

India's Carbon Credit Trading Scheme (CCTS) Compliance Case study

The Cost of Inaction on CCTS

How Klymera helped one integrated Textile manufacturer to transform regulatory liability into carbon credit revenue and why every obligated entity must act now

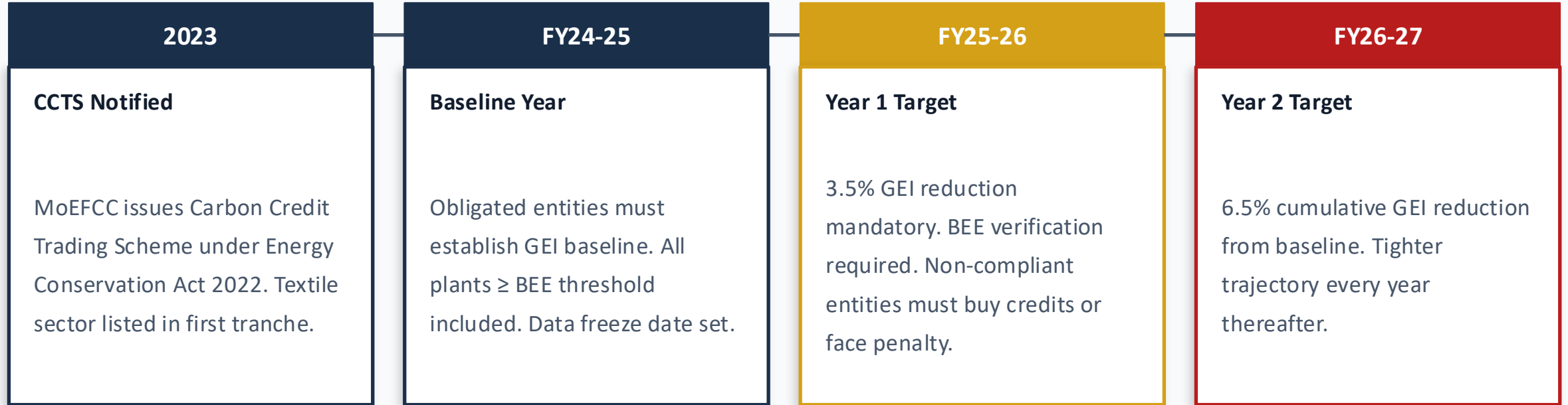
KLYMERA SUSTAINABILITY SERVICES

Decarbonisation That Gets Done, Not Just Designed

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REGULATORY CONTEXT

The CCTS Mandate: Compliance is No Longer Optional



WHAT HAPPENS IF YOU MISS THE TARGET?



Carbon Credit Deficit: You must purchase credits at prevailing market price.

Regulatory Penalty: \sim ₹1,000/tCO₂e deficit under Energy Conservation Act 2022.

Reputational Risk: BEE non-compliance becomes part of public regulatory record.

COMPANY PROFILE

Leading Integrated Textile Manufacturer

Multi-plant operation | Spinning, Weaving, Denim, Knitting & Yarn segments

10

Manufacturing Plants

Across 4 states

2

MMT / Year

Production volume

₹4,000 Cr

Annual Revenue

Fortune 500-scale textile group

0.66

tCO₂e / MT

Baseline GEI (FY2023-24)

1.32L

tCO₂e / Year

Total Scope 1+2 baseline emissions

BASELINE ENERGY PROFILE

Grid Electricity

1,800 Lakh kWh/yr

78%

Coal (Industrial Boilers)

20,000 MT/yr

21%

Natural Gas & Diesel

Combined ~8,000 tCO₂e

1%

CCTS OBLIGATION

Mandatory Target Yr1:

3.5% GEI reduction

Mandatory Target Yr2:

6.5% cumulative reduction

Compliance Metric:

GEI = tCO₂e per MT produced

SCENARIO ANALYSIS

Two Paths. Radically Different Outcomes.

Metric	Path A: No Action	Path B Efficiency + RE (Scope 1 + Scope 2) Klymera led Decarbonization
GEI Reduction — Year 1	0% (no change)	3.5% ✓ PASS
GEI Reduction — Year 2	0% (no change)	58% ✓ EXCEEDS
GEI (tCO ₂ e/MT) — Year 2	0.66 ✗ FAIL	0.28 ✓ PASS
CC Position Year 2	Deficit ~11,200 CCs	Surplus ~89,000 CCs
Penalty / Compliance Cost	₹17.2 Cr over 2 Yrs	₹0
Energy Cost Savings (2 Yr)	₹0	₹30 Cr
Carbon Credit Revenue (2 Yr)	₹0	₹60 Cr
Net Benefit / (Cost) — 2 Yr	(₹17.2 Cr)	+₹90 Cr

PATH A — NO ACTION

Do Nothing. Pay the Price.

