containing MEKP during parcel preparation, rearrangement of drums, mixing of Hydrogen peroxide (H2O2) with MEKP instead of Diethyl Glycol (DEG) without any cooling arrangement outside the mixing assembly. Three craters were observed at the site. Had the premises been with adequate ventilation, in all probability, the incident could have been avoided.”

This clearly suggested that handling and storage of chemicals were done without any proper precautions.

**Staff recruitment**–There are long-time vacancies in various chemicals and waste-related departments like Fire Brigade, Pollution Control Board and Factory Inspection, etc. These should be filled urgently, and accountability should be ensured.

**District-wise committee** - The State Government should form a district-wise standing committee to assess the damage caused by industrial accidents, fires, leakages, or pollution incidents, hold hearings with the affected people, and report to the District Magistrate. Based on that, the District Magistrate can issue compensation orders and draw the attention of the Gujarat Pollution Control Board regarding the environmental damage so that it can be assessed.

**Implement directions by Gujarat High Court**–In the case of Solanki Jaswant Singh Kalusinh Vs. District Collector (SPECIAL CIVIL APPLICATION NO. 9699 of 2008), the Gujarat High Court directed to form a committee in the case of pollution/environmental degradation. The committee will have the following members: (1) District Collector, (2) Members of GPCB, (3) Secretary of Forest and Environment Department, (4) Irrigation and Water Resources Department, (5) Animal Husbandry Department, (6) President of Gram Panchayat / Municipality or their representatives. This committee will study the damages and submit the report to the district magistrate, and, accordingly, the district magistrate will decide on the award of compensation. It is thus strongly recommended to appoint a committee permanently as suggested.

**Amount of Environmental Damage Compensation** - The Gujarat Pollution Control Board collects the amount of Environmental Damage Compensation (EDC) from the companies/industries/factories/industrial units responsible for pollution or accidents. This amount needs to be spent for the betterment of the environment, and there needs to be a transparent process for utilizing this money. The amount paid by the industries should directly benefit the affected community.

**Put reports in the public domain** -A committee of inquiry is constituted by the government whenever a major industrial disaster occurs. However, the reports of this inquiry committee are never placed in the public domain. Transparency is needed in these matters, and such reports should be made public. It has become even more relevant during the Covid-19 pandemic, as industries have started working with less human resources and without proper attention to safety and environmental protocols.

**A mechanism needed** –A monitoring mechanism needs to be set up to implement the recommendations or directions made by the inquiry commissions. In particular, the Coordinating
Committee of Representatives from the Disaster Management Authority, the Department of Industrial Safety and Health, and the Pollution Control Board shall meet every six months to obtain information on implementation and direct the necessary steps to be taken.

The pandemic provides us an opportunity to recreate a safe environment with proper facilities. As an organization working in Gujarat as a watchdog since 1997, we suggest these recommendations for a better environment in the state. The Covid pandemic allows us to think again about our nature, especially as industries attempt to rollback environmental and labor regulations. We need to think about the proper implementation of previously suggested directions in a strict manner.

PROJECT OUTCOME

4. ACTIVITIES CONDUCTED

Research and Advocacy work
During this project, research was conducted on new policies (on labor laws and industrial issues that affect the environment) announced since March 2020 by the Gujarat government. Information was compiled about recent industrial accidents. The study found the following relevant documents (Annexed as section-A).

- A-1. Analytical note on amendments in labor laws
- A-2. List of industrial accidents in 2020
- A-3. Case study of Ahmedabad chemical blast at Sahil Enterprise
- A-4. Case study of fire at Yashashvi chemicals, Dahej

In this journey to write a note on specific subjects, we used our experience working on environmental issues since 1997. We checked government reports and newspaper reports, consulted experts from different sectors, and filed applications under the Right to Information Act.

1. AMENDMENTS IN LABOUR LAWS - POSSIBLE IMPACT ON THE LABOURERS

In the middle of the coronavirus crisis in September, instead of thinking about pro-labor provisions, the Gujarat Assembly passed four Bills of the Labour and Employment Department that watered down existing provisions of The Industries Disputes Act 1947 and the Factories Act, 1948, in favor of employers and industrial establishments. Moreover, the state government justified these amendments by citing the economic

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Meeting ID - 845 0900 2600
Password - 123456

New companies looking to operate in the state were given sugary candy. Except for a few laws on minimum wages, safety norms, and compensation in industrial accidents, no other provisions of the labor laws would apply to them.

We organized a webinar on AMENDMENTS IN LABOUR LAWS on 23rd December 2020 with participants from various sectors from different parts of the state. Shri Arunbhai Mehta (Secretary, Gujarat SITU) explained the new provisions of labor laws and their possible impacts on workers. Participants asked related questions and decided to continue the dialogue in the future on the issue.

The webinar also provided a platform for discussing labor issues like workers' safety protocols at the workplace, especially after re-opening industrial units after Covid lockdown. Many participants raised concern over the rise in industrial accidents after lockdown and gave ideas to write to authorities for strict actions. The corruption-based nexus between the industrial lobby and government officers is ultimately harmful to the environment and society.

In the webinar discussion, participants residing near the Alang shipyard area shared how workers' situation at the shipyard had worsened during the lockdown. (Alang is Asia's largest ship-breaking yard and accounts for 35-40 percent of the global ships that are scrapped. Roughly 400 of the 1000 ships recycled every year across the globe come to this place). Participants talked about the harmful effects of chemical particles workers face during the dismantling process.

POSSIBLE IMPACT ON THE LABOURERS

The labor laws reform is an ongoing process, and it also reflects the strategy of the government. The fact that the state government announced incentives for industries to omit labor law provisions is a clear indicator of the possible negative impacts on laborers.

