

SUGAR

Sugar prices up on heavy buying; thin arrivals

Sugar prices edged higher by Rs 30 per quintal at the wholesale market in the national capital today following increased demand due to the ongoing festive season amid restricted supplies from mills.

Marketmen said pick up in demand from retailers, stockists and bulk consumers for the ongoing festive season coupled with tight supplies from mills, mainly supported the upside in sweetener prices.

Sugar ready M-30 and S-30 prices closed higher by Rs 30 each to end at Rs 3,950-4,150 and Rs 3,940-4,140 compared from last close of Rs 3,920-4,150 and Rs 3,910-4,140 per quintal.

In the millgate section, sugar asmoli, doralala and dhanora advanced by Rs 20 each to end at Rs 3,760, Rs 3,680 and Rs 3,640 per quintal.

Sugar Dhampur, Anupshaher, Morna and Sakoti also looked up by Rs 10 each to Rs 3,630, Rs 3,610, Rs 3,620 and Rs 3,640 per quintal.

Following are today's quotations (in Rs per quintal)

Sugar retail markets – Rs 41.00-44.00 per kg.

Sugar ready: M-30 Rs 3,950-4,150, S-30 Rs 3,940-4,140.

Mill delivery: M-30 Rs 3,600-3,790, S-30 Rs 3,600-3,780.

Sugar millgate (including duty): Mawana Rs not traded, Kinnoni Rs N.T., Asmoli Rs 3,760, Doralala Rs 3,680, Budhana Rs N.T., Thanabhavan Rs N.T., Dhanora Rs 3,640, Simbholi Rs N.T., Khatuli Rs 3,790, Dhampur Rs 3,630, Ramala Rs 3,600, Anupshaher Rs 3,610, Baghpat Rs 3,620, Morna Rs 3,620, Sakoti Rs 3,640, Chandpur Rs 3,600, Nazibabad Rs 3,600 and Malakpur Rs N.T.

(Source- <http://sugarnews.in/sugar-prices-up-on-heavy-buying-thin-arrivals/>, published on 4th October, 2016)

Karnataka: Farmer Organisations demand compensation for crop loss

The Karnataka State Sugarcane Growers' Association and the Kabini Raitha Hitharakshana Samiti today urged the State government to distribute compensation to farmers of the Cauvery basin as the standing crop in the region has withered due to poor monsoon.

Standing crops such as paddy, sugarcane, and cotton have withered on lakhs of hectares owing to failure of rains. Kuruburu Shanthakumar, president of the cane growers' association in a release said that the farmers stand to lose hundreds of crores of rupees owing to crop failure. They said it was the government's duty to provide compensation to farmers as it had failed to provide water for the crops through irrigation canals. They said the crops have withered to such an extent that they will not recover even if it rains in the coming days.

Mr Shanthakumar said a farmers' convention will be organised at Maharaja's grounds on October 5. It will be attended by farmers from six districts of the Cauvery basin and they will discuss the issue of compensation and pressuring the government to seek change of judicial officers at the apex court.

Criticising the Supreme Court verdict against the State, Mr Shanthakumar termed it most impractical, unscientific and grossly unfair. He said that the court did not even care to study the ground reality in Karnataka.

He said whatever water is left in the four reservoirs may not be sufficient to meet the water needs of the State till the next monsoon. However, he welcomed the decision of the State government to seek an urgent review of the Supreme Court order to set up a Cauvery Management Board.

(Source- <http://sugarnews.in/karnataka-farmer-organisations-demand-compensation-for-crop-loss/>, published on 3rd October, 2016)

Sugarcane crushing season to start on Dec 1 in Maharashtra

Maharashtra Chief Minister Devendra Fadnavis today said the sugarcane crushing season for 2016-17 will begin in the state from December 1, 2016.

The decision was taken at a meeting of a cabinet committee headed by Fadnavis.

The meeting reviewed the sugarcane production and preparations for the crushing season.
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Fadnavis said due to the drought in the last four years, cane production had been hit. The benefit of good monsoon this year will be visible in the next crushing season.

This year sugarcane production area is 6,33,000 hectares and sugarcane production would be 493 lakh metric tonnes. The sugar production is expected to be 50 lakh metric tonnes.

Fadnavis said all administrative approvals for sugar factories should be made online from May 1, 2017. Loan restructuring proposals of the sugar mills should be sent to the Finance Ministry.

He mooted a proposal to bring sugarcane production area under drip-irrigation. A committee under cooperation minister Subhash Deshmukh would prepare a policy to restart the closed sugar cooperative mills on partnership basis, he said.

(Source- <http://sugarnews.in/sugarcane-crushing-season-to-start-on-dec-1-in-maharashtra/>, published on 4th October, 2016)

How drought in Maharashtra helped UP out of sugarcane crisis

The 2016 drought in Maharashtra, which caused farmer suicides across the western state, may have helped Uttar Pradesh, the other major sugarcane-producing state, out of a cane-crisis. According to the Uttar Pradesh Sugar Mills Association (UPSMA), the drought led to a major drop in cane production in Maharashtra, which dropped from 105 lakh tones in 2014-15 to merely 60

This drop led to a rise in sugarcane prices and that has helped mills in UP to pay arrears to farmers. As of September 30, 2016, mills have managed to pay 91.45% of cane dues. In contrast, mills had only managed to 81.13% of their dues to farmers by September 30, 2015. Another reason, millers said, was an increase in UP's share in the national ethanol production.

"There are two main reasons behind the industry coming out of the glut. The first and the biggest reason is the rise in prices of sugar across the country. Currently, sugar prices have stabilized around Rs 41 per kg. That has really helped us grow and repay farmers at a much faster rate than we could last year. As of September 30, 2016, mills in UP had paid 91.45% of the arrears they owed to farmers. Last year, we had only managed to pay 81.13% arrears to farmers at this stage.

