

Simbhaoli Sugars Limited- Biomass based Power Cogeneration Project got accreditation by UNFCCC under Clean Development Mechanism (CDM) Program

Bonn, Germany; September 14, 2007: Simbhaoli Sugars Limited, Biomass Power Project has got registered for carbon credits entitlements by the United Nations Framework Convention on Climate Change (UNFCCC) at the Thirty Fourth meeting of the Executive Board of the Clean Development Mechanism (CDM) held on September 12- 14, 2007 at Bonn, Germany. The annual credits of emission reduction from power export have been estimated at 44,682 tonnes of CO₂e over 10 crediting years.

The selected project is the expansion of bagasse based electricity generation capacity of the Simbhaoli Sugars Limited (SSL) plant located at Simbhaoli, Uttarpradesh, India. The project involves installation of a 22 MW/hr backpressure type turbo generator along with a high pressure (87 kg/cm²) 110 TPH capacity boiler. It primarily aims to generate power and steam for the sugar mill captive consumption purposes, along with export of electricity of 14 MW/ hr to Uttar Pradesh Power Corporation Limited (UPPCL) grid. With this the total installed capacity of biomass/bagasse based co-generated electricity will go up to 32 mw/hr.

The export of bio-electricity would reduce GHG emissions by replacing fossil fuel dominated grid based electricity with a renewable source of electricity. The high pressure boiler will be fired by bagasse, a biomass, produced from the sugar manufacturing process to generate steam, which in turn will run the steam turbine to generate bio-electricity.

“Simbhaoli Sugar cogen unit is energy independent, employing co-generation for its captive steam and power requirement. The present captive steam and power requirement of the sugar unit is met by a cogeneration plant comprising of four boilers and three turbines. Considering the company’s environmental conservation policy, project developers’ full belief in the CDM process and in anticipation of financial support from CDM revenue, the SSL management has decided to install cost intensive, high pressure and high capacity boiler and turbine configuration for increasing the net electricity export to grid. Thereby it has installed a 22 MW backpressure type turbo generator and a high pressure (87 kg/cm²) boiler of 110 TPH capacities”; **told by Mr. Gurmit Singh Mann, Chairman and Managing Director, SSL.**

“The proposed project activity contributes to the environmental well being of the nearby areas, by reducing the GHG emissions through displacement of fossil fuel dominated grid electricity generation with a renewable electricity source and also it contributes substantially to the socio-economic well being of the nearby local communities. The biomass residue based power generation constitute a sustainable source of power generation that brings clear advantage to mitigate global warming. The Company has been involved in the social development of the area by enabling regional grid to divert the electricity displaced by the project activity to the nearby needy areas, by indirect capacity building. It has provided a case example to other sugar mills in the region for switching to high capacity cogeneration configuration, for exporting electricity to grid. It has also been involved in the economic well

being of the area by GHG emission reduction by displacing the fossil fuel dominated electricity generation at regional grid by an emission neutral renewable source; and by reduction in the emission of carbon dioxide (CO₂) and other harmful gases (NO_x and SO_x) that arise from the combustion of coal used in power generation. The project will also lead to reduce ash generation since the ash content¹ in bagasse is lower than that of Indian coal”; **said Dr. G. S. C. Rao, Executive Director, SSL.**

The revenue from the disposal of CERs has been the integral part of the project viability and the SSL expects a substantial contribution from this account by approaching the organisations/entities which requires these CERs at the appropriate time, **further added by Dr Rao.**

The expansion is in line with the overall de-risking policy of the Company, which focuses on reducing dependence on the sugar business and increasing the stake of non sugar segments such as alcohol, ethanol, bio power etc. in the revenues. Following the expansion plan designed by the Company in the year 2004, SSL has also commissioned the biomass based electricity project at its Chilwaria facility in September, 2007 with the successful completion of first phase of capacity expansion of 8 MW/ hr of exportable surplus. This is achieved with installation of 11 MW condensing turbine and 80 MT (87 kg/cm²) high pressure boiler. After the completion of expansion of bio power generation capacity at Chilwaria, total exportable power shall be 19 MW/ hr.

About SSL: Simbhaoli Sugars Limited (SSL) is one of India’s leading producers of high quality sugar and operates one of the largest integrated sugar complexes in India. It produces and sells international standard refined, pharmaceutical-grade and specialty sugars to the retail and bulk institutional consumer segments. Its sugar brand, Trust, commands a significant share of the north Indian market. SSL is a major supplier to a multinational and domestic customer base that includes Coca-Cola, Heinz, PepsiCo, GlaxoSmithKline, Nestle, Haldiram’s, Taj Group of Hotels all domestic airlines and Indian Railways. SSL operates three technologically advanced sugar-manufacturing facilities in Simbhaoli, Brijnathpur and Chilwaria, all located in Uttar Pradesh. The company’s facilities have a total installed sugarcane crushing capacity of 20,100 TCD and are capable of manufacturing up to 300,000 MTPA of sugar. With the ongoing growth plan in place, it aims to manufacture ethanol at a capacity of 180 klpd by March 2008, and total cogenerated power up to 39 MW/hr.

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