- The state government announced 12-hour workdays- no overtime payment needed!
  On April 7, 2020, the Gujarat Government issued a Notification under the Factories Act, 1948, amending sections 51, 54 & 55 of the Act. From April 29 to July 19, 2020, workers in Gujarat could be made to work twelve hours a day, seventy-two hours in a week, with a 30-minutes break after six hours. The Factories Act, 1948, otherwise states that workers can only be made to work nine hours a day – but forty-eight hours in a week, with one weekly off – thus coming to eight hours in a day (sections 51, 52 & 54), with 30 minutes break after 5 hours (section 55).

   Most alarmingly, this notification also stated that no overtime would be paid for the extra four hours – these will be paid for at the usual hourly rate. (Ref: https://www.newsclick.in/May-Day-International-Workers-Day-12-Hour-Shift-Modi-Government&https://timesofindia.indiatimes.com/city/ahmedabad/state-govt-notifies-12-hour-shift-for-workers/articleshow/77074169.cms)
• "Supreme Court Cancels Gujarat's 12-Hour Workday "Anti-Labour" Notification," 1 October 2020
The Supreme Court quashed this notification, passed by the Gujarat government in April amid the coronavirus lockdown, which allowed all factories in the state to extend work shifts to up to twelve hours from the earlier eight hours and slashed overtime payment to half. The court further directed the state to pay overtime due to the workers at the original rate.

• Dilutes rights of workers - Firms with up to 300 workers can hire and fire without Govt. nod
This implies that industrial establishments with up to 300 workers will not be required to furnish a standing order, a move which experts say will enable companies to introduce arbitrary service conditions for workers. It clearly shows that the government is very keen to give employers a tremendous amount of flexibility in hiring and firing, dismissing alleged misconduct. Retrenchment for economic reasons will be entirely possible for all industrial establishments employing less than 300 workers. This is a complete demolition of employment security. (Ref: https://indianexpress.com/article/india/firms-with-up-to-300-workers-can-hire-and-fire-without-govt-nod-bill-in-lok-sabha-6602928/)

• Migratory laborers were the most impacted group during lockdown
The labor minister’s statement is an indicator – "The purpose of labor reforms is to provide a transparent system to suit the changing business environment." It is undoubtedly helpful for businesses, but the condition of workers will turn worse, as workers were the most vulnerable during the lockdown, too.

2. NEW INDUSTRIAL POLICY’S POSSIBLE IMPACT ON ENVIRONMENT

The provisions mentioned under the heading “Support for Environmental Infrastructure & Initiatives for Sustainable Development” in the Gujarat State Industrial Policy-2020 seem good on paper, but the ground reality is shocking when we check the current environmental situation of Gujarat. Here are a few points of concern.

No overload, the inefficiency of common waste management facilities in the state is alarming. The new industrial policy has mentioned the establishment of new facilities for industrial waste treatment. However, past experiences show that these are all investment attractions.

• Waste management facilities are not adequate to handle the current waste load with the regulatory norms; CAG mentioned in its report (report no 5) that not a single Common Effluent Treatment Plant (CETP) is able to achieve prescribed norms. As per the CAG report, the CETPs are not functioning according to the standards, though the state government is spending so much money to upgrade them. During the lockdown, many CETPs took advantage and polluted
the nearby water sources (e.g., check this newspaper report). This newspaper report mentioned how CETP and other individual industries’ effluent treatment plans were not working during the lockdown. It reflects in the water quality of the Daman Ganga river.

- In May 2020, the CPCB submitted a compliance report to the NGT in response to an order dated August 28, 2019, regarding non-complying wastewater treatment plants operating across several states in India. According to the CPCB report, the majority of the non-complying CETPs are located in Gujarat (non-complying-17).

Financial incentives are good, but performance is a problem - Financial help mentioned in the new policy will surely encourage the industrial associations to build new waste management facilities, but what is the advantage of such substandard waste management facilities? As an observer on environmental issues since 1997, we have seen many violations in the past.

- If we look at the report, which mentions that – “Existing common effluent treatment plants (CETP) in industrial units cannot cope with the volume of pollutants and clean-up technology has failed as a proper solution,” or a recent report from CPCB (Central Pollution Control Board) that identified 17 non-complying CETPs in Gujarat – the industrial waste management systems are not performing as per standard.

No fear of strict actions — state machinery is looking to one side only, the system to check pollution is vulnerable, and the monitoring role becomes weak.

- Due to the widely-spread corruption nexus between industrial units and monitoring authorities, the industrial units have no fear of strict actions even if they breach the provisions of environmental laws.
- The pollution control board has the power to give closure notices to the industry, but when it comes to CETP, Gujarat Pollution Control Board has to consider it thoughtfully as many units suffer when CETP receives a closure notice.

3. INDUSTRIAL ACCIDENTS IN 2020

The Indian Express published news on 22nd August, with the title Gujarat, which mentions, “According to the office of the Director Industrial Safety and Health (DISH), under the Ministry of Labour and Employment of the state government, a total of 89 industrial accidents happened between January and July 2020 across Gujarat, in which 130 workers died. Of these, 51 accidents happened between April and July, when the industries were re-opening after the lockdown, in which 74 workers died.” It further mentions. “While April and May saw six and nine deaths respectively, the highest number of industrial accidents in a single month in this year occurred in June and July. In each of these two months, 18 accidents happened in which 37 and 22 workers died, respectively.”

In August, due to the increase in industrial accidents, Chief Secretary Anil Mukim chaired a Labour and Employment department meeting and took stock of safety requirements at factories. According to an official release, safety requirements of on-site and off-site emergency plants for manufacturing, storing, and importing hazardous chemicals, measures for emergency planning, preparedness, and response in
the case of chemical accidents, and provisions of the Factories Act were reviewed in the meeting. We collected information about industrial accidents during the year 2020; more information is provided in Annexure A-2.

