

## SUGAR

### Rumors of increase in Salt and Sugar prices

Rumors of increase in salt and sugar prices led to panic buying in some of the minority dominated area. However, the state government was quick to react and stated that there was no possibility of any increase in the prices of the two commodities in the near future.

The rumors in some of the area stated that salt will be available at Rs 400 per kg, while sugar will be available at Rs 500 per kg. With the rumors, the traders in Shah-e-alam opened their shops and started distributing salt and Sugar.

The officials said that the rumors originated outside Gujarat. The rumor spread like fire and spread in some other areas of the minority dominated areas. Gyasuddin Shaikh, the MLA said that the rumors were starting to spread to other areas, but soon we were able to control it.

Jayesh Radadiya, the Civil Supplies minister said, "we have received the information and assure the people that the prices of salt and sugar will remain stable. Gujarat is the highest salt producing state and hence there is no possibility of any increase. The rumors was also there in other part of the country and there also the respective government have clarified."

(Source-<http://sugarnews.in/rumors-of-increase-in-salt-and-sugar-prices/>, published on 11th November, 2016)

### India sweet tooth just got more expensive as sugar output slides

Satisfying the sweet tooth of the world's biggest sugar-consuming country is getting a lot more expensive.

At a time when demand in India is the highest ever, domestic output will drop for the fourth year in five, creating the first deficit since 2010, as prices surge. SGS SA, a researcher hired by Bloomberg to survey farmers in top cane-growing regions, said reduced planting because of drought means production will fall 8.4 per cent to 23.016 million tonnes (mt) in the year that began October 1.

The smallest Indian crop since 2010 means the country will have to import supply, eroding global inventories that were the largest ever last year. After several smaller harvests in Brazil, the top grower and exporter, world output has failed to keep pace with record demand. Sugar futures in New York touched a four-year high in September, while Indian retail prices in September were 26 per cent higher than a year earlier.

"India's consumption is high relative to supplies," which are tightening as output drops, said Donald Selkin the New York-based chief market strategist at National Securities Corp who helps manage about \$3 billion. "You can see that sugar market is inverted, and that's a pretty bullish sign."

The global benchmark contract on ICE Futures US in New York has surged 47 per cent in the past year to 21.65 cents a pound on Wednesday. Prices could climb as high as 24 cents, Selkin said. Sugar futures in Mumbai are up 28 per cent in the past year to Rs 3,376 (\$51) per quintal

(220 pounds). That's helped to boost the share of producers including Balrampur Chini Mills Ltd and Dhampur Sugar Mills Ltd.

India's growers are dependent upon annual monsoons. The four-month rainy season affects sowing of both summer and winter crops and directly waters more than half of all farmland. Rainfall was 14 per cent below a 50-year average in 2015, following a 12 per cent shortfall in 2014, data from the meteorological department show.

### **Fewer acres**

The prolonged moisture deficit led farmers to reduce the amount of land used to grow sugar cane by 5.1 per cent, according to SGS, which surveyed 869 farmers between September 24 and October 18 across six states, including top producers Uttar Pradesh and Maharashtra. The results have a 95 per cent confidence level with a margin of error of 3.27 per cent.

"Previous dry years caused a drop in acreage," Mark Oulton, global agricultural market research manager with SGS, said by phone.

Planting declined in Maharashtra, Karnataka and Gujarat, while farmers increased area in Uttar Pradesh, Tamil Nadu and Andhra Pradesh, SGS said. Fewer acres were offset in part by a two per cent increase in national yields, Oulton said. About 9 per cent of crops were in bad condition, up from 5.5 per cent in the 2015-16 survey, though farmers reported 30 per cent in good condition, up from 20 per cent a year earlier, according to the report.

### **Smaller harvest**

As a result, cane production will decline 3.2 per cent to 340.85 mt this season, according to SGS. About 66 per cent of the crop will be crushed to make sugar, according to SGS. The rest will be used for livestock feed, seeding and jaggery, a local sweetener. To reach its forecast of sugar output, SGS used a sugar-extraction rate of 10.3 per cent for each ton milled, the average of 14 years through 2014 reported by the country's cooperative producers.