Year 1 (FY2025-26)	Year 2 (FY2026-27)
Actual GEI 0.66 tCO ₂ e/MT	Actual GEI 0.66 tCO ₂ e/MT
Mandatory Target GEI 0.64 tCO ₂ e/MT	Mandatory Target GEI 0.62 tCO ₂ e/MT
Compliance Status FAIL	Compliance Status FAIL
CC Deficit ~6,000 tCO ₂ e	CC Deficit ~11,200 tCO ₂ e
Regulatory Penalty ₹6 Cr	Regulatory Penalty ₹11.2 Cr



2-YEAR TOTAL COST OF INACTION

₹17.2 Cr

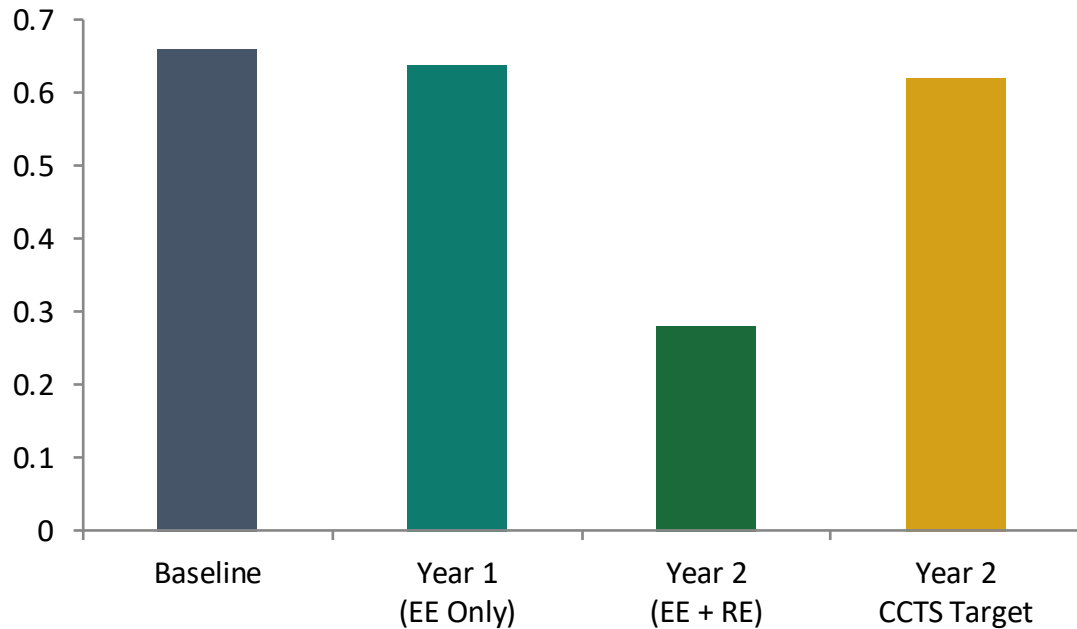
in regulatory penalties alone and rising

- › Year-on-year targets tighten — the deficit compounds
- › Missed targets become public BEE records
- › Export customers begin CBAM-linked carbon due diligence
- › Late movers face higher RE tariffs & less PPA optionality