At November’s end, the Gujarat government made for all factories to take a no-objection certificate (NOC) from the fire department before applying for a new license or renewing existing ones. (Though after few days, this provision was relaxed by the department with a provision that producing an in-process letter will also do.) The move came after a fire incident at a chemical unit near Pirana in Ahmedabad engulfed about a dozen lives on November 4. The labor and employment department issued a resolution stating, “Factories will now be required to take NOCs from the fire department under the Gujarat Fire Prevention and Life Safety Measures Act, 2013 before applying for factory license under the Factory Act 1948. Existing factories without fire NOC will also be required to take Fire NOC from the competent authority and inform their respective districts and Ahmedabad DISH (Director Industrial Safety and Health) office.”

In December, we wrote a letter to the chief minister of Gujarat with suggestions to implement strict actions and establish new mechanisms for the prevention of fire incidents in industrial units (See annexure B-1).

After that, within the backdrop of recent fire incidents in the state, the Government of Gujarat announced a decision to rollout new rules and a framework for fire safety certification and renewal in the State with effect from 26th January 2021. The state government would develop a ‘Fire Safety Compliance Portal’ for setting a transparent procedure for obtaining online ‘Fire Safety NOC’ for every high-rise building, commercial complex, school, college, hospital, and industrial unit in the state.

4. CASE STUDIES ON INDUSTRIAL ACCIDENTS

As mentioned, industrial fire and blast incidents threatened the state after the lockdown phase. The National Green Tribunal (NGT) also intervened in the matter and gave directions. The chemical boiler blast in Ahmedabad on 4th November 2020 led to the collapse of a nearby textile warehouse and killed 12 persons. The tribunal’s principal bench took suo moto cognizance of the newspaper report and ordered a compensation of Rs 15 lakh each to the families of the 12 persons killed in the chemical factory blast. NGT also constituted a six-member committee to probe the incident and submit a report. The committee heard affected people at Ahmedabad on 7th December 2020, and we informed local people to represent their concerns before the committee. We submitted our concerns in writing and in person (annexure B-3).

In another accident that happened in a chemical factory (Yashashvi Rasayan Pvt Ltd) in Dahej, eight people were killed and fifty people injured on June 3, 2020. NGT ordered the company to deposit INR 25 crores as interim compensation.

We prepared a case study on the Ahmedabad and a case study on fire at Yashshvi chemical, Dahej, annexed as A-3 and A-4, respectively.
5. PUBLIC PARTICIPATION IN ENVIRONMENTAL DECISION-MAKING PROCESS (ENVIRONMENTAL PUBLIC HEARING)

During the unlock phases, the Gujarat Pollution Control Board (GPCB) started organizing Environmental Public Hearings, which are an essential part of getting environment clearance for industrial projects. The local people couldn’t participate due to the coronavirus pandemic, so we wrote letters requesting the postponement of the public hearings. There was a restriction for public gatherings, and only 50 persons were allowed in a meeting, so we opposed the announcement of organizing public hearings.

We wrote letters to Gujarat Pollution Control Boards for loopholes in the process of organizing EPHs (Environmental Public Hearings), especially with corona SOP (Standard Operating Protocol). We complained to the district collectors, GPCB, and chief secretary about the breach of Covid protocol, and we also requested that they ensure better public participation in EPHs. We also wrote to the National (NHRC) and National Green Tribunal (annexure B-2) to intervene in the matter and give local people a chance to participate in environmental matters. We got a response from NHRC that they had directed the state government to inquire into the matter.

6. WEBINARS / VIRTUAL MEETINGS/PRESS RELEASES TO SPREAD INFORMATION

In our journey to find out facts related to the industrial recovery process, we found a few issues which needed urgent attention, and we represented our concerns in different ways. We organized virtual meetings to spread awareness regarding issues we found in our research.

We organized a webinar on “WAY TO NEW NORMAL - ECONOMIC & ENVIRONMENTAL ASPECTS OF RECOVERY PROCESS” on 19th December 2020. We invited eminent economist Prof. Hemantkumar Shah and environmentalist Mahesh Pandya to speak about the economic aspects and environmental aspects of the recovery process in Gujarat.

Consultation with small groups – We contacted different experts from various sectors to get a sense of the “new normal” situation in Gujarat. We consulted students, social workers, academicians, industrialists, and environmental experts for their feedback about the re-opening of the industrial sector after the lockdown period.

7. PRESS RELEASES AND MEDIA COVERAGE

We issued press releases on related issues of our work and have also annexed a few media clips as annexure section C. For media coverage, check section C of the annexure.

Mahesh Pandya, Director of ParyavaranMitra, participated in live debates and was interviewed as an expert on local news channels on topics mentioned below:
Industrial Rollback, Covid-19 & Environmental Situation (Advocacy efforts in Gujarat State)

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Topic</th>
<th>Name of television channel</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>22 September 2020</td>
<td>Pollution</td>
<td>SANDESH NEWS</td>
</tr>
<tr>
<td>2</td>
<td>9 October 2020</td>
<td>Industrial pollution</td>
<td>VTV GUJARATI</td>
</tr>
<tr>
<td>3</td>
<td>28 October 2020</td>
<td>Pollution</td>
<td>GSTV</td>
</tr>
<tr>
<td>4</td>
<td>9 November 2020</td>
<td>Industrial accident</td>
<td>GSTV</td>
</tr>
</tbody>
</table>

