

11<sup>th</sup> March 2022

Shri Alok Kumar, IAS  
The Secretary  
Ministry of Power, Govt. of India  
New Delhi

Dear Shri Alok Kumar,

This has reference to the Circular Letter Dt. 22.2.2022, issued by your Dy. Secretary, Mr Aravind Kumar on supply of fly ash.

Our response to the previous letter on the same subject issued on 22/09/21 is trailing below and still awaiting response from your Ministry. Now with reference to revised circular letter, our further submissions are as follows:

1. Despite series of GOs from MOEFCC over last two decades and albeit availability of technological solutions for putting 100% fly ash to use, TPPs have not implemented serious action plans in result of which MOEFCC seems to have come out with stringent measures imposing 'Environment Compensation (EC)'. The apparent object seems to be not to penalize TPPs but to motivate them towards 100% fly ash utilization taking advantage of technological solutions already in vogue.
2. Even at this juncture, instead of encouraging TPPs for tapping the ways and means for putting fly ash to 100% use in the concern of avoiding EC, it is sad that your ministry is directing them to encash the opportunities, leaving the brunt of huge accumulation of rest of the fly ash to communities, environment and ecology.
3. It is unfortunate that your ministry is looking for alms to be earned out of fly ash unmindful of voluminous fortunes accruable through conservation of minerals and energy to the benefit of ecology at large, notwithstanding other environment benefits. The undersigned has executed a deal with the World Bank (2007-14) worth of over Rs. 200.00 million just based on carbon credits of over 120 FaL-G brick plants. The potential of this country is for at least over 100,000 plants if fly ash is made available in abundance (please refer the

brochure attached). The potential in cement and concrete industry is equally good. The challenge is firstly to consume 100% fly ash output and secondly focus on putting to use total pond ash, releasing lakhs of hectares of land otherwise locked up with ash ponds. Please note, pond ash also attracts EC.

4. You might have already noticed that, despite tall claims, there is no TPP in the country, as of now, which can testify that they have not put any quantity of fly ash to the pond in any given year. This means, the ash ponds are getting loaded year after year endangering the safety and attracting the provisions of Disaster Management Act. NGT has already upheld this dimension in some of their earlier rulings, which appeared to have been overlooked by your Ministry.
5. It is nothing but euphoric to think that fly ash is a value added product and hence TPPs can encash it. There is no better value added product than 'Sea Water' for its containing various precious chemicals. But its abundance denies any scope to encash upon it. Fly ash in India is no exception for its voluminous generation and accumulation.
6. It is frivolous to read the claim in your Ministry's letter that just based on costs recovered out of fly ash the power tariff could be regulated. In fact, already industry is helping TPPs over last couple of decades by saving on ash pumping costs commensurate to the fly ash consumed by them. Cement and concrete industry is burdened to pay against their fly ash off take over last couple of decades. But there is no evidence that power cost had been regulated (reduced) because of such savings accrued to TPPs.
7. Please find attached our review note on fly ash notification which highlights the scope of maximizing fly ash utilization by making available in abundance to industry without costs. It is not the intention to debate on the right of TPPs to collect or affordability of users to pay the cost. Because of the cost, the consumption of fly ash gets affected (diminished) tangibly, surmounting to the burden of EC on TPPs. It is not at all a sensible move which ultimately put them in negative side of balance sheet.

**Dr N Bhanumathidas** (98483-69930)  
**N Kalidas** (98481-91453)  
**Consultants for Sustainable Development**

**FaL-G Mansion**  
32-10-53. Shri Venkateswara Colony  
Visakhapatnam 530 012  
Phone: 0891-2516411  
e-mail: bhanukali@gmail.com

8. Instead of taking the 'polluter-pay principle' in right earnest, as upheld by GO of MOEFCC dt. 31.12.21 as well as various orders of NGT, High Courts and Supreme Court, issuing circular letters to TPPs in contrary to the principle is reprehensible. Please note, the 'Environment Compensation' @ Rs. 1000/-per ton is the direct savings to TPPs while the users keep consuming fly ash.
  
9. Moreover, when the issues go to legal redress or scrutiny of CAG, this move would prove its irrationality evidencing earnings of minuscule against losses of volumes both in tangible and intangible dimensions. So, as scientists promoting fly ash utilization over last thirty years in the country, our earnest appeal is to review your circular letters diligently in order to take a judicious approach in the welfare of the communities, economy, ecology and country at large.

With best regards,

Sincerely yours,

Dr N Bhanumathidas and N Kalidas  
(Electronic message; hence no signature)

Copy to:

PMO

Niti Aayog

MOEFCC

And all concerned association involved in fly ash utilization.

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Visakhapatnam 530 012  
Phone: 0891-2516411  
e-mail: bhanukali@gmail.com

**From:** INSWAREB Labs [mailto:inswareb@gmail.com]  
**Sent:** 21/Oct/2021 8:31 PM  
**To:** anand.upadhyay@nic.in  
**Cc:** secy-power@nic.in; bhanukali@gmail.com; Vasudevan Suresh; Vizag Area Fly Ash Building Materials Manufacturers Association  
**Subject:** Your advisory letter to all TPPs as attached.

Dear Mr Anand Upadhyay,

This has reference to your advisory letter (as attached) to all TPPs permitting them to adopt bidding process for increasing the fly ash utilization. We are unable to understand the government stand as to while fly ash was offered free of cost, TPPs could never reach 100% utilization but now how could this bidding process maximize fly ash use?

Please note that the TPPs have projected dubious figures in justifying 100% use by adding utilization of pond ash for dykes and bund formation. There upon they are adding fly ash to same pond increasing its load. Please find attached our mail to CEA to this effect which was not responded, of course.

Notwithstanding above, please try to understand the fallacy of government policies:

In one of the GOs (1999) Govt. offered to give fly ash free of cost, reserving 20% to fly ash brick industry.

In another GO (2016) they proposed to pay Rs. 300 per ton to the takers of the fly ash (this is purely to benefit the contractors of National Highways and discouraging use of natural earth for filling).

Now they propose to offer fly ash through bidding process, without resorting to amend the earlier orders/GOs, bringing even brick industry too under this bidding process.

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Please note following paradox:

- Power Tariff is fixed based on the power production cost of the TPPs wherein fly ash disposal cost is also inbuilt.
- When fly ash is delivered to users, avoiding pumping, the disposal cost is not accounted for in reducing power tariff. This means TPPs are getting double benefit.
- If fly ash is sold, it would be 3<sup>rd</sup> dimension of benefit to TPPs.

By virtue of above, we submit that your 'Advisory' is a hasty process for enabling power plants to make money; may be to make it attractive for private sector in making money out of fly ash. But the Government is not taking into consideration the savings on account of environment costs and carbon foot print costs by putting fly ash to gainful use, which are of course intangible, those are manifold as against petty sums that TPPs collect out of bidding process.

We request your Ministry to review your advisory and retract the same.

With best regards

N Kalidas  
98481-91453



Director  
Institute for Solid Waste Research &  
Ecological Balance (INSWAREB)  
FaL-G Mansion, 32-10-53. Shri Venkateswara Colony  
Visakhapatnam – 530 012  
Phone: +91-891-2516411  
Web: [www.fal-g.com](http://www.fal-g.com)