

O.I.H.

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO. 903

TO BE ANSWERED ON NOVEMBER 21, 2019

PRODUCING ELECTRICITY AND FERTILIZER FROM GARBAGE AND WASTE

**NO. 903. SHRI PASHUPATI NATH SINGH:
SHRIMATI RANJEETA KOLI:**

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) the scheme of the Government to produce fertilizers and generate electricity from the garbage/waste collected from the cities;**
- (b) the efforts made to implement the said scheme and the outcome of the efforts made;**
- (c) the measures taken to determine excise duty on generation of power from the residues; and**
- (d) the outcome of the measures taken in this regard?;**

ANSWER

**THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE
MINISTRY HOUSING AND URBAN AFFAIRS**

(SHRI HARDEEP SINGH PURI)

- (a) : To encourage production of compost and generate electricity from municipal city waste, Government has taken the following decisions**
- (i). Government provides Market Development Assistance (MDA) of Rs. 1,500/- per tonne on sale of compost.**

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(ii). Government has tagged the compost manufacturing plants with fertilizer distribution companies in all States/ UTs for assured marketing of the compost produced.

(iii). Ministry of Power has revised the Tariff Policy 2006 under Indian Electricity Act, 2003, making it mandatory for DISCOMS to purchase power from Waste-to-Energy plants. The determined generic tariff for Waste-to-Energy (WtE) plants is Rs. 7.04 per unit and for energy plan using Refuse Derived Fuel (RDF) is Rs. 7.90 per unit.

(iv). Swachh Bharat Mission-Urban (SBM-U) Guidelines have been revised to increase the Viability Gap Fund (VGF) from 20% to 35% of the Project Cost of the plants producing compost or electricity from waste.

(v). Ministry of New and Renewable Energy (MNRE) also provides financial assistance for setting up of waste to energy projects.

(b) : Implementation of the Mission in the last 4 years has resulted in increase in waste processing capacity from 26,027 tonnes per day (as per the Dr. Kasturirangan report) to 83,696 tonnes per day. The sale of compost has increased from virtually negligible figure to 3,09,937.4 MT at present. The production of electricity from municipal waste has increased to 61 Mega Watt (MW) from four functional waste to electricity (WTE) plants. Another 26 WTE plants are under construction with output capacity of 214 MW.

(c) and (d) : Electricity does not attract excise duty and is exempt from GST.