5. RESOURCES ON INDUSTRY ROLLBACKS

- Gujarat state Industrial Policy 2020
- Press note by Gujarat Information Bureau
  https://nidm.gov.in/covid19/PDF/covid19/state/gujarat/104.pdf
- http://www.gsdma.org/Content/chemical-and-industrial-disaster-4236
- https://col.gujarat.gov.in/
- https://www.financialexpress.com/industry/unlockdown-1-80-industrial-units-in-gujarat-resume-operations/1979131/
- Gujarat govt asks officials to ensure compliance with safety norms
- https://indianexpress.com/article/cities/ahmedabad/gujarat-translates-industrial-policy-into-8-foreign-languages-to-attract-fdi-7115474/
6. ANNEXURE

Section A - Analytical notes

- A-1. Note on amendments in Labour laws
- A-2. List of industrial accidents in 2020
- A-3. Case study – Ahmedabad chemical blast
- A-4. Case study – Yashshvi chemical, Dahej

Section B - Letters to Authorities

- B-1. Letter to CM about industrial accidents and recommendations
- B-2. Letter to the chairperson of National Green Tribunal for ensuring effective public participation in Environment Public Hearing in pandemic time
- B-3. Representation to the committee formed by NGT in Ahmedabad chemical blast case

Section C – Media coverage

- C-1 Order of Information commissioner about RTI (The Times Of India)
- C-2 Air Quality & Firecrackers (Ahmedabad Mirror)
- C-3 Pirana chemical blast – Public hearing by committee (The Times Of India)
- C-4 Hearing by the committee in NGT case (Gujarat Samachar)
- C-5 Public hearing by NGT Committee (Rajasthan Patrika)
- C-6 Industrial accidents in Gujarat (NavGujaratSamay)
ANNEXURE A-1
NOTE ON AMENDMENTS IN LABOUR LAWS

Labour laws amended by the Gujarat government in 2020

1) Gujarat Ordinance No.5 of 2020
   • Government permission is required for a company with more than one hundred employees before filing for closure under the Industries Dispute Act, and section 25K is now amended. The amendment has increased the minimum number of employees to three hundred.
   • The requirement of a notice period of a minimum of 3 months to any employees laid off was required for the company to have more than 100 employees. Now that is amended, and the rule applies to companies having more than 300 employees.

   Issues
   ➢ This will increase hiring and firing even in big manufacturing units that employ close to 250-300 people.
   ➢ If people are not given notice of few months, then they would have not time to search for another job. This ordinance gives power to big MSME companies with even 300 employees the power to cut jobs of hundreds of people without any notice period.

2) Gujarat Ordinance No. 6 of 2020
   • The Factories Act, 1948 is amended by increasing the minimum number of employees required in a manufacturing unit to be called a factory. The number is now 40 instead of 20. This means that any manufacturing unit with less than 40 employees will not be called a factory, and hence the factory act does not apply to such manufacturing units.

3) Gujarat Ordinance No.7 of 2020
   • The contract labor Act regulates and ensures service and payment conditions to the labor by the contractors who employ more than 20 employees, which is now amended. The employee limit is now increased to 50.

   Issues
   ➢ While introducing this ordinance, the state government is recognizing that there is a non-compliance issue with contractors. By bringing this ordinance, it is sort of legalizing non-compliance.
   ➢ It gives powers to contractors to exploit more and more people by exempting more contractors from this law which is made to protect the rights of a laborer.

4) Gujarat Ordinance No.8 of 2020 (Steps undertaken for new establishments)
   • Industries Disputes Act, 1947 is amended by adding new section 36C in it, which will exempt new industries from this act for the coming 1000 days
Factories Act, 1948 is amended by adding new section 5A in it, which will exempt new industries from this act for the coming 1000 days.

**Issues**

- While this ordinance will encourage new investments, it will also negatively impact already existing projects and investments. The current industrial players will see this ordinance in a negative light.
- Also, two different sets of applicability of laws in one state will add up the complexity and lead to non-compliance by many existing players.

### Labour Laws Changes Done by Gujarat Government

<table>
<thead>
<tr>
<th>Bill No.</th>
<th>Description</th>
<th>Law before the amendment</th>
<th>Law after the amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bill no. 15 of 2020 Amendment of Industries disputes Act, 1947 by addition of new section 36C and Amendment of Factories Act, 1948 by adding new section 5A</td>
<td>Prior to this amendment, the Industries dispute act, 1947 and Factories Act, 1948 was equally applicable to all the industrial establishment of the state.</td>
<td>After this amendment, new industries that apply for approval now will get exemption from these two laws for 1000 days.</td>
</tr>
<tr>
<td>2</td>
<td>Bill no. 16 of 2020 Amendment of Industries Dispute Act, 1947</td>
<td>Prior to the amendment, the company which employed more than 100 employees required a government’s approval before filing for closure. Also, a company employing more than 100 employees required to give at least three months of notice period to any employee that it may wish to expel from the job.</td>
<td>After the amendment, both the rules apply only to companies that employees more than 300 employees.</td>
</tr>
<tr>
<td>3</td>
<td>Bill no. 17 of 2020 Amendment of Factories Act, 1948</td>
<td>Prior to this amendment, the minimum number of employees in a manufacturing unit required it to be called a factory was 20.</td>
<td>Now, after the amendment, the minimum number of employees is increased to 40. Hence the applicability of the Factories Act is only applicable to industries having more than 40 employees</td>
</tr>
<tr>
<td>4</td>
<td>Bill no. 18 of 2020 Amendment of contract Labour Act, 1970</td>
<td>The Contract Labour Act applied to all the labor contractors who employed more than 20 employees on a contract basis</td>
<td>Now, after the amendment, this act is only applicable to contractors who employees more than 50 employees.</td>
</tr>
</tbody>
</table>
The three Labour Laws Passed by Union Government which will replace existing labor laws.

