

PADDY PELLET SCHEME DOES NOT CONSIDER PRODUCTION COSTS, SAY ENTREPRENEURS

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The scheme was introduced to reduce stubble burning. SHIVA SHARMA

Days after the Union Environment Ministry announced a scheme to incentivise entrepreneurs to manufacture pellets from paddy stubble, beneficiaries say that the scheme does not account for the actual costs of manufacturing and is unlikely to help with reducing pollution from stubble burning.

Pellets, which are manufactured out of agriculture biomass, when properly made would provide much more heat, emit fewer than 50% of the particulate matter and only a fraction of the ash from burning an equivalent amount of coal, according to Gurugram-based Amitabh Malaviya, who is in the business of pellet manufacturing.

“Also they constitute a reliable source of income for farmers who can sell their agriculture byproducts — I won’t call it waste — instead of merely burning it and causing pollution,” he said.

The Ministry of New and Renewable Energy estimates about 270 million tonnes of such agricultural waste is annually available in India that can produce 28,000 MW of power. By comparison, about 818 million tonnes of coal was consumed by thermal power plants for producing electricity in 2021-22, according to figures from Coal India Ltd. “About 800 kg of pellets can replace a tonne [1,000 kg] of coal,” Mr. Malaviya added.

However, establishing a plant with a single pellet-making machine that produces a tonne of pellet an hour would cost Rs. 1 -1.5 crore, he estimates.

To assist, not subsidise

A senior official in the Central Pollution Control Board (CPCB), which manages the scheme, told *The Hindu* that the intent of the scheme was not to entirely subsidise every plant but assist an aspirant entrepreneur.

“This is a start. There may be changes in technology and widely different estimates on the cost of a pellet plant in the future. and the intention is to incentivise — not fully fund an entrepreneur. Any serious entrepreneur will surely welcome the opportunity,” he told *The Hindu* but declined to be identified. The entire outlay of the government project, described as a “one-time” scheme was Rs. 50 crore of which Rs. 40 crore was for pellet plants and Rs. 10 crore for torrefaction plants.

Meerut-based Ajay Mittal, who runs a pellet manufacturing plant, said that narrowing the scheme down only for those who convert paddy stubble to pellets was restrictive. Sugarcane biomass from western Uttar Pradesh and mustard residue from Rajasthan too could be useful but neither of them was eligible for the government grant. “To solve the problem of air pollution it is not enough to reduce it to rice paddy. The benefit of the scheme must come to all,” he told *The Hindu*.

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