

NEWS FLASH – 9th June, 2016

SUGAR

Cane arrears down to Rs. 6,225 cr

Sugarcane arrears have come down to Rs. 6,225 crore for sugar season 2015-16 against Rs. 9,361 crore owed by mills to growers last month. As on June 8, 2016, about 87 per cent cane dues have been paid for the season, said a Food Ministry statement. During the corresponding period last year, cane dues stood at Rs. 19,437 crore, it added. State-wise, mills in Uttar Pradesh owe cane growers the highest arrears of Rs. 2,428 crore this season, followed by Karnataka at Rs. 1,325 crore, Maharashtra Rs. 883 crore and Tamil Nadu Rs. 610 crore, the Ministry said.

(Source-<http://www.thehindubusinessline.com/todays-paper/tp-agri-biz-and-commodity/bl09ndanmcane/article8706841.ece>, published on 8th June, 2016)

It's raining high-tech at colonial-era monsoon forecast centre

India's forecasting of the monsoon — the crop-nourishing seasonal rains that are the lifeblood for farmers in the country of 1.3 billion people — is getting a high-tech makeover.

Jettisoning a statistical method introduced under British colonial rule in the 1920s, the meteorology office is spending \$60 million (about ₹ 400 crore) on a new supercomputer to improve the accuracy of one of the world's most vital weather forecasts in time for next year's rains.

The new system, based on a US model tweaked for India, requires immense computing power to generate three-dimensional models to help predict how the monsoon is likely to develop.

Experts say better forecasting could help India raise its farm output by nearly 15 per cent, by helping farmers tweak the best time to sow, irrigate or apply fertiliser to crops and, if rains fail, plan State-wide measures. This would be a major boon for a country that is either the world's biggest or second-biggest producer and consumer of rice, wheat, sugar and cotton.

Dynamical model

"If everything goes well, by 2017 we'll make this dynamical model operational by replacing the statistical model," said M Rajeevan, the top scientist in the Ministry of Earth Sciences, which oversees the weather office in New Delhi.

The June-September rains are relied on to replenish reservoirs, recharge aquifers and for half of all farmland that does not have irrigation.

Many areas receive more than 70 per cent of their annual rains during the monsoon and plentiful rains means more money in rural communities, sustaining some 600 million people and boosting demand for an array of goods and services.

10x faster processing

Rajeevan declined to name the companies the bureau was talking to in order to obtain the new supercomputer, but said it would be 10 times faster than the existing one supplied by IBM.

The India Meteorological Department (IMD) issues forecasts for the country as a whole and five regions, but it does not give separate ones for the 29 States.

“We didn't adopt the dynamical model earlier because it was not able to forecast monsoons. Now, it can, and with better results than the statistical model,” said Rajeevan.

The existing model uses historical relationships between rainfall and six to eight predictors such as sea-surface temperatures and southeasterly winds over the Indian Ocean.

Because of India's size, one national forecast is of little help to farmers spread across diverse climatic zones.

“I'll cherish the day they'll come up with a forecast for my State. It will mitigate our risks and help us plan our crop better,” said Dharmendra Kumar, a farmer in Uttar Pradesh.

The IMD, set up in 1875, produced its first monsoon forecast in 1886 after the famine of the 1870s. Now, about 5,000 IMD employees gather data, obtained from radar, observatories, ships, sensors and satellites, for the weather office, where staff peer at computer screens flickering with charts, graphs and multi-coloured maps of India.

Hits and misses

In 2015, the IMD accurately forecast a second straight drought year, in contrast to predictions of bountiful rains by Skymet, a private forecaster.

But the weather office failed to foresee the worst drought in nearly four decades in 2009 and, as this year's monsoon starts, farmers hope its forecast of above-average rains will be right.

“In the last one decade we've gained a greater degree of precision in forecasting rains, but the monsoon still remains a very complex weather system which only God has the ability to understand fully,” Rajeevan said.

