

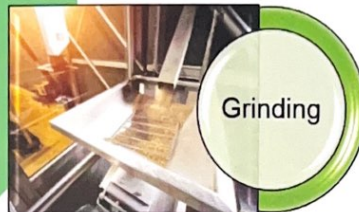
**Guidelines on grant of
one-time financial
support under
Environment Protection
Charge (EPC) Funds for
establishment of
pelletisation and
torrefaction plants to
promote utilisation of
paddy straw**



CPCB

Central Pollution Control Board

Process *



*The major difference between the pelletisation and torrefaction units is the presence of a torrefaction reactor, in case of latter

Objectives of the Financial Support

- Enable reduced burning of paddy straw, in the NCT of Delhi, States of Punjab & Haryana, and NCR districts of Rajasthan & Uttar Pradesh
- Reduce usage of fossil fuels in industries and boilers, by promoting usage of pelletised/torrefied paddy straw

Applicability of Financial Support

The financial support shall be applicable to:

- Individuals/Entrepreneurs/Companies
- New Units set up after issuance of these guidelines
- Units using only paddy straw generated in the NCT of Delhi, States of Punjab & Haryana, and NCR districts of Rajasthan & Uttar Pradesh

Role of SPCB/PCC

- Examine the application and make recommendations to CPCB
- Monitor the progress of the project and ensure its timely completion
- Periodically monitor paddy straw utilization in the pelletisation plant and ensure that any other crop residue except paddy straw is not used
- Carry out independent third party audit to ascertain effective utilisation of the funds given to the Unit
- Take remedial action including recommendation of withdrawal of the financial support as may be deemed appropriate.

Total Corpus (50 crores)

Non-Torrefied Pellet Plant	Torrefied Pellet Plant
₹ 40 crore	₹ 10 crore

Revised Financing Structure

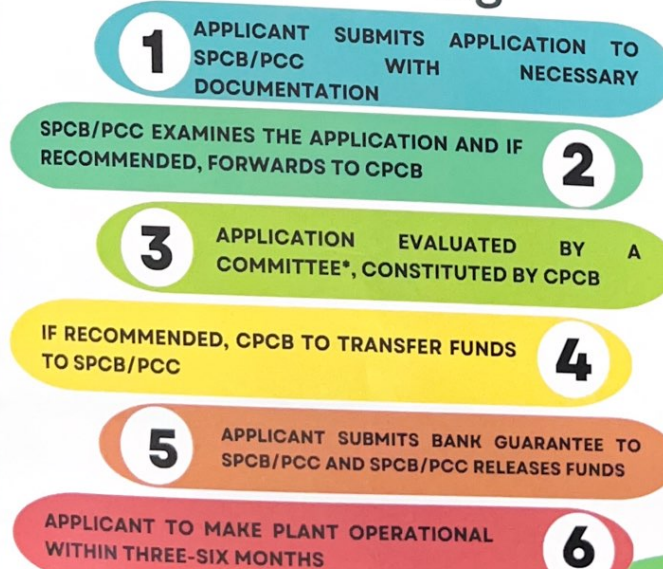
Type of pellet plant	Estimated cost 1 TPH plant	Maximum one-time support* per TPH of plant production capacity	Maximum financial support to be granted
Non-Torrefied	₹ 70 lacs	₹ 28 lacs	₹ 1.4 crore
Torrefied	₹ 70 lacs	₹ 28 lacs	₹ 1.4 crore

* One-time financial support as 40% of capital outlay (excl. civil and land cost)

Revisions

- Machines earlier included were drier, shredder, grinder, air pollution control device (for grinding process) and pellet machine (14 lacs for 1 TPH). After revision, additional air pollution control devices (for drying and shredding process) and automation system are included (additional 14 lacs per TPH).
- Only paddy straw permitted for production of pellet however, other biomass permitted as binder (upto 20% of total paddy straw used) so as to have product durability.
- Applicant may avail financial grant for pellet plant from other schemes, however, 40% cost of total plant and machinery is to be borne by the applicant.
- Captive pellet plant may be set up by individual industries
- The word individual referred in the CPCB guidelines means individual entity.

Workflow for funding



* Committee chaired by MS-CPCB and having representatives of CPCB, MoEF&CC, MoA&FW, CAQM, National Mission on use of Biomass in Thermal Power Plants (SAMARTH), PSCS&T and representatives from HSPCB and PPCB.

Tackling Biomass Burning

Scheme launched in 2018 for 'Promotion of Agricultural Mechanization for In-Situ Management of Crop Residue'

National Policy on Biofuels notified by MoPNG

Crop diversification being promoted in the states of Punjab and Haryana

MoPNG launched SATAT- 'Sustainable Alternative towards Affordable Transportation' which promotes setting up of Compressed Biogas projects using biomass as raw material

Bio-decomposer solution (Microbial approach) to support the degradation process of stubble, developed by IARI

Coal based TPPs located within 300 Kms of Delhi to co-fire biomass based pellets, torrefied pellets/ briquettes (upto 5-10%)

Terms and Conditions

- Applications are considered on first-come-first-serve basis.
- Preference for
 - Units having agreement for offtake of paddy straw pellets
 - Units having agreement with farmers for assured paddy straw supply
 - Units proposing to install Make In India equipment
- No assistance for meeting recurring or O&M or any other costs
- CPCB shall not have any liability towards time and cost overruns
- Forfeiture of Bank Guarantee (BG) in case of violation of terms and conditions or misuse of financial support .



CENTRAL POLLUTION CONTROL BOARD

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