

SUGAR

Maha Padayatra kicks off demanding revival of the Nizam Sugar Factory.

Leader of Opposition in Telangana Legislative Council Mohammed Ali Shabbir on Thursday flagged off the 'Maha Padayatra' demanding revival of the Nizam Sugar Factory.

The 60-km long 'Maha Padayatra', undertaken by former minister Sudarshan Reddy and other Congress leaders, took off at Kollur village of Kodgir mandal in Nizamabad district on Thursday.

Speaking on the occasion, Shabbir Ali condemned the TRS government for not fulfilling the promise of reviving Nizam Sugar Factory within 100 days after coming to power.

He said that Chief Minister K Chandrashekar Rao himself had promised that the State government would take over the Nizam Sugar Factory from the private parties, who holds 51 per cent stake. However, the Chief Minister did nothing even after completing about 900 days in power.

Shabbir Ali said in December 2015, the Nizam Deccan Sugars Limited (NDSL) announced lockout of its three units located at Mambojipally in Medak district, Bodhan in Nizamabad district and Metpally in Karimnagar district.

The closure had a negative impact on the lives of 10,000 sugarcane farmers. After the closure of NSF units, the farmers were asked to sell their yield to sugar factories of Maharashtra with the promise of payment of transportation charges.

He said that the farmers were neither getting payments from Maharashtra factories nor the State government has paid them the promised transport charges to the tune of nearly Rs 3 crore.

The government also did not clear Rs 5 crore towards Purchase Tax at the rate of Rs 60 per tonne. He said the closure of historic Nizam Sugar Factory has thrown thousands of families to the streets.

He said that the government failed to help the employees and workers while all sugarcane farmers were left to their fate.

Similarly, he said that the TRS government has failed to fulfill the promise of revival of Allwyn, Praga Tools, Azamjahi Mills, Kagaznagar Paper Mills and Reyans factory.

He warned that the Congress would launch mass agitation if the government fails to revive Nizam Sugar Factory and other sick industries in the State.

TPCC working president Mallu Bhatti Vikramarka, AICC spokesperson Madhu Yashki Goud, ex-MP Suresh Kumar Shetkar, MLC Akula Lalitha and other senior Congress leaders of Nizamabad district participated in the Maha Padayatra.

(Source-<http://sugarnews.in/maha-padayatra-kicks-off-demanding-revival-of-the-nizam-sugar-factory/>, published on 21st October, 2016)

Maharashtra co-op bank to disburse up to Rs 3,500 cr to sugar factories after govt declares new crushing season date

With the Maharashtra government declaring November 5 as the commencement of the crushing season in the state, the Maharashtra State Cooperative Bank (MSCB) has begun preparing for the disbursement of working capital loans to the sugar factories. The bank is expected to sanction R3,000 crore to R3,500 crore worth of working capital to 35 factories on its roll.

"There has been a delay in the declaration of the start of the season. Earlier, the season was expected to commence on December 1 and therefore, we had not received applications. However, the process will begin soon and the bank will finalise the working capital loans by the month-end," Pramod Karnad, MD, MSCB, told FE. Last year, the bank had sanctioned R3,956 crore working capital to 35 sugar mills in the state. Since there are no mills on the bank client list that are in the negative net worth bracket, the bank is expected to sanction working capital to almost all its factories.

"Working capital loans are usually given for the period from November 1, 2016, to October 31, 2017. The pledge limit could range between R3,000 crore to R3,500 and as production begins, the mills will begin withdrawals as against production," Karnad said. This time, the bank has decided to give a two-month extension limit since the season has begun late.

The bank has reduced its pre-seasonal loan amount by over 40% to R225 crore for the 2016-17 season, from R400 crore last year, due to the decrease in area under sugarcane. Firstly, the area under cane in the state has reduced and this will impact production. Secondly, the bank has become conservative," he said. Usually, some sugar cooperatives that are financially strong do not avail pre-seasonal loans.

[\(http://sugarnews.in/maharashtra-co-op-bank-to-disburse-up-to-rs-3500-cr-to-sugar-factories-after-govt-declares-new-crushing-season-date/](http://sugarnews.in/maharashtra-co-op-bank-to-disburse-up-to-rs-3500-cr-to-sugar-factories-after-govt-declares-new-crushing-season-date/), published on 21st October, 2016)

TN: Natems Sugar in talks to acquire Rajshree Sugars unit

Natems Sugar Pvt Ltd, a Hyderabad-based company, is in advanced stage of negotiations to acquire Trident Sugar, a subsidiary of Rajshree Sugars & Chemicals Ltd.

According to reliable sources, Natems Sugar is carrying out the due-diligence and an announcement is likely in a week or 10 days. Trident Sugar operates a standalone sugar mill with a capacity to crush 3,000 tonnes sugarcane daily at Medak district in Telangana. There is provision to expand the facility.

