

Scheme to support 'Promotion of Grid Interactive Biomass Power and Bagasse Cogeneration in Sugar Mills' during the 12th Plan Period - 2014

HIGHLIGHTS

Nodal Agency	Ministry of New and Renewable Energy
Applicable Technologies	Grid interactive biomass power (includes agro-based industrial residue, wood produced in energy plantations or recovered from wild bushes/weeds, wood waste produced in industrial operations, crop agro residues) and bagasse cogeneration in sugar mills.
Policy Period	12th Five Year Plan
Policy Objectives	<p>To promote:</p> <ul style="list-style-type: none"> • Biomass power with minimum steam pressure configuration of 60 bar and above. • Cogeneration projects for surplus power generation from bagasse in private/cooperative/public sector sugar mills with minimum steam pressure configuration of 40 bar and above. • Bagasse cogeneration projects for surplus power generation in cooperative/public sector sugar mills with minimum steam pressure of 60 bar and above.
Eligibility Conditions	<p>All registered financial Institutions, development/investment corporations; nationalized/private banks, central and state cooperative banks, state/public sector leasing and financing corporations.</p> <p>Promoters include individual/independent registered companies, joint sector/public sector companies/state agencies and private and public sector investors having technical and managerial capabilities for implementing biomass power/bagasse cogeneration projects on BOOT/BOLT or IPP basis, or state govt. undertakings or state govt. supported joint venture companies/SPV companies.</p>

Incentive Amount		Special Category States (Sikkim, J&K, HP Uttarakhand, & NE Region)	Other States
	Biomass power projects	Rs.25 lakh x (Capacity in MW) (maximum support of Rs.1.5 Cr./project)	Rs.20 lakh x (Capacity in MW) (maximum support of Rs.1.5 Cr./project)
	Bagasse co-generation by private sugar mills	Rs.18 lakh x (Capacity in MW) (maximum support of Rs.1.5 crore/project)	Rs.15 lakh x (Capacity in MW) (maximum support of Rs.1.5 crore/project)
	Bagasse co-generation projects by co-operative/public sector sugar mills		
	40 bar & above 60 bar & above 80 bar & above	Rs.40 lakh Rs.50 lakh Rs.60 lakh Per MW of surplus power. Maximum support Rs.6 crore/project	Rs.40 lakh Rs.50 lakh Rs.60 lakh Per MW of surplus power. Maximum support Rs.6 crore/project.
	Single co-op.mill through Build Own Operate Transfer/Build Own Lease Transfer model	60 bar & above - Rs.40 lakh/MW of surplus power. 80 bar & above - Rs.50 lakh/MW of surplus power. Maximum support Rs.6 crore/sugar mill.	
	Existing cooperative sugar mill	40 bar & above- Rs.20 Lakhs/MW of surplus power 60 bar & above - Rs.25 Lakhs/MW of surplus power 80 bar & above - Rs.30 Lakhs/MW of surplus power	

Release of Incentives

For bagasse cogeneration projects in cooperative/public sector sugar mills, boiler up-gradation in existing cooperative sugar mills and BOOT/BOLT model through state govt.

- 50% of CFA after financial closure and order placement for major equipment and inspection of the project by designated agency such as State Nodal Agencies/Financial Institutions/National Productivity Council/National Sugar Institute Kanpur etc.

- Balance 50% after successful project commissioning as per DPR norms, and performance testing of the project (3 months project operation with at least 72 hours continuous operation at minimum 80% rated capacity).

For biomass power and bagasse cogeneration projects in private sector sugar mills, IPP based BOOT/BOLT model in Coop./public sector mills.

- CFA released in a single instalment on successful commissioning of the project and performance testing of the project (3 months project operation with at least 72 hours continuous operation at minimum 80% rated capacity).

Links

<http://mnre.gov.in/schemes/grid-connected/biomass-powercogen/scheme/>

References

<http://mnre.gov.in/file-manager/grid-biomass/scheme-Biomass.pdf>