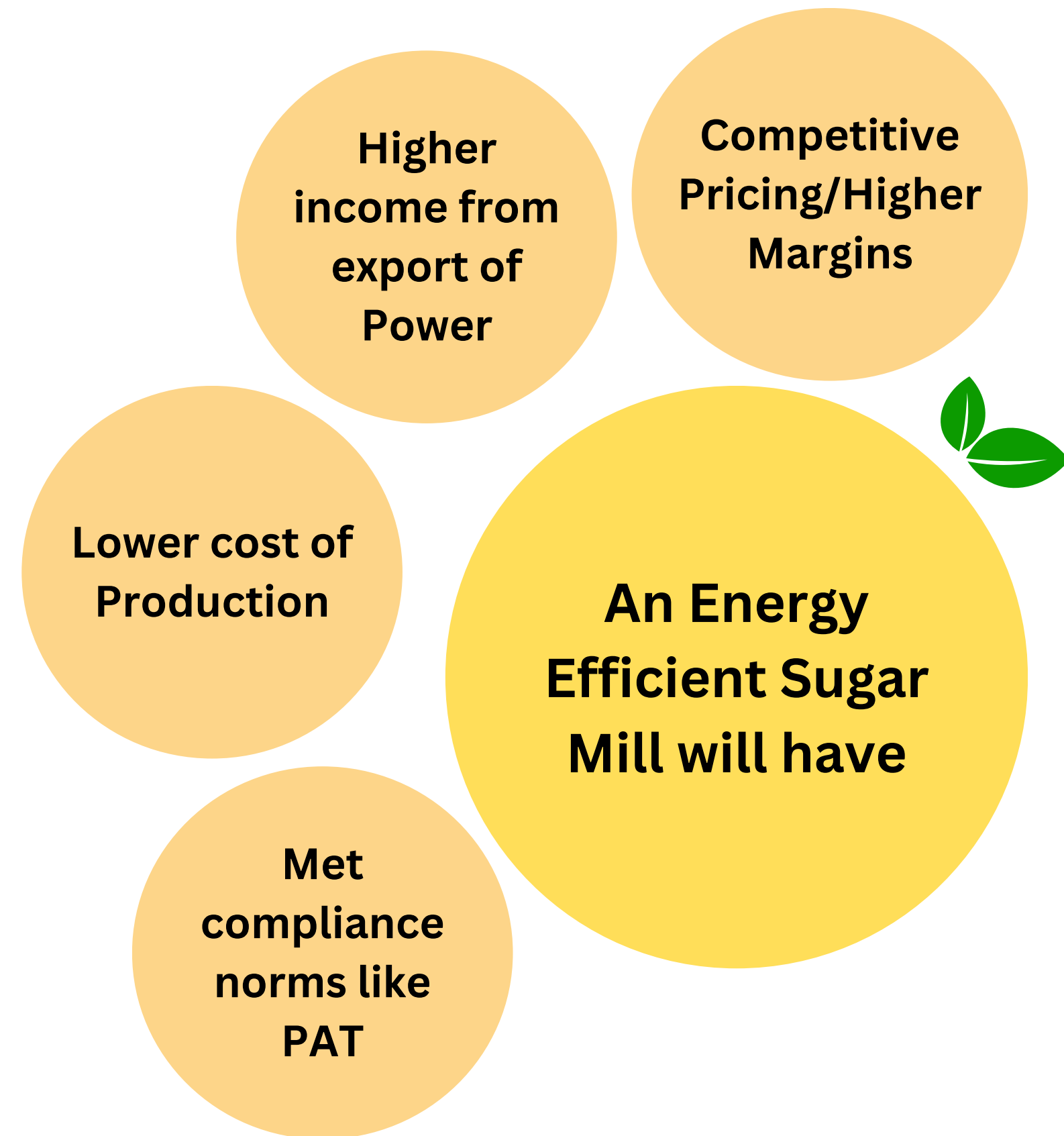


Supporting the Indian Sugar Industry's journey to Energy Efficiency



Sankalp Suman
Sr. Manager- Sustainability & Climate Strategy
Indian Sugar & Bio-Energy Manufacturers Association

Who does not want to be efficient?



Therefore it is important that before we ask **HOW** we become energy efficient, we understand **WHY** are we less than efficient in the first place ?



The Case of Cogen Power in India

Currently there is an **installed capacity of 7500+ MWh Cogenerated power** in the Indian Sugar Industry. This power is used for captive consumption as well as is exported to the grid.