The size of the deal is yet to be finalised, according to sources.

Rajshree Sugars, based in Coimbatore, Tamil Nadu, acquired Trident Sugars in 2006, and it is one of the four sugar mills it operates. The other three units are in Tamil Nadu. It had announced the sale of the subsidiary as part of a Corporate Debt Restructure. It opted for CDR and entered into a Master Restructuring Agreement (MRA) in March 2014 which provided for the sale of its wholly owned subsidiary Trident Sugars, within three years to retire debts of the holding Company.

Natems Sugar, acquired Prudential Sugars' sugar business in 2015, and is now expanding its presence with the acquisition of Trident Sugars. Prudential Sugar Corporation operates an integrated sugar unit with a 2,500-tonne sugar mill, distillery and co-generation plant.

(Source - <http://sugarnews.in/tn-natems-sugar-in-talks-to-acquire-rajshree-sugars-unit/>, published on 20th October, 2016)

Sugar mills likely to default on debt worth Rs 11,000 crore

Several unfavourable moves from the government in terms of capping sugar prices, removal of excise duty exemptions and non-payment of production subsidies etc are set to result in Indian sugar mills staring at default Rs 11,000 crore of debt on the repayment schedule for these loans, which were provided by the government two years back in the form of excise duty term loans and soft loans, has started since May this year.

Sugar industry representatives and experts foresee lenders declaring these loans turning into non-performing assets, warranting debt restructuring initiatives. In the financial year 2014-15, sugarcane prices crashed due to surplus production since 2013 and huge carry forward stocks hurting millers which led the government to provide soft loans worth Rs 6,000 crore and Sarfesi loan of Rs 5,000 crore with interest subvention of 12%.

According to T Sarita Reddy, vice-president, Indian Sugar Mills Association and managing director of Hyderabad-based Gayatri Sugars, "The millers are likely to default on payment of loans, turning (those) into NPAs and might also go for restructuring due to the unfavourable steps taken by the government like putting stock limits on millers, capping of retail prices, increased cess, non-payment of export incentives etc that are stressing our earnings and payment to farmers and clearing of loans would be extremely difficult." Millers have been continuously seeing losses as cost of pro Rs 3,275 per duction for 2013-14 was quintal, for 2014-15 and 2015-16, it was Rs 3,300 while the average exmill price was Rs 2,500 and Rs 2,900, Rs 3,100, respectively.

Meanwhile, the government increased cess by Rs 100 per quintal to Rs 124 in February this year to create a price stabilisation fund as per re commendations by the Commission of Agricultural Costs and Prices (CACP). The fund was instituted to promote exports by way of production subsidy of Rs 4.50 per quintal and to pay the difference between FRP and realisable sugar price. However, "despite the increased cess being collected that would have accumulated nearly Rs 2,500 crore till now, it is not being put to use and millers are feeling the pinch of paying farmers out of losses. Also, Rs 500 crore of the corpus is yet to be paid to millers who had exported sugar," said Sarita.

The millers are also anticipating losses next year as the fair and remunerative prices (FRP) is likely Rs 250-255 per quintal next to go up to year from Rs 230 per quintal now.

(Source-<http://sugarnews.in/sugar-mills-likely-to-default-on-debt-worth-rs-11000-crore/>, published on 20th October, 2016)

Co-gen/Power

INTERSOLAR INDIA 2016: DYNAMIC EXPANSION IN THE INDIAN SOLAR MARKET

The Indian solar market is experiencing strong growth, bringing it ever closer to the Indian government's goal of increasing the installed photovoltaic (PV) capacity to 100 gigawatts (GW) by 2022. Against the backdrop of this progress, Intersolar India opened today in the Bombay Exhibition Center in Mumbai. Over 230 exhibitors are presenting their products, services and solutions for the solar industry until October 21. The exhibition is accompanied by the Intersolar India Conference, where the Indian solar market and private roof-mounted installations are the center of attention.

Intersolar India 2016 was inaugurated by Mr. Falk Senger, Managing Director, Messe München GmbH, Michael Schmela, Executive Advisor – Solar Power Europe, Belgium, Dr. Daniel Strowitzki, CEO – Freiburg Management and Marketing International GmbH, Dr. Amarpal Singh, Chief Executive – Punjab Energy Development Agency (PEDA), Dr. Robert Habeck, State Minister – Ministry of Energy, Agriculture, the Environment and Rural Areas, Schleswig Holste in Germany, Mr. Gregory Taevs, Commercial Consul of United States in Mumbai, Dr. Florian Wessendorf, Managing Director – Solar Promotion International Co. Ltd., Bhupinder Singh, Chief Executive Officer – Messe München India.