Sugar gains on bullish cues

Sugar prices continued their bullish trend on back of firm mill tender rates, higher volume and bullish overseas, domestic futures. On Tuesday evening ,Maharashtra's mills sold the commodity at ₹ 10-20 a quintal higher which lifted sentiment in spot market. Arrivals to the Vashi market were about 61-62 truck loads and local dispatches were at 63-64 loads. The

Bombay Sugar Merchants Association's spot rates: S-grade ₹ 3,552-3,682 (3,562-3,672) and M-grade ₹ 3,646-3,780 (3,620-3,772). Naka delivery rates: S-grade ₹ 3,540-3,620 (3,540-3,620) and M-grade ₹ 3,640-3,720 (3,640-3,720).

(Source-<http://www.thehindubusinessline.com/markets/commodities/sugar-gains-on-bullish-cues/article8705932.ece>, published on 8th June, 2016)

Sugarcane plantings up 7.6% at 44.1 lakh hectares

Sugarcane acreage was at 44.1 lakh hectares as of Wednesday, up 7.6 per cent from 41.1 lakh hectares (lh) a year ago, data released by the Agriculture Ministry showed.

The current acreage is also higher than 42.4 lh which is the normal level for the period. Normal area for the entire season is 50.3 lh.

In Uttar Pradesh – the largest cane producer in the country – sowing was completed over 21.8 lh, up 20.4 per cent from the previous year.

Cane acreage has taken a hit in Maharashtra – the largest sugar-producing State – this year, with acreage falling 7.2 per cent on year to 762,000 hectares. In Karnataka, cane acreage so far was up six per cent from the previous year, while in Tamil Nadu, it was up 1.2 per cent.

The Agriculture Ministry has targeted 355 million tonnes of sugarcane output for 2016-17 (July-June).

According to the third advance estimates of the farm ministry, India's sugarcane output in 2015-16 is estimated at 346.7 million tonnes – down from 362.3 million tonnes a year ago.

(Source- <http://www.thehindubusinessline.com/todays-paper/tp-agri-biz-and-commodity/sugarcane-plantings-up-76-at-441-lakh-hectares/article8702216.ece>, published on 7th June, 2016)

Nubesol Wants to Transform Indian Sugar Industry With Technology

NubeSol Technologies Pvt Ltd is a Bengaluru based startup that specialises in solutions based on remote sensing technologies aimed at transforming the sugar industry ecosystem. Nubesol was founded by Suraj Dixit on 27 March 2013 with the vision to create positive impact on farming and environment.

NubeSol intends to realize its vision by investing into adoption of advanced technologies in agriculture, technology Innovations which are affordable by farming community, Effective use of agriculture mechanization and on the farm Research and Development in partnership with relevant stakeholders.

It offers services for forecasting cane acreages, sugarcane yield through precision monitoring; increasing productivity and sugarcane yield through proactive interventions; and maximising sugar recovery at reduced operational cost. Nubesol also offers affordable solutions for agriculture mechanization and engages in farm Research and Development in

partnership with relevant stakeholders. It has dedicated Android apps that farmers can use to monitor different functions of production and shipping.

Problems Being Addressed by Nubesol

Challenges that have been faced by farmers in sugarcane industry are factories are crushing less cane, high harvest and transportation cost and loopholes in traditional ways of cane surveying. Nubesol Technologies using its patented algorithm is helping factories to identify exact cane areas and forecast plot by plot with accurate cane acreages. Advanced technology platform also helps in accurately forecasting optimum maturity dates of each cane plot.

The firm has a subscription based model through which they generate revenue. It offers the following services to the farmers

Remote Sensing Technology (RST) – Advisory services for automated cane survey, forecasting accurate cane acreages, cane disposal reports on regular basis. The accurate forecast is given at the start of the season and disposal reports up to 6-8 is provided during the crushing season.

Crop Information Management System (CIMS) – It provides a platform to manage grower and land record management, Crop care & advisory using remote sensing, for yield forecasting supported by advanced analytic's & operational metrics reporting.

