

Dr. A. B. Akolkar, Member Secretary
Central Pollution Control Board
Parivesh Bhawan, CBD-cum-Office Complex East
Arjun Nagar, Delhi - 110 032

June 3, 2015

Dear Dr. Akolkar:

We are writing with regard to the bottling plant of Hindustan Coca-Cola Beverages Private Limited (HCCBPL) in Mehdiganj, Rajatalab, District Varanasi, Uttar Pradesh.

As you may be aware, on April 21, 2015 the National Green Tribunal issued an order instructing the Uttar Pradesh Pollution Control Board (UPPCB) and the Central Pollution Control Board (CPCB) to *“verify the correctness of water user ratio given for the years 2002 to 2014”* for the Hindustan Coca-Cola Beverages Private Limited (HCCBPL) plant located in Mehdiganj.

In addition, the NGT order has also asked UPPCB and CPCB *“to verify the present actual water consumption and actual effluent discharge at the optimum capacity and submit its findings.”*

We welcome the court-ordered verification of the claims made by the HCCBPL regarding its bottling operations in Mehdiganj in Varanasi. We have found the company to regularly misrepresent the facts around its operations in India.

We would like to bring your attention to a related matter as you proceed with the verification.

Hindustan Coca-Cola Beverages Private Limited has made claims that it recharges more water than it uses in Mehdiganj (and India).

These claims are unsubstantiated by any credible organization and require scrutiny.

We are asking that UPPCB and CPCB also verify HCCBPL’s groundwater recharge claims in Mehdiganj.

Groundwater Recharge Mandatory

Groundwater recharge for industry has been mandated by the Central Ground Water Authority (CGWA) in critical blocks since at least 2006. In November 2012, CGWA revised guidelines for Groundwater Abstraction that specify how much groundwater has to be recharged for all “Industries using groundwater as raw material and other water intensive industries” – which includes Hindustan Coca-Cola Beverages Private Limited – in all areas, including safe blocks. ANNEX I & II

The bottling plant in Mehdiganj is located in Arajiline block which has been declared as over-exploited by the Central Ground Water Board as per the Dynamic Ground Water Resources of India Assessment as on March 31, 2011. ANNEX III

As a result, the application by the Hindustan Coca-Cola Beverages Private Limited for expansion in Mehdiganj was rejected by the CGWA on August 12, 2014 (HCCBPL claims that it voluntarily withdrew the application, ten days after the rejection letter, on August 22, 2014). ANNEX IV

However, the older (existing) plant, which was ordered closed by the UPPCB on June 6, 2014 and is currently operating under a temporary stay order from the National Green Tribunal, is also mandated to recharge groundwater – the CGWB had declared the block to be critical in 2009.

It is our understanding that since it is an existing (pre-November 2012) plant, HCCBPL in Mehdiganj can only withdraw 50% of the groundwater that it recharges in the over-exploited block. ANNEX V

But the major problem that exists is that no competent authority is verifying how much groundwater HCCBPL is actually recharging in and around its facility in Mehdiganj.

Unsubstantiated Water Recharge Claims

Hindustan Coca-Cola Beverages Private Limited has made a number of grandiose claims about its groundwater recharge.

In a letter dated May 3, 2012 addressed to the Member Secretary, Central Ground Water Authority, HCCBPL writes:

“HCCBPL has already constructed recharge structures in 27 institutions, govt. offices etc which are recharging 79,141 m³/year.” ANNEX VI

In another letter dated June 5, 2014 addressed to the Member Secretary, Uttar Pradesh Pollution Control Board, HCCBPL writes:

“Further, as stated herein above, we are recharging 147229 m³ water annually as against the existing water requirements of around 50,000 m³/year.” ANNEX VII

In a letter dated July 19, 2012 addressed to the Chief Environmental Officer of UPPCB in Lucknow, HCCBPL provides a chart of “Total Recharge” between 2005 and 2011. ANNEX VIII

Although Hindustan Coca-Cola Beverages Private Limited makes such claims about the actual amount of water recharged, there has been no independent verification of the company’s claims.

Our examination of HCCBPL’s water recharge measures in Mehdiganj and elsewhere in India have found them to be deficient and ill maintained, and designed primarily as a public relations ploy.

Even HCCBPL officials admit the ineffectiveness of their own rainwater harvesting initiatives.

A March 2012 report by the Central Ground Water Board (CGWB), “A Short Report Regarding Need To Stop Over-Exploitation of Ground Water By M/S Hindustan Coca-Cola Beverages Ltd., Mehdiganj, Varanasi District, U.P” has stated that, “As per plant authorities all the Rain Water harvesting structures are well maintained but due to below normal rainfall since 2004 (except in 2008 & 2011) its desired impact is not visible in the area.”

The March 2012 CGWB report further states that, “The Coca-Cola plant has only two RWH structures in the premises whereby recharging 5467 cum of rain water per year (as claimed by Plant) and remaining 25 RWH structures installed by the factory are actually away from the premises located as far as 1.5 to 20 Kms from the Plant premises which don’t have any bearing on the pumping of water being carried out by the factory.”

It is also worth noting, as the March 2012 CGWB report does, that for groundwater recharge to “balance” or “replenish” the groundwater extracted, it is imperative that the groundwater is recharged in the vicinity of the point of extraction. Recharging groundwater 25 kms away from the bottling plant, as HCCBPL does often, will not replenish groundwater locally.

Given the skepticism of the Central Ground Water Board officials, and even HCCBPL officials admitting the deficiency of the rain water harvesting systems in Mehdiganj, it is difficult to believe the grandiose groundwater recharge numbers offered by HCCBPL alone.

Groundwater recharge measuring instruments are easily available, are very affordable and relatively simple to install and operate.

We are asking that the CPCB and UPPCB verify the actual groundwater recharge claims made by the Hindustan Coca-Cola Beverages Private Limited for its facility in Mehdiganj.

We encourage you to add this component to the verification you already are conducting.

Verification of actual groundwater recharged is also important since the amount of groundwater that HCCBPL (and similar industries) can use for production is entirely conditional upon the quantum of groundwater that HCCBPL recharges in the watershed.

While the UPPCB does a valuable job of monitoring pollution, there is no government agency that monitors the groundwater usage and replenishment by such groundwater intensive companies.

The November 2012 CGWA guidelines, and the clarification from CGWA on September 4, 2014 will be the first time that limits will be placed on how much groundwater can be extracted, and the limit is based on the amount of groundwater recharged.

For this reason, it is very important that the groundwater recharge claims for Hindustan Coca-Cola Beverages Private Limited in Mehdiganj be verified to ensure that the company is in compliance.

Thank you.

Amit Srivastava
India Resource Center

Cc: Member Secretary, UPPCB; Member Secretary, CGWA; Chairman, CGWB; Regional Director, UPPCB, Varanasi; Regional Director, CGWB, Lucknow; Chairman, CPCB.