

# **Chemplast Sanmar: Environmental & Social Liabilities**

**Annual Report 2008 - 2009**

**Community Environmental Monitoring - A project of The Other Media  
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## **1. Introduction**

Shareholders are often presented only with the rosy picture of growing assets and profits. Social and environmental liabilities are either hidden or downplayed. However, it is these liabilities that are often unquantifiable and that return to shortchange shareholders. This report highlights the pattern of legal violations and environmental contamination that characterises Chemplast Sanmar's operations in Mettur Dam and Cuddalore. Much of this information has been obtained through the Right to Information Act, 2005, and from the monitoring records of the Gonur West Agriculturists Development Union and Sipcot Area Community Environmental Monitoring. Each issue presented here can potentially exert a material adverse effect on shareholder value, and are therefore being brought to your notice.

## **2. Chemplast Sanmar's operations in Mettur Dam**

Environmental contamination as a result of the plants operated by Chemplast Sanmar predates the entry of Chemplast into the scene. Even when the plants were in the control of Mettur Chemicals and Industries Corporation, evidence of contamination began surfacing. The first documented evidence of pollution and award of compensation in Mettur was reported in 1966. Since then, the operation of the plant by MCIC and subsequently by Chemplast Sanmar (since 1988) has led to widespread contamination of land, air and water, including groundwater. While ongoing pollution and frequently occurring hazardous incidents expose the company to the risk of litigation and prosecution, not to mention public opposition, the historical pollution presents a clear liability that will not disappear until the environment is restored.

## **3. Plants of Chemplast**

Chemplast Sanmar Limited operates four plants in Mettur –

- Plant I or Mettron manufactures refrigerant gases,
- Plant II manufactures PVC,
- Plant III manufactures Caustic Soda and Solvents such as Chloromethanes & Trichloroethylene,
- Plant IV manufactures Poly Silicon and Silicon wafers.

## **4. Sunset Chemicals**

The raw materials used, many of the products manufactured by Chemplast Sanmar, and by-products formed fall into the category of sunset chemicals. Sunset chemicals are either slotted for global phase-out or regulatory action. These are severely restricted or banned in one or more countries, and/or are the targets for bans or regulatory action by public interest organisations and governments. The production of such chemicals are usually associated with a cycle of poisons which creates a liability for the manufacturer in the form of contaminated environments requiring remediation, or health damage requiring compensation and medical care.

Name of the product	Nature of the problem	Restrictions, if any
Mercury (used as a raw material until 2007)	It is a neurotoxin which is persistent and bio-accumulates in the environment.	<ul style="list-style-type: none"> <li>▪ Severely restricted as per the Rotterdam Convention.<sup>1</sup></li> </ul>
PVC	PVC's lifecycle releases toxins like mercury, lead, dioxins, cadmium, and phthalates into the environment.	<ul style="list-style-type: none"> <li>▪ Numerous businesses have either eliminated or begun working towards a PVC phase-out in their products and facilities.</li> <li>▪ European Commission has recommended a ban on soft PVC toys.</li> </ul>
Chlorofluorocarbons (CFC)	CFCs are Ozone Depleting Substances.	<ul style="list-style-type: none"> <li>▪ Montreal Protocol signed in 1987 called for drastic reductions in the production of ODS.</li> <li>▪ By the year 2010 CFCs should be completely eliminated from developing countries as well.</li> </ul>
Ethylene dichloride	Exposure can cause nervous system disorders, liver, kidney and lung diseases. IARC <sup>2</sup> considers it to be a possible human carcinogen.	<ul style="list-style-type: none"> <li>▪ Severely restricted as per the Rotterdam Convention.</li> </ul>
Chloroform	Causes liver and kidney damage. IARC considers it to be a possible human carcinogen.	<ul style="list-style-type: none"> <li>▪ Severely restricted as per the Rotterdam Convention.</li> </ul>
Chlorine	Causes respiratory disorders. Many chlorinated compounds are known to be hormone disrupters.	<ul style="list-style-type: none"> <li>▪ Stockholm Convention focuses on eliminating or reducing the releases of 12 Persistent Organic Pollutants, all of which are chlorinated chemicals.</li> <li>▪ Several international organisations such as Greenpeace demand a ban on use of Chlorine.</li> </ul>
Carbon Tetrachloride	Causes liver and kidney damage in humans and animals. IARC considers it to be a possible human carcinogen.	<ul style="list-style-type: none"> <li>▪ Severely restricted as per the Rotterdam Convention.</li> <li>▪ The US FDA banned the sale of carbon tetrachloride in any product used in the home.</li> </ul>
Vinyl Chloride (VCM)	Manufacture of VCM causes extensive dioxin contamination. Known human carcinogen that affects the liver and brain.	
Tetrachloroethylene	Causes damage to liver and kidneys. IARC classifies it as probably carcinogenic.	<ul style="list-style-type: none"> <li>▪ New York State has banned use of this chemical in dry cleaning.</li> <li>▪ Use of this chemical will be phased out in dry cleaning in the US by 2020.</li> </ul>