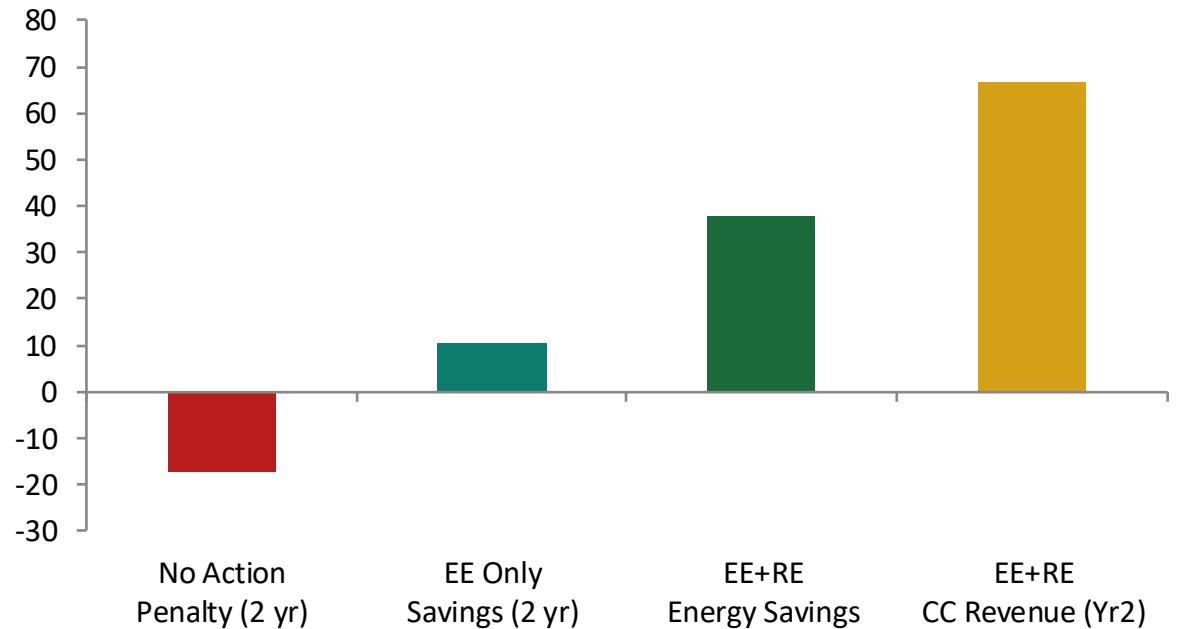
Path B : Klymera led Decarbonization action

What Klymera Delivered: Numbers That Matter

GEI Performance (tCO₂e / MT)



Financial Impact (₹ Crore)



58%

GEI reduction
achieved in Year 2

~89K

Carbon Credits surplus
generated in Year 2

₹60 Cr

Carbon Credit revenue
potential (Yr2 alone)

₹90 Cr

Net 2-year benefit
vs. No Action

THE KLYMERA DIFFERENCE

We Work at the Plant Floor, Not the Boardroom.

KLYMERA'S EXECUTION MODEL



Plant-Level Deployment

Klymera engineers embedded at each of the 10 manufacturing plants not at corporate HQ. Solutions designed for actual process conditions, not generic templates.



Proprietary Technology Stack

AI-powered energy audit tools, real-time efficiency monitoring, and predictive maintenance platforms deployed on-site. Data collection from process equipment, not just utility meters.



RE Transaction Advisory

Full-cycle support: evaluated 8+ RE developer bids, modelled ROI for each, analysed Indian Energy Exchange (IEX) price curves, and designed optimal PPA structure.



MRV & BEE Submission

End-to-end measurement, reporting and verification. BEE-ready GEI documentation, baseline certification, and annual target verification support.

HOW KLYMERA DIFFERS FROM TYPICAL CONSULTANTS

	Other Firms	Klymera
Mode of work	Corporate strategy deck & roadmap	++ Plant-floor execution with engineers on site
Energy audit & Decarbonization lever	Desk-based, generic benchmarks	AI tool and on-site data acquisition
RE procurement	Vendor list handover or another team with higher fees	Full PPA structuring, bid evaluation, ROI model
Energy Efficiency & predictive maintenance	Recommendation only	Tool deployment and parameterisation on-site
Outcome commitment	Best effort and Time Charge	Success-fee model tied to GEI results

THE WINDOW TO ACT IS NOW

Every month of delay narrows your options

- 1 Baseline GEI data must be locked in. Late starters lose credibility with BEE verifiers.
- 2 Phase 1 quick wins take 30 days. Phase 2 takes 90 days. Year 1 targets are already live.
- 3 RE PPA tendering, approval, and commissioning takes 6–12 months . Starting now is the minimum requirement.
- 4 Carbon credit markets are forming now. Early surplus generators capture best prices.
- 5 CBAM and export customer pressure is accelerating . Carbon credentials are becoming trade requirements.

READY TO TALK?

Start with a no-obligation
CCTS Gap Assessment

What you receive:

- ✓ Baseline GEI calculation from your energy & production data
- ✓ Year 1 & 2 CCTS gap analysis where you stand today
- ✓ Scenario P&L: Penalty cost vs. Klymera-led decarbonisation
- ✓ RE opportunity sizing for your plant locations
- ✓ Indicative energy savings & carbon credit potential

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