There is a difference of more than 10% and we will soon be able to clear these dues. The other big reason is the increase in UP's share of the national ethanol production. It is a matter of pride for us that the state contributes around 50% of ethanol produced nation-wide," said a source in the UPSMA.

When asked why sugar prices were improving, the source said, "It is partly because of the Central government's efforts to increase sugar exports but that had only a marginal effect since the government soon abandoned that policy. The major reason is the drought in Maharashtra this year. Last year, Maharashtra produced 105 lakh tons of sugarcane and this year, it dropped to 60 lakh tones. That led to a rise in prices."

The source, however, added that things would move much faster if the UP government had paid mills for producing electricity. According to UPSMA data, the UP government owes around Rs 595 crore to sugar mills across the state for power generation.

(Source- <http://sugarnews.in/how-drought-in-maharashtra-helped-up-out-of-sugarcane-crisis/>, published on 3rd October, 2016)

Maha:Low sugarcane crop could delay crushing season

The crushing season of the sugar mills from the region, which is considered the sugar bowl of the country, may be delayed and may last the full six-month term owing to a decline in the sugarcane cultivation.

The state authorities will be meeting on Monday to discuss issues related to sugar production. Se

Last year, the crushing season went on till mid-April and the total production of sugar touched 83 lakh tonnes.

Last year, sugar production was started at the mills in the district on November 1, while this year, it may be delayed by at least a week.

(Source- <http://sugarnews.in/mahalow-sugarcane-crop-could-delay-crushing-season/>, published on 3rd October, 2016)

Co-gen/Power

UDAY a success: India's power distribution system shows clear signs of revival

India's power distribution system is showing concrete signs of revival and lower operational losses as chronically inefficient states have significantly narrowed the gap between cost and revenue, reduced unmetered supply and are planning large bond issues in 10 days.

Officials say of the 16 states part of the Centre's distribution utility revival scheme—Ujwal Discom Assurance Yojna (UDAY) —at least eight have a lower gap between their average cost of electricity supply and average cost of realisation.

According to one official, Uttar Pradesh distribution companies are set to launch state-government guarantee-backed bond issue worth Rs 5,000 crore starting October 6 to meet operational requirements.

Rajasthan distribution utilities are also likely to raise working capital funds through bond issues in the next 10 days.

Provisional data shows that the gap in Uttar Pradesh distribution utilities declined by over 65% to Rs 0.41 per unit for the year ended March 16 against Rs 1.17 per unit as on March last year.

The difference between cost of supply of electricity in Haryana reduced by half to Rs 0.23 per unit in March from Rs 0.65 per unit a year ago, said the official quoted above.

Discoms of Bihar, Andhra Pradesh, Rajasthan, Jharkhand and Uttarakhand have reduced the shortfall in revenue, but distribution companies of Punjab and Karnataka reported an increase in their losses. Twelve of the 16 states showed reduction in aggregate commercial and technical electricity losses that go unmetered.

Bihar, Uttar Pradesh, Jharkhand, Chhattisgarh, Goa, Uttarakhand, Rajasthan and Andhra Pradesh are some of the states that showed decline in distribution losses.

Preliminary data being compiled by the Union power ministry to launch a mobile application for monitoring implementation of Uday also shows that 13 of the 16 states have filed tariff revision petitions for 2016-17 with their respective state electricity regulatory commissions.

The Union Power Ministry's website and mobile app to monitor progress of UDAY will have data fed by state power distribution companies on 14 operational and financial parameters

The application will also rate the state power distribution system on the progress made by them against commitments made during signing of Uday agreements.

As per provisional data available with the power ministry, Haryana, Gujarat, Bihar, Punjab and Rajasthan, have fulfilled 30-45% of the commitments made under UDAY. Uttar Pradesh, Bihar, Jharkhand need improvement with below 30% progress while Jammu & Kashmir lags far behind delivering just 15% of the promises made under UDAY.

The 14 parameters on which state distribution companies implementing UDAY are being measured include reduction in technical and commercial losses, reduction in gap between per unit cost of power supply and realisation, household electrification, urban and rural feeder metering, smart metering, profit and loss accounts and the distribution of LED lights.

(Source- <http://economictimes.indiatimes.com/industry/energy/power/uday-a-success-indias-power-distribution-system-shows-clear-signs-of-revival/articleshow/54647381.cms>, published on 3rd October, 2016)

Take steps to meet power needs in rabi season: Telangana CM K Chandrasekhar Rao

Rao said that demand for electricity from farm sector during rabi is likely to increase as the State received good rains this season,

Telangana Chief Minister K Chandrasekhar Rao on Tuesday asked officials to make necessary arrangements for power supply to farmers to meet possible rise in demand during coming rabi season.

Rao, who held a review on power, told officials that the demand for electricity from farm sector during rabi (winter crops) is likely to increase as the State received good rains this season, a release from his office said.

He observed that farming in Telangana is based more on pumpsets and said farmers should be supplied nine hours of power during day time.

The power officials said they are prepared to provide adequate power for agriculture.

Rao also reviewed thermal and hydel power production in the newly formed State, the release said.

Telangana would have 9,000 MW power by rabi season and it would get another 1,000 MW of power from Chhattisgarh. Rao asked the officials to prepare an action plan to provide power supply as per the requirements of farmers during rabi, it added.

(Source- indianexpress.com/article/india/india-news-india/take-steps-to-meet-power-needs-in-rabi-season-telangana-cm-k-chandrasekhar-rao-3064147/, published on 4th October, 2016)

Quote of the day

'It is the mark of an educated mind to be able to entertain a thought without accepting it.'

-Aristotle