<sup>1</sup> Rotterdam Convention on Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade

<sup>2</sup> International Agency for Research on Cancer

## 5. Disregard for Law

Chemplast takes pride in projecting itself as a socially responsible corporation. Since 2007, Chemplast has released two sustainability reports. The company, though, runs the risk of suffering massive reputational damage because many of its acts severely violate the law. Here are some examples of the company's illegal operations.

### 5.1 Unlicensed Operations

According to information obtained from the Tamilnadu Pollution Control Board on 06.04.09 through the Right to Information Act 2005, all four plants of Chemplast Sanmar Limited in Mettur are operating without the mandatory Consent to Operate under the Air and Water Acts from the Tamilnadu Pollution Control Board. Unlicensed operations expose the directors to prosecution, and are a serious legal offence.

Unit	Date until when the Consent to operate is valid	As of April 2009, does the company have a valid consent to operate? Yes/No
Chemplast Sanmar Plant I	30.09.07	No
Chemplast Sanmar Plant II	30.09.08	No
Chemplast Sanmar Plant III	31.03.08	No
Chemplast Sanmar Plant IV	31.03.08	No

These plants are hence illegal operations in violation of the Air (Prevention and control of Pollution) Act 1981 and Water (Prevention and control of Pollution) Act 1974 and are prosecutable offences under the Acts. Statutory Notices for prosecution under the Air and Water Acts have been sent to Chemplast Sanmar and its managing Director by a villager of Mettur.

### 5.2 Coal Yard: Unlicensed Construction

Chemplast Sanmar has constructed an illegal coal storage yard at the Mettur Railway Station as part of a 48.5 MW coal-fired thermal power plant it is setting up. According to the Tamilnadu Pollution Control Board, the coal yard set up by Chemplast does not have Consent to Establish under the Water and Air Acts. Unlicensed construction of units attracting the provisions of the Air and Water Acts are prosecutable offences. Statutory Notices for prosecution under the Air and Water Acts have been sent to Chemplast Sanmar and its managing Director by a villager of Mettur.

### 5.3 Thermal Plant

Chemplast Sanmar's, nearly completed, thermal power plant had been stalled for more than a year by a case filed by Gonur West Agriculturist's Development Union, a local farmer's organisation. The company had completed construction of a coal-fired thermal power plant in its premises in Plant III without obtaining the mandatory environmental clearance from the Ministry of Environment and Forests and Consent to Establish from the Tamilnadu Pollution Control Board. Chemplast had deliberately underreported its costs, at 45 crores, to escape the mandatory clearance process of Environmental Impact Assessment and public hearing under the Environmental Impact Assessment Notification,

1994. While pleading with the Madras High Court to vacate a stay imposed on construction activities in the plant, Chemplast Sanmar had assured the court that it will not claim equity if consents were to be revoked. In their submissions with the Tamilnadu Pollution Control Board, the company stated that the estimated cash loss per month due to delay in the project was Rs. 11.5 crores. All activity at the plant was at a halt from March 2008 to June 2009. As per the company's own admission, the company has lost Rs. 172.5 crores as a result of the delay in plant construction, arising out of mis-reporting cost of plant and failure to obtain proper regulatory approvals.

On 22.6.2009, the Tamilnadu Pollution Control Board ruled in favour of Chemplast allowing the company to re-commence construction of the thermal power plant.

However, the same order states that the objection of the farmers' association "regarding the false information furnished over the cost of project is noted and accepted. TNPC Board will take separate steps for prosecution of Chemplast and the concerned directors/officers in accordance with the relevant statutory provisions." Statutory Notices for prosecution under the Air and Water Acts have been sent to Chemplast Sanmar and its managing Director by a villager of Mettur.