The Report of the **NITI Aayog Taskforce on Sugarcane and Sugar Industry (March, 2020), Section 6.19** summarizes the issues faced by Bagasse based Cogeneration plants as follows:

*“The power purchase rates for Co-gen are determined by States and have been steadily declining to worrying levels. **The current revision of PPA unit price of electricity has eliminated any new bagasse power plant in the country.** Existing power plants will have to continuously suffer as they have to operate to feed steam and power to the sugar plant. This industry has also suffered due to significantly late payments in the past for power that has been produced and sold. The positive environmental impact of bagasse and other biomass-based plants must be considered in policy setting and the Central government must exercise influence over States in this regard.”*



Falling prices



Unviable Business Model



Delayed Payments



No new Investments



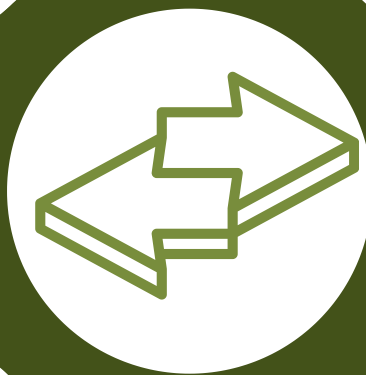
Inter-state parities



No Green Incentives

Challenges of Cogen Power as per NITI Aayog

Why this Horse also needs a Carrot



Unique Dichotomy

Private Mills and Cooperative are at different levels of energy efficiencies and require different kinds of support



Rising price of Sugarcane

Sugarcane price has risen from 70% in 2012 to 90% in 2024 of the ex-mill sugar price



Unfavorable Power Policies

and different prices in different states is leading the shift of bagasse usage for Cogen

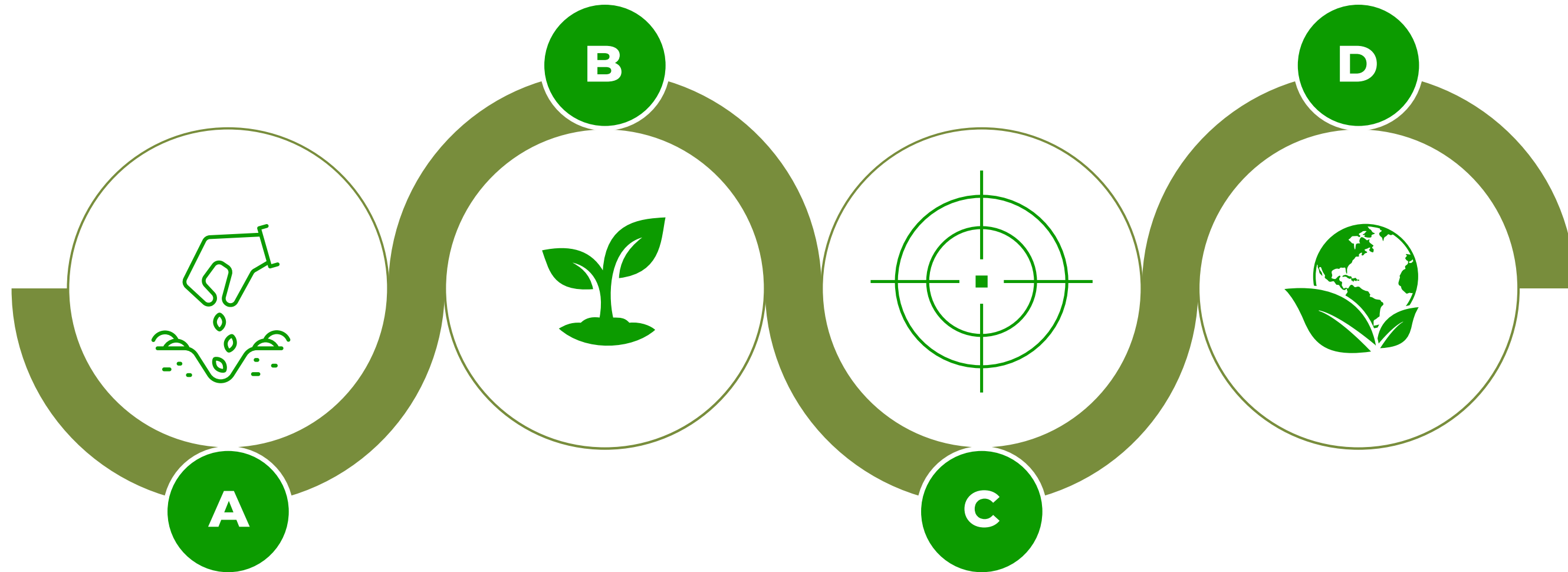
Areas for immediate Intervention

Carbon Credits

For exporting carbon neutral electricity to the grid under CCTS

Technology & Information

sharing among national and international partners

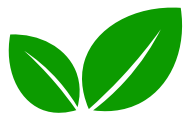


Support Fund

and access to credit to meet the high capex required

Realistic Targets

In line with industry dynamics and policy implications



ISMA's commitment to Energy Efficiency and PAT

ISMA remains committed to the cause of supporting energy efficiency and other pro planet policies for the industry and is working to enhance awareness and information on the subject within the industry as well as closely with the BEE to ensure a smooth and successful execution of PAT in the sugar industry.



ISMA has also highlighted the need for macro-policy review for Cogen Power to be at par with other renewable power sources with the government and other stakeholders. Our suggestions have been endorsed by the Sardar Swaran Singh National Institute of Bio-Energy (NIBE) and we are working to introduce measures to address these long term challenges.





Thank you

For More Information please reach out to sankalp@ismaindia.org