Centre facilitates mutually agreed price of Potash Derived from Molasses (PDM) at ₹ 4263/MT for sale by sugar mills to fertilizer companies for the current year

PDM manufacturers can also claim subsidy at Rs. 345/Ton at present rates under Nutrients Based Subsidy Scheme (NBS) of Department of Fertilizers

Posted On: 22 FEB 2024 6:34PM by PIB Delhi

The Central Government has facilitated mutually agreed price of Potassium Derived from Molasses (PDM) at ₹ 4263/MT for sale by sugar mills to fertilizer companies for the current year. In addition, PDM Manufacturers can also claim subsidy at Rs. 345/Ton at present rates under Nutrients Based Subsidy Scheme (NBS) of Department of Fertilizers. Now, both, sugar mills and fertilizer companies are discussing modalities to enter into long-term sale/purchase agreement on PDM.

PDM, a potassium rich fertilizer derived from ash in molasses based distilleries is a by-product of sugar based ethanol industry**.** These distilleries produce a waste chemical called spent wash during production of ethanol which is burnt in Incineration Boiler (IB) generating Ash to achieve Zero Liquid Discharge (ZLD). The potash-rich ash can be processed to produce PDM having 14.5% potash content and can be used by farmers in field as an alternative to MOP (Muriate of Potash with 60% potash content).

Currently, potash as a fertilizer is totally imported in the form of MoP. Production of PDM domestically will reduce import dependency and will make India Atmanirbhar (Self-reliant) in production of PDM. Presently about 5 LMT of Potash Ash generated from ethanol distilleries is being sold domestically whereas the potential to produce this Ash could reach up to 10-12 LMT.

Manufacturing and sale of PDM is going to be another revenue stream for sugar mills to add to their cash flows and also to make payment to farmers in timely manner. It is another initiative of Central Government to reduce import dependence in Fertilizer Sector.

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