On 20.07.09, Gonur West Agriculturist's Development Union filed an appeal challenging the order of the TNPCB and seeking a stay on all activities within the plant. The case is pending at the Environment Appellate Authority constituted under Air and Water Acts.

#### **5.4 Zero Discharge - A hoax**

In November 2007, Chemplast Sanmar claimed that all its facilities in Mettur were to go "zero discharge" from January 2008. However, since January 2008, there have been numerous documented instances that highlight the hollowness of the zero discharge claim. Community environmental monitors have documented and reported incidents of leaks from effluent pipelines, discharge through open streams and illegal dumping of effluents using tanker lorries. Regular monitoring has shown that effluents are still being released through the company's Kaveri outfall, albeit at lower volumes. Community monitors documented the discharge of effluents from the Kaveri outfall from two out of four installed pipes as recently as on 01.07.09.

On 10.02.08 and 06.03.08, community environmental monitors detected and reported Chemplast effluents spilling out of a broken pipeline near Mettur Railway Station. The pipeline was carrying foul-smelling, dark-coloured liquid effluents at the time.

On 11.03.09, a tanker carrying effluents from Chemplast's Plant I was caught red-handed while discharging its contents into a water body that drains into the River Kaveri.

#### **5.5 Gas Leaks and Mishaps**

Gas leaks and hazardous incidents in chemical plants are an indication of poor housekeeping and lax safety culture. Repeated incidents of a similar nature also indicate the inadequacy and absence of correctional measures. In the case of Chemplast Sanmar, numerous hazardous incidents have been documented; many such incidents have also

been of a repetitive nature. It is to be noted that in the prelude to the 1984 gas disaster, the Union Carbide plant was plagued with numerous warning gas leaks, spills and hazardous incidents. Since 2004, the company's Mettur plants have witnessed at least 21 hazardous incidents, injuring 51 persons, killing 2 people, damaging property, and resulting in at least five massive fish kills.

In the 12 month period ending April 2009, the company had seven hazardous incidents, resulting in the hospitalisation of 18 people.

<b>S. No</b>	<b>Date</b>	<b>Details</b>	<b>Injury / Death / Damage</b>	<b>Complaint filed at local Police Station Yes/No</b>
1.	18.07.04	Leak of chlorine gas from Plant III.	Nearly 100 people were exposed and 26 people were hospitalised.	Yes
2.	November 2004	Massive fish kill occurred down stream of Chemplast's effluent discharge point in the River Kaveri.	-	No
3.	22.06.05	Massive fish kill occurred down stream of Chemplast's effluent discharge point in the River Kaveri.	-	No
4.	July 2006	Massive fish kill occurred down stream of Chemplast's effluent discharge point in the River Kaveri.	-	No
5.	28.09.06	Leak of chlorine gas from Chemplast's Plant III.	-	No
6.	02.01.07	Soot rain from the LSHS unit in Plant III at Raman Nagar.	-	No
7.	19.11.07	Gunasekaran, a contract worker, was crushed to death in a construction accident at Chemplast's thermal plant.	One death	No
8.	27.11.07	Explosion at the power plant site sent huge boulders flying into the nearby residential area	Damage to some of the houses.	Yes
9.	07.12.07	There was a major leak of chlorine gas from Chemplast's plant III.	Seven persons hospitalised.	Yes
10.	10.12.07	A fire lasted for 15 minutes in the monomer cooling tower in Chemplast Plant II.	-	No
11.	28.01.08	A contract worker Prithviraj, died after being severely injured in an accident in Chemplast's thermal plant.	One death	Yes
12.	03.02.08	Massive fish kill of tilapia and an eel-like freshwater fish occurred down stream of Chemplast's effluent discharge point in the River Kaveri.	-	Yes
13.	10.02.08	An underground effluent pipeline from	-	No