- The Industrial Code Bill, 2020 seeks to replace three labor laws:
  1) The Industrial Disputes Act, 1947
  2) The Trade union Act, 1926
  3) The industrial Employment Act, 1946


## ANNEXURE A-2
LIST OF INDUSTRIAL ACCIDENTS IN 2020

### Summary of Industrial Accidents in Gujarat

#### February-2020 to December 2020

<table>
<thead>
<tr>
<th>Sr No.</th>
<th>Factory/Company names</th>
<th>Incident Date</th>
<th>Details of the accident</th>
<th>Death</th>
<th>Injured</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nandan Denim, (Chiripal Group, narol-pipadaj-pirana road Ahmedabad)</td>
<td>08\02\2020</td>
<td>Incident of Fire</td>
<td>7</td>
<td></td>
<td>Another fire in the same factory in August</td>
</tr>
<tr>
<td>2</td>
<td>Lotus Label Industries, Ahmedabad</td>
<td>22/02/2020</td>
<td>Incident of Fire</td>
<td>3</td>
<td></td>
<td>Odhav GIDC is near to residential area - no window or ventilation</td>
</tr>
</tbody>
</table>
| 3      | Yashashvi Chemical, Dahej | 03/06/2020 | Blast | 12    | 70      | 1. Factory Inspector/deputy director/safety and health officer have to stop the processing production of the factory.  
2. Case filed at NGT (case no. 22/2020.)  
3. The New plant was constructed without EC and CTE to expand behind the Production Plant, for which the GPCB only sought clarification but did not take any action.  
4. GPCB Collected 1 Cr. Rupees as EDC. |
<p>| 4      | Unicharm India Pvt Ltd. Bod, GiDC, Sanand | 24/06/2020 | Incident of Fire |       |         | 35 firefighting vehicles and 125 firefighters/officers were rushed at the Japanese firm |
| 5      | Shree Shakti Chemical Company, Vatva-GIDC, Ahmedabad | 17/07/2020 | Effect of Chemical leakage | 2     | 1 critical | FIR lodged at vatva police station |
| 6      | Vishal Fabrics (Chiripal Group), Village-dholitalula-Dholka, | 18/07/2020 | Gas leakage in ETP plant | 4     |         | This company belongs to the same group of Nandan denim |</p>
<table>
<thead>
<tr>
<th></th>
<th>Location</th>
<th>Date</th>
<th>Incident Type</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Ahmedabad</td>
<td>07/08/2020</td>
<td>Incident of Fire</td>
<td>Nandan Denim (Chiripal Group, Narol-Piplaj- Pirana Road, Ahmedabad)</td>
</tr>
<tr>
<td>9</td>
<td>Ahmedabad</td>
<td>23/08/2020</td>
<td>Incident of Fire</td>
<td>Yashashvi Chemical Dahej</td>
</tr>
<tr>
<td>10</td>
<td>Ahmedabad</td>
<td>14/10/2020</td>
<td>Incident of Fire</td>
<td>Industry at Tulip Estate, Changodar</td>
</tr>
<tr>
<td>11</td>
<td>Ahmedabad</td>
<td>04/11/2020</td>
<td>Incident of Boiler rapture and fire</td>
<td>Pirana Process House(Sahil Enterprises)</td>
</tr>
<tr>
<td>12</td>
<td>Ahmedabad</td>
<td>09/12/2020</td>
<td>Major Fire</td>
<td>Vatva Matangi Industries</td>
</tr>
<tr>
<td>13</td>
<td>Kalol, Panchmahal</td>
<td>21/12/2020</td>
<td>Fire</td>
<td>700 Villagers shifted to a nearby place</td>
</tr>
</tbody>
</table>
ANNEXURE A-3
CASE STUDY – AHMEDABAD CHEMICAL BLAST

The chemical boiler blast in Ahmedabad, which led to the collapse of a nearby textile godown and killed 12 persons, exposed the non-adherence of rules and regulations by small and micro industries across the state. It has also questioned the ability of the government authorities to inspect such illegally operating companies. Gujarat is a highly industrial state, and industries contribute 45% to its GDP. Also, Gujarat has always been at the forefront in inviting large manufacturing corporations of various sectors across the world to set up plants in the state. While this has ensured steady growth of large-scale industries in the state, it has also led to the mushrooming of small and medium and micro scale industries which are an essential part of the value chain of these large corporations. These small units either provide raw material used in manufacturing the final product or other secondary materials or components indirectly used in large corporations. With the government inviting large corporations in the state, there is also a widespread increase in MSME industries that often operate without any legal permit. They don’t bother to take either environmental clearance or fire NOC. They also employ children under 14 as they are cheap labor. Often they operate in hazardous situations, and any mishap can cause severe fatalities and huge economic and environmental loss to the surrounding area. The authorities responsible for taking action against these industries are either unaware of its existence or are partners in this crime.

These accidents in illegal factories create human, economic, and environmental loss and dents the state's reputation. This also shows to the world how poorly the state performs in industrial safety norms and, in the long run, might deter bigger corporations from coming here. We must take the accidents that have happened in the recent past, as the Covid-19 induced lockdown was lifted, as a wake-up call. We need to conduct a statewide inspection and take strict actions against all these industries found guilty of non-compliance of rules and regulations. The action should be so strict that no person in the future dares to open an illegal industry. Closure of a few industries might look like a setback to the economy, but in the long run, it will ensure that our prestige and reputation to be able to deliver a safe industrial ecosystem to the corporations is sustained.
ANNEXURE A-4
CASE STUDY – YASHASHVI CHEMICALS, DAHEJ

REPORT OF BLAST ACCIDENT AT YASHASHVI RASAYAN, DAHEJ ON 3\textsuperscript{rd} JUNE 2020.

