

MINUTES OF THE REVIEW MEETING HELD ON 25th SEPTEMBER 2018, IN THE CONFERENCE HALL OF UNIDO WITH EESL, ALONG WITH PMC (PROJECT MANAGEMENT CONSULTANTS) UNDER THE PROJECT ENTITLED “PROMOTING MARKET TRANSFORMATION FOR ENERGY EFFICIENCY IN MICRO, SMALL & MEDIUM ENTERPRISES (MSME)”

List of Participants attended the meeting is given, at as an **ANNEXURE.**

ACTIONABLE POINTS EMERGED DURING DISCUSSION:

At the outset Mr. Girja Shankar, AGM (Technical) from EESL welcomed the Consultants. EESL explained the present status and up-coming activities of the Project, as per the Project’s milestones mentioned in the agreement between the PMCs and the EESL. Mr. Debajit Das from UNIDO explained about the background of the project and also briefed about the activities undertaken in the last two years under this project.

Following Important Action Points have been discussed, in the said Meeting, as given below:

1. EESL informed UNIDO that it has hired Cluster Coordinators for Surat, Varanasi, Muzaffarnagar, Howrah, (Batala, Ludhiana & Jalandhar) and Sundergarh clusters. The Hiring process is still in progress, for the remaining four Clusters.
2. Mr. Das urged that the Government department and local DI offices should be kept on loop during the field activities so that if there are any local issues during implementation the same can be taken care of.
3. UNIDO volunteered to send a authorization letter through the Ministry of Micro Small & Medium Enterprises (MSME), for outreaching to the District Industrial Centre (DIC) and the MSME Associations in the cluster to which, Mr Shankar reiterated that EESL would do the needful to send such letter to the PMCs.
4. Mr. Das, UNIDO stated the EESL should share all the past works that has been carried in the project to the PMCs so that there is no repetition of works.

CORE HIGHLIGHTS AND OBSERVATIONS ON THE PRESENTATIONS, PRESENTED BY THE PMCs:-

I) M/s DELOITTE TOUCHE TOHMATSU INDIA LLP

A) VARANASI TEXTILE CLUSTER:

- Deloitte provided a brief snapshot on the profile of their allotted clusters and their status.

- Deloitte informed that majority of the units at Varanasi Textile Cluster are very small in terms of energy consumption and there are only few units (20-25 nos) which are having Boilers, Thermopac and other energy intensive equipment.
- Following are the energy saving opportunities identified by Deloitte based on initial interaction with the MSME units and association. :
 - VFD on hydro extractors
 - Improving power factor
 - VFD on compressors
 - Waste heat recovery (Air pre-heater/ economizer)
 - Condensate recovery
 - Flash steam recovery
 - Optimizing fuel combustion
 - Automatic Steam controller using temperature sensors
 - Process optimization (Yarn dyeing)
 - Insulation of steam line
- EESL requested Deloitte to prepare a report on the cluster profile with the details of active MSME, their average energy consumption, MSME certifications etc. by **12th October 2018**.

B) MUZAFFARNAGAR PAPER CLUSTER

- Deloitte informed that the total number of the units at Muzaffarnagar is 27 only. It was also informed that most of the units in this cluster are large scale and not falling under MSME category under the current definition of MSMEs. However the units will fall under the MSME segment in the newly proposed definition of MSME which is yet to be notified by the government.
- EESL urged Deloitte to submit a report on the cluster including the details of the available MSME, energy profile of the MSME, Energy saving potential in the cluster, etc. by **8th October 2018**.

C) BATALA, JALANDHAR & LUDHIANA (BJL) FORGING CLUSTER

- Deloitte informed that the forging units are spread across Jalandhar and Ludhiana however in Batala, Foundry units are in majority. It is decided that Deloitte shall also consider the Foundry units at Batala for the implementation of this project.
- Following are the major energy saving opportunities identified in BJL cluster
 - VFD/soft starters on power press
 - VFD on compressors
 - Replacing exhaust fans with eco-ventilators
 - Energy efficient motors

- Waste heat recovery (Air pre-heater)
- Insulation of reheating furnace
- Optimizing fuel combustion
- Induction billet heaters
- Following are the activities proposed by Deloitte to be completed in coming weeks:
 - Consultation meeting with associations in Jalandhar and Ludhiana by **2nd week of October**
 - Visit to factories to finalize EE opportunities by **2nd week of October**
 - Finalize replicable technologies by **4th week of October**
 - Organize a technical meeting/ workshop for the factories on cluster level by **end of October**
 - Distribution and collection of EOI from units by **3rd week of October**