		Chemplast was accidentally broken at RS, Mettur. The content of the pipe was a dark colored liquid with a strong chemical odour.		
14.	06.03.08	An underground effluent pipeline from Chemplast was accidentally broken at RS, Mettur. Strong chemical odour was observed.	-	No
15.	28.09.08	Leak of HCFC 22 (Hydrogenated Chloroflouro Carbon) and Antimony Pentachloride from Chemplast Plant I.	Four persons were hospitalised	
16.	03.02.09	Massive fish kill occurred down stream of Chemplast's effluent discharge point in the River Kaveri.	-	No
17.	21.02.09	One worker - P. Thangaraj had to have his left leg amputated after a massive explosion at Chemplast's Metkem Silicon plant.	One injury	Yes
18.	11.03.09	Tanker carrying toxic effluents from Chemplast Sanmar was caught by villagers while discharging its contents into a water-body that leads to the River Kaveri.	-	Yes
19.	11.03.09	Leak of chlorine and antimony gas from Chemplast Sanmar Plant 1.	-	No
20.	11.03.09	Leak at the bleach liquor unit within Chemplast Plant 3.	-	No
21.	06.04.09	Leak of refrigerant gas from Chemplast Plant I (CFC division).	14 persons were hospitalised	Yes

## 5.6 Pending Legal Cases

S.No	Filed by	Case Details	No of such Cases
1.	Chief Inspector of Factories	Criminal case: Filed before the Chief Judicial Magistrate, Salem for alleged violation of the provisions of the Factories Act, 1948.	3
2.	Farmers of Mettur	Civil liability: Filed before the Loss of Ecology Authority, claiming compensation for affected land and water and remediation of the same.	1
3.	Farmers of Mettur	Claim for compensation under the Public Liability Insurance Act for those affected in the chlorine gas leak on 18.07.04 is pending with the District Collector, Salem.	1
4.	Gonur West Agriculturist's Development Union	Filed before the Environment Appellate Authority, an appeal challenging the order of the TNPCCB dated 22.06.2009 and seeking a stay on all activities at the coal based thermal power plant.	1

In addition to the above, there are nine labour disputes pending against the company.



## **6. Legacy**

Chemplast's operations have resulted in widespread contamination. Villagers allege that this contamination has spread beyond the factory premises and also entered the groundwater. Such damage to ecology would need to be reversed at some point or the other, and present a clear liability for the company.

### **6.1 Hazardous Waste**

Chemplast Sanmar has stored toxic wastes such as mercury sludge, tarry waste, brine sludge containing mercury, and other chemical sludge inside their premises. The Indian People's Tribunal headed by Justice Akbar Basha Kadri (Retd.), in its report dated July 2005 states that “pits containing white lime like sludge (in Plant III) containing mercury had damaged plastic liners which allowed water to enter the landfill and leach out chemicals into the surrounding ground water table. Another 12 wells inside the Plant II premises of Chemplast Sanmar reportedly were used as dumps for years worth of Ethylene Dichloride and Vinyl Chloride monomer tars.” EDC and VCM wastes have been linked to the release of dioxin, one of the most toxic chemicals known to science. Dioxin and Furans have already been found in the environment in Mettur.<sup>3</sup> Further, the practice of preparing lined landfills only began recently. Of the 13 pits in Plant III, a majority – at least 10 pits, according to local sources – are unlined. However, these have been filled with mercury-bearing brine sludge and capped with concrete, leaving the bottom open to the earth.

Similarly, of the 15 pits in Plant II, most of the pits do not have liners. Local reports also allege that heavy distillation residues – tarry wastes – from the manufacture of EDC and VCM have been disposed in unlined pits.

In all these instances, the pits serve as a source of toxins traveling in a pollution plume through underground aquifers. Such spreading of contamination will vastly increase the area requiring remediation, and hence push up the costs associated with clean-up. All such pits, lined or otherwise, are only temporary storage options, and would need to be cleaned up at some point or the other, especially since the chemicals contained within them – dioxins, mercury, other organochlorines are extremely persistent chemicals that have very long half lives.

### **6.2 Salt Storage**

Salt, which is produced at Chemplast's salt fields at Vedaranyam (Tamil Nadu), is the raw material used in the production of Caustic Soda in Plant III. This salt was stored on open ground within the plant premises since 1936 when the plant began. In 2003, the facility was improved with sturdy concrete flooring and a covering shed. Sixty seven years of open storage has led to the seepage of salt into the groundwater, rendering a large number of wells in the area saline and unfit for agricultural use.

