



Diesel Engine and Genset Market Trends and Developments

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Discussion Today



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About IDEMA



- Engine Manufacture started in India in 1946
- IDEMA started in 1967
- Today, IDEMA's members are 37 companies manufacturing Internal Combustion Engines (ICEs), and their components
- IDEMA's members offer engines running on alternate and alternate fuels like Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG) and Bio-diesel blends up to B100

About IDEMA



- IDEMA's members manufactured over 550,000 engines in year ending March 2010
- IDEMA is a non-profit Society
- IDEMA is affiliated to CII

Demand for Gensets



- Though generation capacity grew to 159 GW and energy generation was 746 B kWh in FY10, energy deficit was 10.1% and peak deficit was 13%
- Demand is driven by power deficit, power reliability and quality of power
- Going forward, power deficit may reduce but reliability and quality of power will take time to improve

Changes in Industry



- In addition to manufacturing and process sectors, demand from infrastructure and reality sectors is growing
- Average power output of gensets is increasing year by year
- Occasionally, 'super silent gensets' and Gensets running on alternate fuels are required
- Gensets running on alternate fuels offer opportunity to users to get Carbon Credits

Changes in Industry



- For Gensets running on alternate fuels, Fuel Cost efficiency versus High Speed Diesel, and uninterrupted availability of quality alternate fuels may be an issue for users
- ‘super silent gensets’ – Industry has supplied these for Military use for many years. Willingness to pay the price ?
- And, consumer expects ‘instant restoration’ in case of a failure

Technological Changes



- In 2003-2006, Indian Emission Regulation exceeded the global standard
- Next level of emission regulation is being mandated by Ministry of Environment and Forests.
- Indian Regulation for 19 to 37 kW engines, will be more stringent than global standard.
- To meet the regulation, fuel with sulphur content of 50 ppm against currently available 350 ppm is required

Industry meets global standards



- IDEMA members meet global standards. Over 20,000 gensets / engines for gensets exported in FY10
- Exports are growing

Industry Perspective



IDEMA Members are ready to meet or exceed the changing needs. Be it, customer expectation (noise), emission (regulation), or use of alternate fuels

Industry Perspective



And, industry is profitable to keep investing in R&D, plant and machinery, and expanding and upgrading the service network

Challenges to Industry



Providing technology upgrade at prices the customer is willing to pay is the single most important challenge to industry.



Questions please !