II) M/s DEVELOPMENT ENVIRONENERGY SERVICES LIMITED (M/s DESL)

A) SURAT TEXTILE CLUSTER

- DESL presented the profile of the cluster and briefed about the activities undertaken in the cluster.
- Following are the activities proposed by DESL to be completed in coming weeks:
 - Finalization of three technologies by **5th October**
 - Development of detailed technology specification by **5th October**
 - Submission of business models by **8th October**
 - Collection of Eol from units for technology selection by **8th October**
 - Finalization of M&V protocol by **end of October**
 - Development of technology toolkit by **end of October**
 - Development of RFP document for selected technologies by **15th October**

B) JORHAT TEA CLUSTER:

- DESL informed that total number of units in this cluster are 150. And the units are spread across Golaghat, Jorhat and Sibsagar.
- Following are the activities proposed by DESL to be completed in coming weeks:
 - Finalization of units for energy audit by **end of October 2018**
 - Initiation of energy audit Survey of units for prioritizing technologies by **1st week of October**
 - Short listing of technologies by **end of October**
 - Development of technical specification by **1st week of November**
 - Development of M&V protocol by **1st week of November**
 - Development of technology toolkit by **3rd week of November**
 - Mobilization workshop by **end of October**

- Collection of EoI by **end of October**
- Development of RFP document by **1st Week of November**

C) ANKLESHWAR CHEMICAL CLUSTER:

- DESL informed that the total number of units in Ankleshwar is 723 which are spread across Ankeleshwar & Panoli.
- Following are the activities proposed by DESL to be completed in coming weeks:
 - Finalization of units for energy audit by **end of October**
 - Commencement of energy audit by **1st week of November**
 - Survey of units for prioritizing technologies to be initiated by **2nd week of October**
 - Short listing of technologies by **end of October**
 - Development of technical specification by **2nd week of November**
 - Development of M&V protocol by **3rd week of November**
 - Development of technology toolkit by **3rd week of November**
 - Mobilization workshop in **November**
 - Collection of EoI for implementation by **1st week of November**
 - Development of RFP document by **2nd week of November**

III) NATIONAL PRODUCTIVITY COUNCIL.

NPC team presented the cluster profile based on the secondary research. It was informed by NPC team that due to some prior commitments, all the team members were pre occupied in September, therefore the survey and other activities at the cluster couldn't be initiated as per the given work plan. Mr Das, UNIDO urged NPC to expedite the ground level activities so that the timeline as set for the project adhered to. NPC team assured that they will compensate the delay by putting additional efforts in all the three cluster. NPC team also discussed about the boundary of the Sundargarh cluster and it was decided that Rourkela may also be considered under the Sundargarh Sponge Iron Cluster. Following are the activity plan for NPC:

- Initial meetings with all the associations in three clusters by **2nd week of October**
- Distribution of EOI to the MSME units to be commenced by **2nd week of October**
- Initiation of survey of MSME units in all three cluster by **1st week of October**
- Shortlisting of units for conducting energy audit by **end of October**
- Finalisation of technologies in each cluster by **2nd week of November**

DISCUSSION ON BUSINESS MODEL

EESL present the draft business model for the implementation of DEMO project which was already shared with all the three PMCs. Mr Das, UNIDO said that it is important that EESL goes to the industries with the business model with more clarity as this is one issue which is being reflected as utmost important as shown by the entrepreneurs in most of discussion done so far. EESL requested

all the PMCs to get inputs from MSME units, local banks, financial institutions etc and develop different business models which can be adopted for the identified technologies. The same shall be submitted to EESL by mid-October.

IMMEDIATE ACTION PLAN

EESL and UNIDO urged the PMCs to submit an action plan depicting up-coming three months plan in their respective cluster.

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LIST OF OFFICIALS ATTENDED THE MEETING

A. UNIDO

1. Mr. Debajit Das
2. Mr. Ramesh Kumar

B. EESL

1. Mr. Girija Shankar
2. Mr. Mrinal Bhaskar
3. Mr. Ayan Ganguly
4. Mr. Arivu Selvam

C. M/s Deloitte

1. Mr. Inderjeet Singh
2. Mr. Charu Gupta

D. M/s DESL

1. Ms Nishan Menon
2. Mr. Arindam Mukherjee

E. M/s NPC.

1. Mr. BP Bhandari
2. Mr. Rajnikant
3. Mr. Prashant Shrivastava
4. Mr. Avijeet Nayak
5. Mr. Jatin Saini