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<sup>3</sup> Unfolding Disaster - A Study of Chemplast Sanmar's toxic contamination in Mettur

**Table 1**

<b>Report of Analysis of water samples collected around Chemplast Sanmar, Mettur by Tamilnadu Pollution Control Board on 17 December 2007</b>		
<b>Parameter</b>	<b>Total Dissolved Solids (TDS)</b>	<b>Chloride</b>
Water Sample collected near salt storage of plant III on land owned by Madhu	4254 mg/L	2057 mg/L
Open well owned by Kunjan at Kunjandiyur	5506 mg/L	919 mg/L
Open Well owned by Arthanari, Kunjandiyur	6658 mg/L	3688 mg/L
Open well owned by K.R Sathiyappan, P.N.Patti	5362 mg/L	3023 mg/L
<b>WHO's Guidelines for Drinking water Quality mg/l<sup>4</sup></b>	<b>No guideline</b>	<b>250 mg/l</b>
<b>USEPA - Secondary Drinking Water Regulations<sup>5</sup></b>	<b>500 mg/L</b>	<b>250 mg/L</b>

Table 1 shows extensive TDS and Chloride contamination in the ground water around the industry. The water is no longer used for drinking, agriculture or other purposes.

### 6.3 Toxic Contamination of Groundwater and Land

“Unfolding Disaster - A Study of Chemplast Sanmar’s toxic contamination in Mettur” revealed that toxic chemicals are present at high levels even in a 500 feet deep bore well. Chloroform, Methylene chloride and Tetrachloroethane were found at 1771, 248 and 327 times higher than the USEPA levels for drinking water in the bore well. Two out of the three chemicals are carcinogens. Reports of Analysis of water/effluent samples collected in and around Chemplast Sanmar by the Tamilnadu Pollution Control Board on 17 December 2007 correspond with the findings of ‘Unfolding Disaster’. Table 2 below lists the toxic chemicals found by TNPCB in borewell and well water surrounding the factory.

**Table 2**

<b>Chemicals</b>	<b>Report of Analysis of water/effluent samples collected in and around Chemplast Sanmar, Mettur by TNPCB on 17 December 2007</b>		<b>WHO's Guidelines for Drinking water Quality ug/l<sup>6</sup></b>	<b>International Agency for Research on Cancer – Evaluation of carcinogenic risks to Humans<sup>7</sup></b>
	<b>Open Well owned by Chinnu ug/l</b>	<b>Borewell owned by Nalla thambi ug/l</b>		
Chloroform	19.94	17523	200 µg/l	possibly carcinogenic to humans (Group 2B)
Methylene Chloride	59.32	11.69	20 µg/l	possibly carcinogenic to humans (Group 2B)
Vinyl chloride	77.02	20.61	0.3 µg/litre	carcinogenic to humans (group 1)

<sup>4</sup> <http://www.lenntech.com/WHO%27s-drinking-water-standards.htm>

<sup>5</sup> <http://www.epa.gov/safewater/contaminants/index.html#mcls>

<sup>6</sup> Refer footnote 4 & [http://www.who.int/water\\_sanitation\\_health/dwq/chemicals/vinylchloride.pdf](http://www.who.int/water_sanitation_health/dwq/chemicals/vinylchloride.pdf)

<sup>7</sup> <http://monographs.iarc.fr/ENG/Classification/index.php>

In 2005, farmers in Mettur filed a case with the Loss of Ecology Authority for compensation of affected land and water, damage to health and remediation of contaminated sites. The case is pending with the Authority.

## 6.4 Contamination of River Kaveri

Chemplast Sanmar has reportedly been discharging untreated effluents into the River Kaveri through various means such as pipelines, open streams and tanker lorries. An *odai* (stream) leaving the Plant II (PVC) plant premises was found to contain a number of toxic chemicals lending evidence to villagers' claims that the *odai* is routinely used for carrying effluents. Analytical results of sample taken from this *odai* are also contained in the "Unfolding Disaster" report. TNPCB's reports of analysis of samples of effluent collected from the Kaveri discharge point of Chemplast from the year 1998 to 2002 reveal that the sodium, chloride, nitrate, total hardness (T.H) and the Total Dissolved Salts (T.D.S) levels were beyond the permissible limits. The following table contains yearly averages for the levels of chemicals in effluents discharged by Chemplast Sanmar.

**Table 3**

Average per year	No. of Samples	TDS	Chloride	BOD	COD
Tolerance Level prescribed by TNPCB for treated trade effluent samples		<b>2100</b>	<b>1000</b>	<b>30</b>	<b>250</b>
1998	18	<b>2763</b>	<b>1600</b>	11.7	112.4
1999	18	<b>11190.7</b>	<b>4811.4</b>	<b>157.7</b>	<b>424.4</b>
2000	20	<b>31813</b>	<b>4308.9</b>	5.362	<b>1223.6</b>
2001	16	<b>4372.3</b>	<b>1937</b>	18.92	<b>385.11</b>
2002	7	1315.7	649.4	0.8	36

\* the values marked in bold exceed the tolerance limit

Subsequently in 2007, sampling analysis by TNPCB of effluents discharged at the Kaveri revealed the presence of the following chemicals at levels exceeding prescribed limits.

