

# Commission for Air Quality Management in NCR and Adjoining Areas

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Dated: 08<sup>th</sup> April 2026

## PRESS RELEASE

### **CAQM imposes Environmental Compensation of approximately ₹61.85 Crore on 06 Thermal Power Plants within a radius of 300 km of Delhi for non-compliance with biomass co-firing norms**

NEW DELHI:

The Commission for Air Quality Management in NCR and Adjoining Areas (CAQM) has imposed Environmental Compensation (EC) under Rule 3 of the Environment (Utilisation of Crop Residue by Thermal Power Plants) Rules, 2023 read with Section 12 of the CAQM Act, 2021, against 06 coal-based Thermal Power Plants (TPPs) located within a radius of 300 km of Delhi for non-compliance/ contravention of statutory provisions which mandated use of five percent blend of pellets or briquettes made of paddy straw crop residue along with coal.

The Environment (Utilisation of Crop Residue by Thermal Power Plants) Rules, 2023 mandate all coal-based TPPs to utilise 5% blend of biomass pellets or briquettes along with coal, with a minimum threshold of 3% co-firing prescribed for FY 2024-25 to avoid imposition of Environmental Compensation. These statutory provisions were notified with the objective of promoting *ex-situ* management of crop residue, reducing instances of paddy straw burning, and mitigating air pollution in NCR and adjoining areas. The Commission has also issued Statutory Direction No. 42 dated 17.09.2021 and has continuously monitored compliance through periodic reviews, facilitated stakeholder consultations and joint inspection visits.

During review of compliance for the period 2024-25, 06 TPPs were found non-compliant. Accordingly, a Committee was constituted comprising of members from CAQM, Central Electricity Authority (CEA), Sustainable Agrarian Mission on use of Agri-Residue in Thermal Power Plants (SAMARTH) and Central Pollution Control Board (CPCB). The Committee was framed to review and consider representations submitted by TPPs w.r.t. relaxation on the Environmental Compensation imposed on them for non-utilization of crop residue on case to case basis. The Committee examined performance data, compliance status, written submissions and grounds cited by the TPPs, and also provided opportunity of personal hearing to the concerned entities.

The replies of the 06 non-compliant TPPs were reviewed in detail by the Committee and it was observed that the reasons provided did not establish that the entities tried earnestly to comply with the Statutory Directions.

The Committee, accordingly, submitted a report to CAQM recommending imposition of Environmental Compensation to the following non-compliant TPPs:

- Talwandi Sabo Power Limited (TSPL - Vedanta), Mansa, Punjab - approx. ₹33.02 Crore
- Panipat Thermal Power Station (PTPS), Haryana Power Generation Corporation Limited (HPGCL) - approx. ₹8.98 Crore
- Deenbandhu Chhotu Ram Thermal Power Plant (DCRTPP), Haryana Power Generation Corporation Limited (HPGCL) - approx. ₹6.69 Crore
- Rajiv Gandhi Thermal Power Plant (RGTPP), Haryana Power Generation Corporation Limited (HPGCL) - approx. ₹5.55 Crore
- Guru Hargobind Thermal Power Plant (GHTPP), Punjab State Power Corporation Limited (PSPCL) - approx. ₹4.87 Crore
- Harduaganj Thermal Power Station (HTPS), Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) - approx. ₹2.74 Crore

The total Environmental Compensation imposed across these 06 non-compliant TPPs amounts to approximately ₹61.85 Crore.

The Commission has directed the concerned TPPs to deposit the imposed Environmental Compensation latest by 15.04.2026 and submit proof of such deposit to the Commission.

The Commission reiterates that biomass co-firing in Thermal Power Plants is a crucial measure for effective *ex-situ* management of crop residue, reducing instances of paddy straw burning, and mitigating air pollution in NCR and adjoining areas. The Commission shall continue to pursue strict enforcement of Statutory Directions and monitor compliance closely to ensure that all regulated entities adhere to the prescribed norms.

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