



# Chief Minister Inaugurated the State's First Sugarcane based Ethanol Plant

## Why In News?

On September 26, 2023, Chief Minister Bhupesh Baghel inaugurated the state's first sugarcane-based ethanol plant costing Rs 141 crore through video conferencing from his residence office.

## Key Points:

- The state government has established the state's largest and first sugarcane-based ethanol plant in Kabirdham district. For the establishment of an ethanol plant, construction has been done on 35 acres of vacant plot of Bhoramdev Cooperative Sugar Factory.
- Ethanol plants based on agriculture is among the priority schemes of Chief Minister Bhupesh Baghel. Regarding the establishment of the country's first ethanol plant established through PPP model, the contract has been signed between Bhoramdev Cooperative Sugar Factory and NKJ Biofuel Limited, a subsidiary of Chhattisgarh Distillery Limited.
- The establishment of the ethanol plant will generate direct and indirect employment opportunities in the area and will strengthen the basis of economic prosperity in the area. Timely payment of sugarcane prices to farmers will be ensured.
- Bhupendra Thakur, MD of Bhoramdev Cooperative Sugar Factory, said that the ethanol plant is built on hybrid technology, in which ethanol will be made directly from sugarcane juice during the sugarcane crushing season and from molasses during the off season.
- Due to diverting of sugarcane juice into ethanol, more juice will be required and to fulfill it, maximum sugarcane will be purchased from farmers. The construction of the ethanol plant will ensure timely payment of sugarcane prices to the farmers.
- Keeping in mind the economic environment, PPP has been implemented to ensure economic and technical participation of the private sector in developing the economy of the state. Model has been selected.
- In compliance with the decision of the State Government, PPP in Bhoramdev Cooperative Sugar Factory is in the first phase. Ethanol plants have been established from the model.
- Being the first example from PPP model in the country for setting up of ethanol plant of minimum 80 kpd capacity at Bhoramdeo Cooperative Sugar Factory Kawardha, the tender at the national level was successfully completed through a transparent process taking into account the subtle aspects of the process for investor selection.



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