**Table 4**

Chemicals	Report of Analysis of water/effluent samples collected in and around Chemplast Sanmar, Mettur by TNPCB on 17 December 2007		WHO's Guidelines for Drinking water Quality ug/l	International Agency for Research on Cancer – Evaluation of carcinogenic risks to Humans
	Treated effluent discharged into Cauvery by Plant II ug/l	Treated effluent discharged into of Cauvery by Plant III ug/l		
Chloroform	3.2	629	200 µg/l	possibly carcinogenic to humans ( <i>Group 2B</i> )
Ethylene Dichloride	195.4	245	30 µg/l	<i>Possibly carcinogenic to humans (Group 2B)</i>
Methylene Chloride	ND	1187	20 µg/l	<i>Possibly carcinogenic to humans (Group 2B)</i>
Vinyl chloride	20445	63.8	0.3 µg/l	<i>carcinogenic to humans (group 1)</i>

Chemplast could potentially be stuck with the liability for cleaning up the river bed, and the sediment in the various streams leading to Kaveri through which it has discharged effluents. PVC facilities are usually associated with dioxin contamination, and if this were to be the case with the Mettur facility, Chemplast's liabilities for clean-up could sky rocket.

In 2007, the United States Environment Protection Agency ordered Dow Chemicals to conduct an emergency cleanup of a dioxin hot spot on the Saginaw River. The source of the contamination was Dow's chemicals and PVC manufacturing plant in Midland, Michigan. Dioxins and furans come from the production of chlorine-based products. Past waste disposal practices, fugitive emissions and incineration at Dow resulted in the massive dioxin and furan contamination. As per the order, Dow must dredge the dioxin-contaminated sediments and remediate it. A timeline for the already commissioned project runs into 2018.

## **7. Chemplast in Cuddalore**

Chemplast's track record in its upcoming 1,70,000 TPA capacity PVC plant in SIPCOT industrial complex, Cuddalore has already been marred with controversies. The plant has already violated several environmental laws even before commencing operations. This has led to numerous community complaints.

The unit has violated several of the conditions mentioned in its Consent to Establish, by conducting a trial run without permissions from 25 to 27 February 2009. Again, despite the warning from the Tamil Nadu Pollution Control Board to not conduct trial runs without permission, the unit went ahead with trial runs resulting in two accidents injuring workers on 12 and 15 June 2009. Numerous other consent to establish conditions have also been violated. This exposes the company to further litigation and even prosecution under the Air and Water Acts.

A dispute regarding the validity of the Coastal Regulation Zone clearances obtained by the company is currently pending in the Supreme Court of India.

In February-March 2009, the company imported 7000 MT of Vinyl Chloro Monomer without obtaining the mandatory Consent to Operate for its Marine Terminal Facility and PVC plant. Massive agitation by the fisherfolk resulted in the ship being sent back to international waters. This attempted illegality added an unnecessary cost to the company's balance-sheets.

### **7.1 Pending Legal Cases**

Currently there are two court cases pending on the plant in Cuddalore. In the first case, V. Palanivelu, leader of Sangolikuppam fishermen and S. Elumalai, a resident of Semmankuppam village, have taken the company, the TNPCB and the Ministry of Environment and Forests to court in 2006 over allegedly setting up the PVC factory without proper clearances as mandated by the law. In March 2007 the court though declined to stay the consent order granted to the unit by the TNPCB yet made it very clear that the fate of the construction carried on by Chemplast Sanmar will be subject to

the outcome of that writ petition. Thus by doing this the Court made it clear that the Company could not claim equity in the future or use financial loss as reasons to have its violations condoned. The case is still pending in the High Court of Madras.

The second case has been filed by M Nizamudeen, A Bhunanenthiran and others who have moved the Supreme Court seeking to restrain Chemplast from laying a pipeline for drawing raw material vinyl chloride monomer from the Marine Terminal Facility to its PVC plant. This case is still pending in the Supreme Court of India.