NEWS FLASH –24th FEBRUARY, 2016

SUGAR

After two straight years of drought, there's finally reason to hope for a normal monsoon this year. Most international models indicate that El Nino, the scourge of the monsoon in India, would dissipate by summer, providing neutral conditions for the rainy season in the country.
Although it is early days yet for predictions about how the monsoon would fare in 2016, the outlook as of now appears far better than the previous two years, say experts.
"The El Nino that adversely affected last year's monsoon is weakening and is likely to become neutral by the middle of the monsoon. There's even an outside cha- nce that La Nina conditions, which actively favour the monsoon, may develop by the end of the rainy season," said D Sivananda Pai, lead monsoon forecaster of India Meteorological Department .

El Nino is a periodic condition associated with abnormal warming of waters in the central and eastern equatorial Pacific, which leads to changes in wind patterns that affect weather across the globe. Most El Nino occurrences lead to below normal monsoons in India .
Monsoon rainfall was 14% below the long-term average in 2015, and 12% in the red the year before that. El Nino played a spoiler in both the years - although in 2014, temperatures in the Pacific stopped short of El Nino conditions and started cooling midway into the rainy season. By contrast, last year's El Nino developed into one of the warmest ever recorded and is still continuing.

According to IMD's forecast, the El Nino may persist till June and then turn neutral by July.

(Source-http://www.indiansugar.com/NewsDetails.aspx?nid=5276, published on 23rdFebruary, 2016)

Bring in policies to spice up sugar sector

The Centre's proactive measures last year supported the sugar industry and the farmers who were hit by low sugar prices and growing sugarcane overdue. The government announced a positive fuel ethanol policy, removed excise duty on molasses, announced a cane stabilisation fund, encouraged exports, and hiked the cess to be levied for the Sugar Development Fund when prices of sugar go below the cost of production.

Going into 2016, the outlook for the industry is quite positive. But the progress has to be consolidated by helping the industry become more competitive.

Costliest producer

It is a fact that India is one of the costliest producers of sugar as compared to Brazil and Thailand, and therefore is not competitive in international terms.

In order to have a sustainable industry, a prerequisite is to establish a value chain that is globally competitive.

Even if India is a large consumer of sugar and surpluses happen only occasionally, exports can take place only if we are competitive.

The Centre should implement a mandatory cane price formula linked to sugar prices, cutting across all State governments.

Ethanol policy

The ethanol policy — to supply ethanol-blended automobile fuel — should be used to control excess production of sugar.

The Sugar Development Fund could be used to create distillery and ethanol capacity across the industry to ensure adequate supply to support 10 per cent blending of automobile fuel with ethanol.

A Sugar Board is needed at the national level to review planting and water availability, and encourage changes in cropping pattern by moving to corporate farms or cooperative holdings — these are much more productive in terms of yield, recovery and ability to plant and harvest through mechanisation.

Bilateral agreements with Sri Lanka and Bangladesh, two major sugar consumers which are viable markets for India, can help the sugar trade on mutually advantageous terms.

The industry is yet to fully exploit bagasse-fuelled cogeneration of power.

The Centre should support investments in this field to fully exploit the green power source.

These measures will go a long way in ensuring a stable future for the sugar industry despite the cyclical nature of this crop.

(Source- http://www.thehindubusinessline.com/todays-paper/tp-news/bring-in-policies-to-spice-up-sugar-sector/article8268927.ece. The writer is Mr. A Vellayan ,Executive Chairman, Murugappa Group. Article published in the Business Line print edition dated February 23, 2016)

COGEN

Govt fixes target of electrifying 7,000 villages by March

Centre has fixed a target of electrifying 7,000 un-electrified villages by March-end, Power and Coal Minister Piyush Goyal today said.

NEW DELHI: Centre has fixed a target of electrifying 7,000 un-electrified villages by March-end, Power and Coal Minister Piyush Goyal today said.