Big steps towards the 2022 target

The Indian solar market is growing at a breathtaking pace. According to the India Solar Map 2016, published in September this year by the consultancy firm Bridge to India, India's installed solar capacity grew by 80% to 8.1 GW from mid-2015 to mid-2016. 75% of the deployment took place in four states in the south. When all the projects currently under construction are added to the current installations, the result is a total photovoltaic capacity of 23 GW. And this is only the beginning – as the Indian government plans to reach the 100 GW milestone by 2022.

The market conditions are therefore ideal for Intersolar India, with the event once again anticipating positive figures to mark the 25th anniversary of the Intersolar exhibitions in 2016. A total of 230 exhibitors and over 11,000 visitors are expected at the exhibition space in the Bombay Exhibition Centre.

Star-studded conference

This year, the Intersolar India Conference is taking place from October 19–20 in parallel with the exhibition. It is due to be opened today (Wednesday) by distinguished speakers, including Dr. Robert Habeck, the Minister of Energy, Agriculture, the Environment and Rural Areas for Schleswig-Holstein and Dr. Amarpal Singh, Chief Executive – Punjab Energy Development Agency (PEDA).

The session titled Residential Rooftop Systems – System Design and Field Experience in India (auditorium, hall 1 on October 20, 2016, 2:30pm–3:55pm) offers visitors the opportunity to find out more about private roof-mounted installations. Experts, market analysts, architects and decision makers are set to share their experiences with regulations, client expectations and technical problems.

Another conference highlight: Experts from operations and maintenance will be discussing the question Operation & Maintenance – a Burgeoning Business in India? on October 20 in hall 1

(4:30pm-6:00pm). This session will address uncertainties, risks, challenges and other factors which companies in this field face in the Indian solar market.

ees India

Once again this year, Intersolar India will be accompanied by ees (electrical energy storage) India. As many Indian companies operate in both the photovoltaic and energy storage sectors, this supplements the event perfectly, and supports India on the path to a renewable future.

Collaboration with HUSUM Wind

In addition to the exhibitors from the solar sector, the internationally renowned exhibition HUSUM Wind will also be running a shared booth at the exhibition, where visitors can find out more about the wind energy industry and expand their knowledge of the Indian market. Visitors at the specialist conference additionally have the opportunity to discuss the various facets of wind energy with international experts.

Further information is available at www.intersolar.in

About Intersolar

With events spanning four continents, Intersolar is the world's leading exhibition series for the solar industry and its partners. It unites people and companies from around the world with the aim of increasing the share of solar power in our energy supply.

Intersolar India is the country's largest exhibition and conference for the solar industry. It takes place annually at the Bombay Exhibition Centre (BEC) in Mumbai.

The event's exhibition and conference both focus on the areas of photovoltaics, PV production technologies, energy storage systems and solar thermal technologies. Since being founded, Intersolar has become the most important industry platform for manufacturers, suppliers, distributors, service providers and partners in the global solar industry.

In 2015, 200 international exhibitors and around 11,000 visitors attended Intersolar India. Over 100 distinguished speakers and around 680 attendees discussed current industry topics and shed light on the conditions surrounding technological, market and political developments at the accompanying conference.

With 25 years of experience, Intersolar has the unique ability to bring together members of the solar industry from across the world's most influential markets. Intersolar exhibitions and conferences are held in Munich, San Francisco, Mumbai, São Paulo, and, starting in 2016, in Dubai. These global events are complemented by the Intersolar Summits, which take place in emerging and growing markets worldwide.

(Source- <http://indianpowersector.com/2016/10/intersolar-india-2016-dynamic-expansion-in-the-indian-solar-market/>, published on 19th October, 2016)

CIL to start spot e-auction of coal tomorrow; 20 mt on offer

State-owned Coal India (CIL) will tomorrow begin special spot e-auction of coal and will put on offer 20 mt of the fossil fuel for various sectors, including power, amid government's efforts for 24x7 power to all.

According to an official, the auction will be conducted for four days beginning tomorrow.

"The auction will be conducted on October 20, 21, 24 and 25," the official said.

The total validity for lifting of coal under the special spot auction window will be up to March 2017, the official added.

"The minimum quantity for bidding would be 50 tonnes and bid multiple would be in the multiple of 50 tonnes... whereas in the case of rail, the minimum quantity of bidding would be one rake and bid multiple would be in the multiple of one rake," he said.

The rake size shall be as per prevalent railway rules. The quantity of coal in a rake will be as indicated in the notice of e-auction of coal companies.

State-owned CIL had last month announced a one-time offer of 20 mt of coal under special spot e-auction in the ongoing fiscal.

The coal ministry had earlier said power producers being supplied coal through the MoU route by CIL will have to take it via special e-auction being conducted for the power sector.

CIL, a major supplier of coal to the power sector, is eyeing 1 billion tonne production by 2020.

(Source- http://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/cil-to-start-spot-e-auction-of-coal-tomorrow-20-mt-on-offer/articleshow/54938598.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst, published on 19th October, 2016)

Quote of the day

'Take care of all your memories. For you cannot relive them.' - Bob Dylan