1. Introduction

YashashviRasayan Pvt. Ltd. is a chemical manufacturing company which is part of the Patel Group of Industries headquartered in the Navsari district of Gujarat. They applied for environmental clearance for a new chemical manufacturing plant in February 2015 in Dahej SEZ of Bharuch district, and they received the clearance in March 2016. The clearance was given for manufacturing chemicals such as 3,6DiChloroMethoxy Benzoic Acid, Di Potassium Salt of 3,6 DiChloro Salicylic Acid, 2,5 DiChloro Phenol, and 2,5 Di Chloro Aniline.

2. Background of the Accident on 3\textsuperscript{rd} June 2020

On 3\textsuperscript{rd} June, a huge blast in the plant rocked the entire Dahej Special Economic Zone (SEZ). It killed ten and injured 70 people. Bharuch Marine Police registered the first information report against YashashviRasayan Pvt. Ltd. According to the FIR, the major blasts in the liquid chemical storage tanks occurred due to serious human negligence during the transfer of the dimethyl sulphide (DMS) and Nitric Acid (HNO\textsubscript{3}) into the storage tanks from the tankers, which resulted in a severe chemical reaction and a series of blasts in the storage tanks. Investigations revealed that about 25 tonnes of DMS was transferred into the HNO\textsubscript{3} tank and that about 18 tonnes of HNO\textsubscript{3} chemical was transferred into the DMS tank during the unloading of the chemical liquid into the storage tanks on June 2. On June 2, two tankers loaded with DMS and HNO\textsubscript{3} had arrived in the company's liquid storage farm area for unloading the chemical into the storage tanks. AtalBihariMandal and Mahesh Galchar, who are contractual employees, connected the tankers with the storage tanks with the hosepipe and disappeared from the scene. When the unloading of the chemical was about to be completed, Mahesh Galchar checked the tankers' hosepipe connections and found that they were interchanged with the DMS and HNO\textsubscript{3} storage tanks. However, Galchar disconnected the unloading pipe and informed his higher officials, including the plant head and DMS head, regarding the goof-up, said Rajendrasinh Chudasama, superintendent of police, Bharuch. “Despite knowing about the dangerous chemical reaction due to the wrong transfer of the chemicals in the storage tanks, the officials did not take any remedial measures to neutralize the reaction, resulting in the series of blasts in the storage tanks,” said Rajendrasinh Chudasama, superintendent of police, Bharuch.

The Aryavart Foundation, an NGO based in Haryana with a regional office in Surat, filed a plea in NGT on 4\textsuperscript{th} June 2020 (case no. 22/2020). NGT on 8\textsuperscript{th} June ordered the company to pay 25 crores as a penalty, which included Rs. 15 lacs for each dead person, Rs. 5 lacs to severely injured persons and Rs.2.5 lacs to other injured persons. NGT also ordered the company to pay Rs.25000 to each displaced person in the nearby two villages. The company then challenged the NGT’s order of paying Rs.25000 to the displaced persons in the Supreme Court. The Supreme Court has sent the application back to NGT, and the next hearing for this matter is due on 3\textsuperscript{rd} November 2020 at NGT.
3. Investigations

Our research was based on the above information obtained from NGT’s court order and media reports. We tried to investigate the case holistically so that the specific reason for the occurrence of this accident can be known, but a few generalized changes can be made in these types of chemical industries so that accidents and fatalities can be avoided. So, we filed an RTI application to the Gujarat Pollution Control Board (GPCB) on 10th June 2020 and asked for the following information:

1) Copy of the latest issued environmental clearance to the YashashviRasayan Pvt. Ltd.
2) The compliance report of the environmental clearance of the last two years.
3) Complaints received against the company in last two years and reports of the visits taken by the officials for the same in last two years.
4) Reports of the Inspection taken by GPCB officials in the last two years.
5) GPCB undertook the detailed inspection just after the accident on 3rd June 2020.

We received the response from GPCB on 23rd June 2020 for all the points we asked for in the RTI application. The key findings are as follows:

1) Environmental Clearance to the YashashviRasayan Pvt Ltd was applied on 8th February 2015 and was granted on 31st March 2016.
2) The compliance report is satisfactory, and there are no issues found in complying with the guidelines and limits stated in the environmental clearance.
3) The only complaint filed against the company was by the Samast Bharuch Jilla Machimar Samaj complaining that after the accident, the company had discharged all the toxic wastewater used to extinguish the fire into seawater, thereby killing so many fish and other sea creatures. The GPCB did carry out an inspection, and their report said that there is no direct outlet from the industry to the sea, and thus killing of the fish cannot be attributed to the company’s alleged activity. Thus, the case was dismissed by GPCB.
4) The GPCB carried out regular inspections nearly ten times in two years between 2018 and 2020. The dates, along with brief details, are as follows:
   1. 26/06/2018: Requested to mention Spend Catalyst. Ordered to follow disposal of ETP sludge according to waste management rules 2016
   2. 15/09/2018: Was issued Notice from GPCB for expanding the capacity of the plant without EC/CTE
   3. 14/12/2018: Ordered to repair the SBT-3 tank leakage and carry out tree plantation nearby the fencing
   4. 29/03/2019: No irregularities found
   5. 08/04/2019: No irregularities found
   6. 12/06/2019: No irregularities found
   7. 26/07/2019: Ordered to repair leakage in the solvent storage tank
   8. 13/09/2019: No irregularities found
   9. 17/12/2019: The company had amended the CCA application as the company wanted to manufacture new products
10. 03/06/2020: Post-accident inspection
11. 10/06/2020: Inspection was carried out on the district collector's order as the company had requested to discharge other stored chemicals after the plant's closure. The GPCB did permit the company to discharge other harmful chemicals.

