

NEWS FLASH – 8TH July, 2016

SUGAR

TN: Subsidy for farmers

In a bid to encourage farmers take up micro irrigation for agriculture and horticulture, the government has allocated funds to the tune of Rs.3,216.70 lakh under the Pradhan Mandri Kisan Sinchayee Yojana (PMKSY) for the district in 2015-16. According to the department of agriculture, funds have been sanctioned to cover 886 hectares under agriculture crops and 2500 hectares under horticulture crops during 2015-16. With a view to motivate farmers here make use of micro irrigation facilities for hi-tech cultivation of both agriculture crops such as cotton, coconut, sugarcane, red gram, maize and horticultural crops like fruits, vegetables, spices and condiments, flowers, the government has sanctioned the PMKSY scheme. Subsidy would be given for providing drip irrigation to all crops, both wide-spaced and close-spaced crops. For small and marginal farmers, a subsidy of 100 per cent will be given as in the last three years, where other farmers would get 75 per cent subsidy for the crops cultivated on a maximum of 5 hectares.

Interested farmers can approach the office of the Assistant director of agriculture and horticulture situated in all the 10 blocks in the district. More funds are available for Scheduled Caste farmers under the scheme, the release said.

(Source- <http://sugarnews.in/tn-subsidy-for-farmers/> published on 7th July, 2016)

UP sugarcane area projected at 20 lakh hectares during FY17

The sugarcane acreage in Uttar Pradesh (UP) during the coming 2016-17 crushing season is estimated at over 20 lakh hectares (LH).

As per preliminary sugarcane survey in UP, which is India's largest sugarcane producer, the acreage is likely to grow by 2 per cent. During 2015-16, the cane area stood at 20.52 LH and with 2 per cent projected growth, it would further grow to 20.90 LH.

UP cane commissioner Vipin Kumar Dwivedi said: "Sugarcane plant crop area had clocked growth of over 10 per cent due to proactive measures by the state government. This included providing high yielding cane varieties to farmers, timely provision of fertilisers, farm chemicals etc, which further prodded the cane growers towards higher cultivation."

Sugarcane yield is achieved through plant or ratoon (stubble) crops. While plant crop is freshly sowed cane, for ratoon crop, farmers leave lower part and root of the cane crop uncut at the time of harvesting. This provides multiple crops from the ratoon before the farmers have to replant with fresh plant crop for harvesting.

Last year, the cane plant and ratoon crop had accounted for 9.80 LH and 10.72 LH of acreage in UP compared to this year's projection of 10.80 LH and 10.10 respectively.

The highest rise in sugarcane plant crop area has been reported in the Western UP divisions of Meerut, Saharanpur, Moradabad and Bareilly.

The current ex-factory retail prices of sugar in UP are 25 per cent higher compared to last year. While, sugar prices last year were in the region of 2,700-2,800 per quintal, this year the prices are at a firmer levels of 3,400-3,500 per quintal with no possibility of going down in near future.

UP sugar mills have to pay about Rs 2,000 in farmers' cane dues for the last year's crushing season, when the state sugar production had stood at 69 lakh tonnes (LT) compared to 70.40 LT in 2014-15. The mills had also clocked better sugar recovery of about 10.50 per cent.

UP sugar sector is dominated by private sugar mills, which number over 90 of the total 116 units.

(Source- <http://sugarnews.in/up-sugarcane-area-projected-at-20-lakh-hectares-during-fy17/> published on 7th July, 2016)

Co-gen/Power

Evolving mechanism to avert cyber attacks on power infra: Piyush Goyal

To safeguard country's power plants from any possible cyber attack, government is trying to evolve a mechanism and has entrusted the task to a retired IPS officer to come out with a framework, Union Minister Piyush Goyal said today.

"I have just engaged an IPS officer who just retired to help us create an architecture against cyber attacks on the power infrastructure," Power, Coal and Mines Minister Goyal said at Infocom 2016 here.

Terming cyber attacks as "clearly a very serious issue", the Minister acknowledged that "we don't have as robust a technological framework or a backbone to protect against the kind of hackers we have today."

Goyal said that unfortunately the hackers these days are a step ahead and even the most developed nations faced the problems in this regard.

"Today, the situation is that even the most developed Western countries are finding a lot of problems. They have gone to hack I am told even the records of the Pentagon ...So clearly at the end of it we all have to worry about that and I am particularly concerned about it ...We are looking at what can be done," he said.

He added that if there is a hacker then somebody is there who can detect the hacker.

The Minister stressed that these kinds of technological challenges will keep coming on and ways have to be evolved to tackle them.

Termining technology as a tool to progress, the Minister said from 20 to 30 years from now things would completely change lives with digital disruption impacting lives in a big way and cited example of companies like Uber and Airbnb who progressed without owning assets.

He said even his ministries have plans to cut travel costs by 50 per cent by holding meetings through video conferencing.

"In my own Ministries, we have a target to cut travel bills by 50 per cent. Video conferencing is more efficient," the Minister said.

