

## SC upholds order to raze edible oil tanks of Adani JV

JAY MAZOOMDAAR  
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UPHOLDING A 2020 decision of the National Green Tribunal (NGT), the Supreme Court has ordered demolition of an edible oil storage and transit terminal run by KTV Oil Mills and KTV Health Foods – joint ventures of Adani Wilmar Limited and the KTV Group – in Chennai's Tondiarpet coast for violating coastal zone regulations.

In its order Wednesday, the bench of Justices KM Joseph, BV Nagarathna and JB Pardiwala allowed six months for demolishing five storage tanks with a total capacity of 12,825 kilo litres.

In 2019, the project was granted post facto clearance by amending the Coastal Regulation Zone (CRZ) Notification, 2011

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after construction work had commenced without CRZ clearance.

The CRZ Notification, 2011, permits storage facilities for non-hazardous cargo, such as edible oil, only within a notified port area.

Since the KTV storage and transit facility on Ennore Expressway was developed in a coastal regulation zone more than 4 km from the Chennai port, the NGT in 2020 said that it could not be considered even for post facto clearance.

On the pipeline, the Supreme Court bench said: "No doubt, the pipeline may have meaning only as so far as it is connected to the storage tank. As to whether the pipeline can continue to be used if the storage tanks are demolished is a matter which must engage the attention of the authorities... it would be the District Coastal Zonal Management Authority, which could take a decision."

An official of the Tamil Nadu government said, "In theory, the pipeline could be extended to an alternative storage facility outside the coastal regulation zone."

Approached by a Chennai-based NGO that works with local fisherfolk, the NGT in September 2020 ordered demolition of the oil storage tanks and the 10-inch-diameter pipeline constructed for transferring edible oil from Chennai Port, and imposed a cost of Rs 25 lakh. The JVs challenged the order before the Supreme Court.

This is the chronology of events:

■ **2015:** KTV Health Foods applied for CRZ clearance for the pipeline, storage and transit ter-

terminal to carry edible oil from Chennai port to its refinery units at Gummidipoondi and Korukkupet.

■ **2016:** A local NGO moved the NGT against the Adani Wilmar JV for starting construction without CRZ clearance.

■ **2017:** The NGT confirmed the violation and stopped project work. The Environment ministry's expert appraisal committee on CRZ (EAC-CRZ) noted that there was no provision under CRZ Notification, 2011 for post facto clearance. Yet, the EAC-CRZ sought power under the Environment Impact Assessment (EIA) Notification, 2006 to recommend the project for post facto clearance.

■ **2018:** The Environment ministry amended CRZ Notification, 2011, offering a one-time window for post facto clearance to projects that were otherwise allowed under the rules. The Adani Wilmar JV requested the ministry to consider its pending application.

■ **2019:** The ministry issued the CRZ clearance.

■ **2020:** The NGT ruled that the "authorities were not justified in considering the application under the amended Notification, 2018 and granting ex-post facto clearance to an activity which is not permissible and... the same is unsustainable in law and hence, the ex-post facto clearance granted... is liable to be set aside."

KTV Oil Mills, which also constructed storage tanks in the vicinity, joined KTV Health Foods to challenge the order before the Supreme Court.

■ **2023:** NGT order upheld by Supreme Court.