Details of GPCB inspection carried out on 03rd June:

1. GPCB concluded that fire broke out due to the blast, which was caused by mishandling of the chemicals in the storage tank farm area
2. It took 5 hours by 11 fire tenders to bring the fire under control. The water was then discharged into the stormwater drainage
3. A strong presence of VOC was found. The VOC within factory premises was found to be 1000 ppm.
4. The GPCB ordered the immediate closure of production in the plant. It also requested for disconnection of electric supply.
5. The GPCB ordered the company to pay Rs. 1 crore as Environmental Damage Compensation and failing to do so would invite legal action against the company.

4. Findings

Based on the above responses to the questions raised in RTI and on the media reports, we were able to summarize the following points:

- The cause of the fire was due to explosion, which happened due to a mismatch of the tankers of two chemicals. But the explosion was not instant, and it did take some time for the tankers to explode. Despite understanding the graveness, the company didn’t take emergency action and did not evacuate the company premises. There was no disaster management SOP compliance after the accidental mixing of chemicals took place. Had they taken the necessary procedure, it would have saved so many lives.
- The GPCB inspection last took place on 17th December 2019, and the company was issued clearance to manufacture new products. But after that, the Covid-induced lockdown happened, and production stopped. In May 2020, when the industries were again allowed to re-open their production, there was no initial inspection from GPCB. Hence, the condition of the factory and its EC compliance cannot be determined post two months of shutdown.
- The core reason why this accident occurred is the human error that the contract workers made by interchanging the pipe. We may not surely know if these workers were experienced or not in handling these types of chemicals. Post the Covid lockdown, getting the right set of workers was a challenge, and it can be hypothesized that the workers who made this error might have been new or inexperienced workers who were more likely to commit this mistake. Or it might have been a common human error that could have happened with anyone and anywhere. We don’t know yet, but this accident does point out the need for worker’s re-skilling and qualification.

5. Recommendations
• The occurrence of accidents due to intermixing of chemicals in the chemical industry is always a possibility. There is no standard procedure to be followed so that any disaster is avoided. We recommend there should be strict guidelines issued for dealing with these types of incidents. Also, the GPCB authorities, in their regular inspection, should check the adherence to these guidelines.

• The handling of chemicals is an extremely sensitive activity, and hence workers should always be equipped with the right skills to do this activity. Companies and employees across the state bypass the standard protocol to be followed while handling these chemicals. The company should impose discipline on their employees regarding following set practices and protocols and impose penalties on those who don’t adhere to those rules. Prevention is better than cure, and companies should not hesitate to spend few sums of money on these activities rather than losing an entire plant due to disaster.

• Post the Covid-induced lockdown; many industries were suddenly closed. Many could not follow the proper procedure to shut down their plants completely and remove some harmful chemicals from storage tanks or pumps, etc. Many such high-temperature chemicals would have had longer than expected exposure to this equipment due to abrupt shutdown and damaged its material quality. Thus, an intensive survey should be done. The material quality and robustness of each piece of equipment that deals with critical chemicals should be done whenever any industry is shut down and re-opened.

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LETTER TO CM ABOUT INDUSTRIAL ACCIDENTS AND RECOMMENDATIONS

ANNEXURE B - 1
ANNEXURE B - 2

LETTER TO CHAIRPERSON OF NATIONAL GREEN TRIBUNAL FOR ENSURING EFFECTIVE PUBLIC PARTICIPATION IN ENVIRONMENT PUBLIC HEARING IN PANDEMIC TIME

PARYAVARAN MITRA  
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Ref: PM/MP/2958/2020  
Date. 18 September, 2020

Justice Adarsh Kumar Goel  
Hon’ble  
Chairperson, National Green Tribunal  
New Delhi-110003

Prayer : Remove clause 3(iii) & 3 (iv) of F.No.22-25/ 2020-IA.i2ii Dated 14TH September 2020.  
Ref. : Conducting Environmental Public Hearing during the Covid 19 pandemic restrictions – reg. (F. No. 22-25/2020-IA.III Date. 14th September 2020)

Justice Adarsh Kumar Sir,  

Namaskar !

Paryavaran Mitra is a Gujarat-based public-spirited voluntary organization working on socio-environmental issues since 1997. It acts as a watch dog and pressure group in the formation of policies and implementation of environment acts and rules. It works with marginalized and vulnerable communities and people affected by environmental degradation and its consequences. Paryavaran Mitra has participated in more than 300 Environmental Public Hearings.

Sir, We wish your intervention in above said subject and reference.


It could dilute the consultation process in remote areas where local people have no access to internet or other means of submitting responses in writing (For plausible stake holder even). In remote areas where local people have no access to internet or other means of submitting responses in writing.
The guidelines state that 100 people can gather for a hearing while maintaining social distancing as per the home ministry’s order under Unlock 4. If more than 100 people are required to gather then hearings can be staggered to more than one hearing. The guidelines have also provided the option of holding online or virtual hearings in addition to physical public hearings. The guidelines also state that state pollution control boards can obtain responses from local communities in writing “from concerned persons having plausible stake in the environmental aspects of the project or activity, through electronic means”. The guidelines do not clarify if the written submissions are in addition to physical hearings.

For affected people, these are not just platforms for receiving information but a rare and critical opportunity for a direct interface with their government. The guidelines are designed to push through public hearings and not take socio-ecologically informed decisions. Those who choose to attend them will do so at a grave health risk and for many others, particularly in remote areas the hearings will be efficiently wrapped online or offline, even before people can wrap their heads around these new guidelines.

So Our Prayer is (1) Remove clause 3(iii) of virtual platform/online public Hearing. (2) Obtain responses in writing from concerned persons having a plausible stake in Environmental aspects of the project or activity through electronic means.