"The village electrification target for 2015-16 was 2,800 villages, which I set to 5,800. Now my officials told me that they would be able to electrify 7,000 villages by March end. I'm sure that we would be able to achieve this target," Goyal said at the the Economic Times Power Focus Summit here.

Centre has already electrified 5,542 villages out of the total 18,452 un-electrified villages so far, he added.

Prime Minister Narendra Modi on his Independence Day speech, last year, had set a target of electrifying 18,452 villages in one thousand days, that is by May 1, 2018.

Yesterday, government said 5,537 villages have been electrified in the current fiscal so far under the Deen Dayal Upadhyaya Gram Jyoti Yojna (DDUGJY).

On the all-time-low solar power tariff of Rs 4.34 per unit, Goyal said: "I think that this price of solar power is reasonable."

Last month, solar power tariffs fell to an all-time low, with Finland-based energy firm Fortum Finnsurya Energy quoting Rs 4.34 a unit to bag the mandate to set up a 70-mw solar plant under NTPC's Bhadla Solar Park tender.

Before this, the solar power tariff had touched Rs 4.63 per unit in November last year, following aggressive bidding by the US-based SunEdison, the world's biggest developer of renewable energy power plants.

(Source- http://energy.economictimes.indiatimes.com/news/power/govt-fixes-target-of-electrifying-7000-villages-by-march/51115772, Published on 24th March, 2016)

No wish-list for Budget 2016, implement existing schemes first: Discoms to government

The power distribution companies have urged the government to implement existing schemes in letter and spirit to strengthen the electricity sector.

NEW DELHI: Unlike having long wish lists for the Budget, the power distribution companies have urged the government to implement existing schemes in letter and spirit to strengthen the electricity sector.

"The existing schemes like UDAY, IPDS and DDUGJY are very good schemes. These should be implemented in letter and spirit to achieve desired objectives," India Smart Grid Forum President Reji Kumar Pillai said after press briefing on India Smart Grid Forum Week scheduled for March15-19".

He said, "We are not expecting anything for power distribution or transmission segment in this Budget, may be next year once these schemes are implemented fully, we may ask for something from the government."

Under Ujwal Discom Assurance Yojana (UDAY) launched last year, the states will take over 75 per cent of discoms accumulated debt as on September 30, and issue bonds to pay the creditors.

The remaining debt will be paid through raising money by the discoms through bonds issued by them and guaranteed by the state governments.

The total accumulated debt of discoms in the country stands at over Rs 4.37 lakh crore. At present, six states including Uttar Pradesh and Bihar have subscribed to the scheme, covering 35 per cent of the total debt.

Under Deen Dayal Upadhyaya Gram Jyoti Yojna (DDUGJY), the Centre wants to electrify all the villages through grid connected and off-grid solutions. Besides, it envisages separation of non-agriculture and agriculture feeders facilitating judicious rostering of electricity supply.

Similarly, with an outlay of over Rs 32,000 crore for Integrated Power Development Scheme (IPDS), the government has envisaged sub-transmission and distribution networks in urban areas and information technology enablement of power distribution sector.

"Centre is running very good scheme for distribution companies. We have written to Power Ministry as well as Delhi Government for subscription of UDAY scheme," Tata Power Delhi Distribution Ltd CEO and Managing Director Praveer Sinha told reporter on the sidelines of the event.

He said, "Delhi discoms have an accumulated debt of over Rs 20,000 crore. If our interest cost comes down by 4-5 per cent after subscribing UDAY then there will an interest saving of Rs 1,000 crore every year."

On the slow take off of rooftop solar in Delhi he said, "A state policy on renewable energy is awaited, which will deal with the issue of 5 per cent electricity tax to be paid by customers generating power and feeding to the grid. Similarly they are required to pay VAT on solar panels."

(Source- http://energy.economictimes.indiatimes.com/news/power, published on 24th February, 2016.)

THOUGHT OF THE DAY:

Thoughts without content are empty, intuitions without concepts are blind.

-Immanuel Kant

HEALTH TIP OF THE DAY:

Cut risk of diabetes with two spoonfuls of yogurt a day.