He said Internet of things (IOT) promises digital realm and said a focused approach was needed towards encouraging the IOT.

"We are using cloud technology more and more now. Earlier the fear used to be that if you are putting the data into cloud, there will be compromise on security. People are realising that putting in cloud does not compromise, one can have fireballs...As a nation one should look at more focused Internet usage to able to leverage IOT to impact the various programmes of the government of India," he said.

He added that technology was used in a big way to prevent collapse of grids and cited example of Hudhud cyclone in Visakhapatnam in 2012 when its progress on ocean was monitored until it came close enough and entire grid was shut down in phases as it progressed.

The Minister added that within three to four days the grid had resumed operations without any catastrophic losses of life due to technology.

(Source- <http://energy.economictimes.indiatimes.com/news/power/evolving-mechanism-to-avert-cyber-attacks-on-power-infra-piyush-goyal/53107808> published on 8th July, 2016)

India can achieve 1.65 billion units of electricity next year: Piyush Goyal

The country can achieve as high as 50 per cent growth in electricity production up to 1.65 trillion units next year, Power Minister Piyush Goyal said today.

"We need to double our power production. Given the infrastructure and generating capacity we have today...we have the ability to double our power production. If tomorrow we need to add 50 per cent power to our system I am ready for that. We are

making about 1.1 trillion units of electricity annually now ...We can go up to 1.65 next year," Power, Coal and Mines Minister Goyal said at INFOCOM 2016 here.

The minister termed power shortages cited by the states as "technical" arising out of mismanagement.

"Very often states don't buy and show shortage...there is a mismatch between availability of power and capacity of states to purchase and distribute to last mile connectivity," he said.

The minister said there was surplus production of coal now unlike in the past when two-third of India's power plants were left with only critical coal stocks.

"We have brought in enough coal into the system. Today in the entire country not one power plant has critical coal stock against 2/3rd of the when I became the Minister... As a nation for 55 days if not a single kilo of coal is produced you will have power," he said.

(Source- <http://indianpowersector.com/2016/07/india-can-achieve-1-65-billion-units-of-electricity-next-year-piyush-goyal/> published on 8th July, 2016)

Coal India puts itself in slowdown mode; here's why

Coal India (CIL) has adopted the strategy of having coal ready for mining on shelf following the setback the company faced with a 55 million tonne pithead stock at the end of FY16.

Coal India (CIL) has adopted the strategy of having coal ready for mining on shelf following the setback the company faced with a 55 million tonne pithead stock at the end of FY16. During the April-June quarter, the company restricted its production growth to 3.5%, although as a whole it produced 125.65 million tonne of coal during the quarter, compared to 121.35 MT in the corresponding period last year.

The 55-MT pithead stock had offset CIL's margin, since the stock was a cost to the company and there was no price realisation from it in FY16.

"High coal stock inventory at coal fired power utilities as well as at pitheads of Coal India restrained the company to go for higher production during the months of April and May," a company statement said.

In the approach of coal ready for mining on shelf, the coal seams have been exposed for future mining and CIL would be in a position to scale up production deploying additional machinery as and when the demand picks up.

A CIL official on the condition of anonymity said the coal ministry was only following a strategy of increasing production, without keeping the demand in consideration. Even when CIL officials pursued the ministry saying that after a 9.01% year-on-year production growth and 9.22% y-o-y off-take growth in FY16, the growth in profits would be tepid because of the 55 MT pit head stock that would have to be factored as a cost in the balance sheet, the ministry believed that there would be a sudden surge in the demand of coal and CIL at that time would not be ready to meet the demand if it had not increased production.

Coal secretary Anil Swarup earlier told FE that the low demand of domestic coal was due to the power plants running at low PLF and the situation would not continue for long. However, the situation of surplus coal still continues with thermal power plants holding 30.51 MT of coal stock ending June 2016. This is equivalent to 22 days of coal stock and no thermal power plant in the country has a critical stock condition, reported CIL adding that for such a situation coal off-take for the quarter grew only 2.9% y-o-y. Coal off-take for the quarter ending June 2016 has been 133.19 MT against 129.39 MT during the same period last fiscal.

FE earlier reported that with pit head stock lying open, the piled up coal gathered moisture, which actually effected in quality degradation. Besides some of the stock piles caught fire, which was an absolute loss for the CIL.

To prevent repetition of such a loss CIL has adopted the procedure of coal ready for mining on the shelf, for which over burden removal, an important performance criterion in exposing coal seam, registered a 13.3% growth.

Production for of June was 42.72 MT, registering a 10% growth compared to the same month last year, while the growth in coal off-take for the month was 6.9% at 44.96 MT.

(Source-<http://www.financialexpress.com/article/economy/cil-goes-for-slow-output-growth-to-clear-stock/309130/> published on 7th July, 2016)

Business quote of the day

“Success combination in Business is: Do what you do better... AND do more of what you do--.” -S. David Joseph