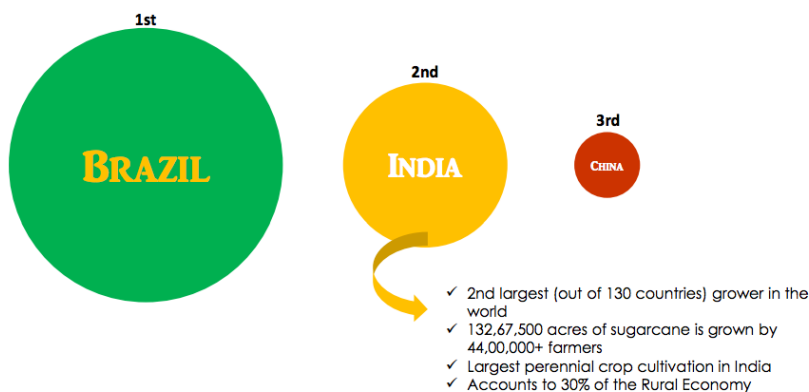
Efficient Logistics (EL) – Its platform produces data on dynamic harvest planning, manages efficient scheduling, monitors, tracks and manages the entire transport fleet.

Investment Raised

NubeSol has got investments from Villgro, India's oldest and foremost social enterprise incubator and Artha, which is focused on impact investment in social enterprise in India, with a concentration on the agriculture, livelihoods and small-scale renewable energy sectors.

Market Opportunity

Sugar Industry Overview – Sugarcane production



According to Indian sugar mills association, India has 632 sugar factories and millions of sugarcane farmers. It is a start, in their research they conclude that sugarcane sector is waiting for significant transformation. Nubesol model is replicable for all perennial crops on which they are currently doing the research.

Sugar production in India is forecasted to be 25.1 million tonnes in 2016. om Rs 0.8 crore for the same period last year. Some of the biggest sugar producers in India include Parry Sugar Mills, Mawana Sugars and Triveni Engineering. With technology's aide the overall sugar production will further increase, and cut down farmers' losses. With millions of people engaged in agriculture, India surely needs more such ventures that can produce affordable tech to disrupt the primitive practices being followed.

(Source- <http://www.iamwire.com/2016/06/nubesol-transforming-sugar-industry-ecosystem/137736>, published on June 8th, 2016)

Co-gen/Power

Greenko Energy raises \$230 million in fresh funds

Clean energy company Greenko Energy Holdings, an affiliate of the Singapore government's sovereign wealth fund GIC, has raised \$230 million in fresh funding from Abu Dhabi Investment Authority and the parent company.

GIC, which acquired a majority stake in Hyderabad-based Greenko Group Plc's Mauritius entity (Greenko Energy Holdings) for £162.8 million in October is infusing \$80 million into the company through one of its affiliates, the company said on Tuesday. GIC will continue to be the majority shareholder.

Abu Dhabi Investment Authority, the government of Abu Dhabi's investment arm, is investing the remaining \$150 million.

Greenko, which has a diversified portfolio of more than 1,000 MW of wind and small hydro assets, also appointed former State Bank of India chairman Om Prakash Bhatt as the company's non-executive chairman.

The investment in Greenko comes at a time when the Union government has set a target of generating 175 GW through renewable energy by 2022. About 60 GW of this mix would come from wind energy and 100 GW from solar energy, according to the 2015-16 economic survey.

(Source - <http://indianpowersector.com/2016/06/greenko-energy-raises-230-million-in-fresh-funds/>, published on 8th June, 2016)

India, US to forge \$1-bn renewable energy pact

Washington and New Delhi are likely to sign a \$1-billion partnership for the Indian renewable energy sector, paving the way for an investment boost from several US and global

investment agencies. Sources close to the development said the deal would be through two “innovative investment mechanisms” aimed at off-grid solar projects and rural electrification.

The two initiatives for solar power are the US-India Clean Energy Finance (ICEF) and the US-India Catalytic Solar Finance Program (ICSFP). ICEF would raise close to \$20 million from various US agencies in partnership with the Indian government, during the initial phase. The initiative would be financially supported by the Overseas Private Investment Corporation (OPIC), the US government’s development finance institution.

Sources said through OPIC’s participation, the Indian solar programme can look at leveraging close to \$400 million.

The investments would come from several US agencies and would be used mostly for off-grid solar projects, mini-grids for rural areas and other subsidy-based projects for economically backward regions. For the ambitious rooftop solar programme under the National Solar Mission, ICSFP would pump in around \$40 million.

(Source-<http://indianpowersector.com/2016/06/india-us-to-forge-1-bn-renewable-energy-pact/>, published on 8th June, 2016)

Thought of the day

‘We make a living by what we get, but we make a life by what we give.’ -Winston Churchill