Thank You,

Mahesh Pandya

Enclosure:
1. Office Memorandum-14 September, 2020
ANNEXURE B -3

REPRESENTATION TO COMMITTEE CONSTITUTED BY NGT IN AHMEDABAD CHEMICAL BLAST CASE

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Ref: PM/MP/2962/2020

Date: 07 December, 2020

To,
Chair Person,
The committee constituted by the
Hon’ble National Green Tribunal
(case no 258/2020).

Subject: Submission to the committee constituted by the Hon’ble National Green Tribunal (case no 258/2020) regarding the accident that took place in M/S. Sahil Enterprises on Date. 04/11/2020

Hon’ble Chairman,
Paryavaran Mitra has been working for the last 23 years in Gujarat to spread awareness and education about Environment Conservation. It has assisted many international federations by making necessary recommendation to draft environmental laws Nationally and Internationally. The United Nations has given us Special Consultative status to the EcoSoc Forum. Paryavaran Mitra has also been actively participating in Climate change summit for the last 10 years. UNFCCC acts as an observer and given lecture at two summit (COP-24, Bonn-Germany and COP-25 Madrid- Spain) of the Government of in India pavilion. Paryavaran Mitra often draws the attention of the State and the Central Government in policy matter.

Gujarat is a Industrial State with 182 GIDC, 7 special Economic zone (SEZ) and 11 special investment region (Sir) and around 40000 Industries. That is why special precaution needs to be taken against fire and blast incident. In a mere span of 10 months i.e. February 2020 to November 2020, 18 accidents have been reported in Gujarat and 30 people have been killed and many more injured.

(Details included in Appendix -1) Gujarat pollution Control Board wakes up successfully after Sahil Enterprise, Pirana fire incident in Ahmedabad and threatens illegal closure of 40 Factory and Chemical godown.

We have the following recommendation before the committee:

1. The State Government should form a district level Assessment Committee which evaluates the extent of damage caused by an accident or pollution, hold a hearing with the affected people and then give the report to the district magistrate based on which the District
Magistrate can order compensation, and also the committee can draw the attention of Gujarat Pollution Control Board and other Government Department about the respective damages to environment and land so that the environmental damage and land degradation can also be compensated.

2. The Hon’ble High Court of Gujarat (SPECIAL CIVIL APPLICATION NO 9699 OF 2008 – Solanki Jasawantsinh Kalusinh Vs. District Collector, pointed out the formation of a committee in which (1) District Collector, (2) Member of GPCB, (3) Secretaries of Forest and Environment Department, (4) Irrigation and Water resources department, (5) Animal Husbandry Department (6) President of Gram Panchayat / Municipality or their representatives. This committee studies the laws and submits its report to the district magistrate and accordingly the district magistrate assess the award of compensation. (Appendix-2)

3. The Gujarat Pollution Control Board should develop a systematic methodology for evaluating the environmental damage and the respective Environmental Damage Compensation (EDC) for any incident of pollution or accident caused by industry or company. This way we can ensure transparency in GPCB’s evaluation and also strict enforcement of regulations in industries. (huge amounts of EDC is with GPCB)

4. A Committee of inquiry is constituted by the Government, whenever a major Industrial Disaster occurs; the report of inquiry is not given in the public domain. We demand that such a report should be made to the Public.

5. Performed by the Inquiry Commission presented in issue no 4, Monitoring Mechanism need to be set up for implementation of recommendation or directives. In particular, The Disaster management authority needs to check every 6 months or so with coordinating committees of the department of Industrial Safety and Health and the Pollution Control Board to get information on implementation and take necessary steps.

Thank you,

Mahesh Pandya
SECTION C: MEDIA COVERAGE

Annexure C-1 order of Information commissioner about RTI (The Times of India)

‘Info sought in questions must be given’

Ahmedabad: In a significant order, the information commissioner has ruled that government agencies are not obliged to provide information on the reasons for a particular decision, project or scheme, but information should not be withheld under this pretext under the Right to Information (RTI).

The order came after an appeal was filed by environmentalist Mahesh Pandya, after GPCB refused to provide information on a proposed pipeline project to carry treated effluent from cities and discharge it into the Arabian Sea. Pandya received a copy of the October 22 order on Tuesday.

Surprisingly, GPCB declined to provide the information sought by Pandya in his application dated February 27, 2019, on grounds that the information sought by him was in “question form”, which does not fall under the definition of “information.”

Information commissioner K M Adhvaryu, in his order, said, “The public information officer is not obliged to provide information on the reasons for actions, but it is improper to deny information which has been sought in the form of questions. He cited an April 3, 2008 order of the Bombay High Court (writ petition no 419/2007 Dr Celsa Pinto vs Goa State Information Commissioner) in this regard.

“I am happy with the order. Information is generally sought by asking questions. GPCB claimed questions do not constitute information. I had not sought reasons for any aspect of the project in my RTI application,” Pandya told TOI.
ANNEXURE C-2

PIRANA CHEMICAL BLAST – PUBLIC HEARING BY COMMITTEE (THE TIMES OF INDIA)
ANNEXURE C-3
HEARING BY COMMITTEE IN NGT CASE (GUJARAT SAMACHAR)
एनजीटी ने की जन सुनवाई, पीड़ितों के परिजन बोले हो कड़ी कार्रवाई

कलक्टर भी रहे उपस्थित

न्यूज़ नेव्स

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एक बार बार पत्रिका में जस्ता कर्मचारी ने कहा था कि यह कार्रवाई करने के लिए सभी अन्य पत्रकारों ने भी इस रिपोर्ट पर हस्ताक्षर किए हैं।