

# **Sugar and Ethanol India Conference 2023 – by ChiniMandi New Delhi**

## **“CHINI NIVESH PE CHARCHA” - DIALOGUE ON INVESTMENTS ON SUGAR SECTOR**

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**7 Jan, 2023**

# Macro trends

## Climate Change

- **Frequency** and **Impact** have increased manifold

## Conflict - Geopolitical

- Global food and energy security at risk due to **geopolitical tensions/strifes**

## Consumer awareness

- **Enhanced consumer awareness** around environmental and climate change issues.

## Compliances

- Regulations have become increasingly **stringent** in response to **environmental** challenges

## Consciousness

- **Consciousness** of general public has grown towards climate change

## Commitment

- **Policy makers** and **Corporates** have shown greater commitment as the focus on climate change intensifies – **COP 27/ Paris Accord 2015**

# Significance of Sugar Sector for India

- Domestic sugar consumption **28-30 million MT**
- Cane price payment > **14 bln USD ( Rs 1.13 lac crs)**
- Ethanol from sugarcane based feedstocks: **3.18 billion litre**
  - ❖ **85%** of total ethanol production
- Bagasse based Cogen Power capacity > **3000 MW**
- **0.5 million workers** directly employed in sugar mills in the country.
- Provides livelihood to **50 million sugarcane smallholder/marginal farmers.**

# Sugar Sector – Salient features

- Classical example of **Circular Economy** and inherently **Green**
- Largest sector in **Organized food processing** in India
- Source of **Bio-fuel, Bio-energy, Green Power** and **Bio-fertilizer**
- **500+** well built robust sugar complexes
- Robust ecosystem of **academic, research institutes** and **technology providers**

**Sugar industry offers Sustainable, inclusive and distributed growth**

# Potential / Headroom for Growth – India

❖ 5<sup>th</sup> largest economy,

❖ Fastest growing economy

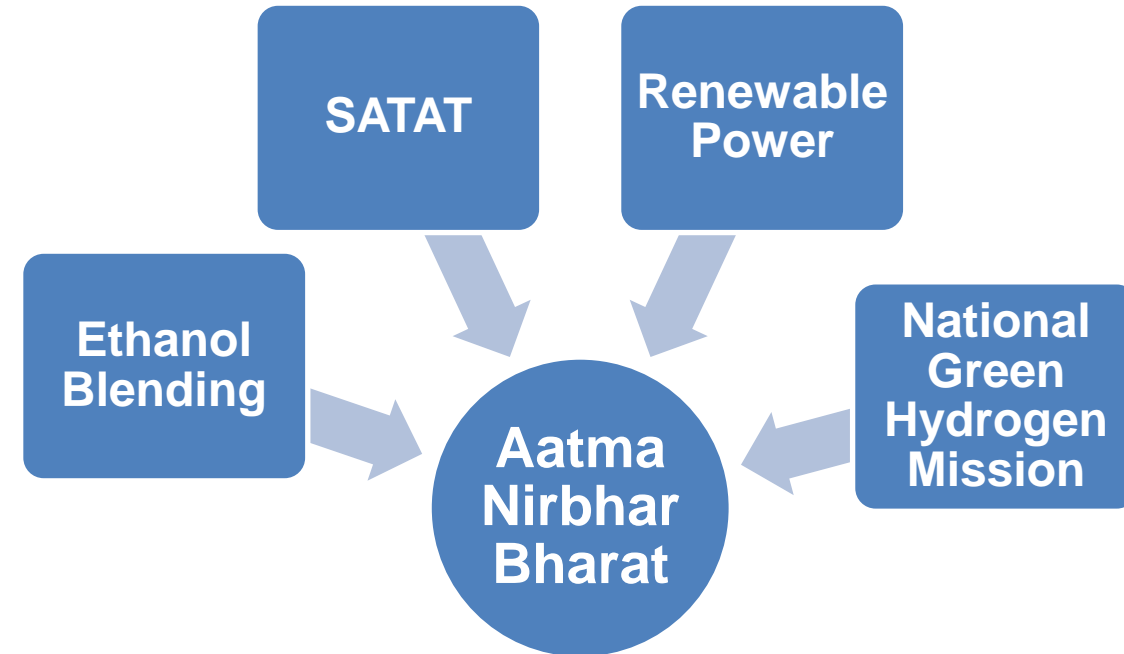
➤ Target Ethanol blending: **20%**

❖ Ethanol requirement- **10 billion litres.**

➤ **Annual Crude oil import: USD 122.45 billion**

➤ **Annual Natural gas import: 32 billion Cubic mtrs**

➤ **Annual Potash fertilizer imports 40 LMT MOP**



Sugar mills can be termed as Bio-energy Parks & have potential to become Food Processing Hub

# Sustainable Sugar Sector

1. Breeding programme → Pipeline of promising varieties
2. Mechanization, Water conservation
3. Focus on productivity (Yield, Recovery)

**Global Alliance for Ethanol promotion**

Value Addition/ Integration/ Diversification

- Sugar Value Add
- Bagasse Value Add
- Bio energy
- Bio chemical
- Bio fertilizer
- Food processing

**Value Addition**

**Sugarcane Value Chain**

**Sustainable and Vibrant growth of Sugar Sector**

**Efficiency**

1. Resource use efficiency
  - Steam reduction
  - Power reduction
  - Water conservation
2. R&D and Innovation
3. Digitalization
  - AI/ML

**Policy**

Sustainability Framework

1. Bonsucro
2. ESG

- Policy assurance & Predictability
1. Rational cane pricing/linkage with sugar price
  2. Remunerative Co-Gen Power Tariffs
  3. Viable price for Juice to Ethanol
  4. Model Land Leasing Act adoption

**THANK YOU**