The harvest will shrink 14 per cent in Maharashtra, 12 per cent in Tamil Nadu, and 37 per cent in Karnataka, SGS said. Output will increase 12.7 per cent in Uttar Pradesh.

**(Source-<http://sugarnews.in/india-sweet-tooth-just-got-more-expensive-as-sugar-output-slides/>, published on 12th November, 2016)**

## **PM to inaugurate intl conf on sugarcane value chain in Pune**

Prime Minister Narendra Modi will inaugurate 'International Conference and Exhibition on 'Sugarcane Value Chain – Vision 2025 Sugar' organised by Vasantdada Sugar institute (VSI) here on November 13.

VSI, an ISO 9001:2008 organisation is an autonomous body established in 1975 at Pune by cane growers of co-operative sugar mills in Maharashtra with support of State and Central government.

Organisers said it is a matter of pride for VSI that the conference is coinciding with the birth centenary year of Late Vasantdada Patil, founder of the institute.

There will be an exhibition showcasing various technological developments in sugar industry and live demonstrations of sugarcane crop showing various advance technologies and practices in cultivation.

The conference is being organised between November 13 and 16 and eminent international and national speakers will be delivering lectures on significantly different important aspects of sugarcane value chain. Around 1,500 delegates are expected to participate in this conference from across the globe.

NCP chief Sharad Pawar, who is the President of VSI, will also be present at the inauguration ceremony.

Earlier, BJP local unit was planning to organise a public rally on the same day here where PM would address local BJP workers ahead of the civic elections but later scuttled it.

“There were plans to organise a public rally on the same day. However, due to the tight schedule of Modiji and model code of conduct is in force due to the Legislative Council elections, the rally event is not possible,” said Yogesh Gogawale, BJP city unit president.

(Source-<http://sugarnews.in/pm-to-inaugurate-intl-conf-on-sugarcane-value-chain-in-pune/>, published on 11th November, 2016)

## Co-gen/Power

### Deadlock over cane price continues, Maharashtra CM to take final call

Even as the sugarcane crushing slowly gains momentum in Maharashtra, the deadlock over cane price continues. The farmer organisations have threatened to start agitation from November 26 if their demands of higher cane price are not accepted. Maharashtra Chief Minister Devendra Fadnis will now take a call on resolving the deadlock.

An informal meeting between farmer union representatives and sugar millers regarding payment of first installment to cane farmers ended without any conclusion. The meeting was organised by Girish Bapat, state minister for public distribution, Maharashtra in the presence of Subhash Deshmukh, Maharashtra minister of cooperation at Sahkar Sankul, Pune. The meeting was attended by chairmans of sugar mills.

Farmers are demanding higher payments due to rise in cultivation cost but millers have expressed their fiscal constraint to pay anything above the mandatory fair and remunerative price notified by the Union government.

Meanwhile, sugar mills from Kolhapur and Sangli have agreed to pay Rs 175/tonne more than the fair remunerative price (FRP) and started crushing operations fearing diversion of cane to neighbouring state Karnataka.

(Source-<http://economictimes.indiatimes.com/news/politics-and-nation/deadlock-over-cane-price-continues-maharashtra-cm-to-take-final-call/articleshow/55400406.cms>, published on 13th November, 2016)

## **TS geared to meet higher demand for power in rabi**

### **Officials say the power utilities have made necessary short-term and long-term arrangements to meet energy demand up to 175 MU**

From facing the situation of farmers taking to the streets demanding supply of power for at least six hours to the farm sector during the 2013-14 Rabi season, the power utilities in Telangana have geared up to meet demand even up to 10,000 MW during the coming months.

Consumption of power in the State, including by agriculture, is expected to reach to highest-ever level this season, particularly during February-April period, when the Rabi crops would be in the key stages. "We are all prepared to meet the demand even up to 10,000 MW during the coming summer, although it is ranging around 7,000 MW now," Chairman and Managing Director of TS-Genco & Transco D. Prabhakar Rao stated recently.

Thanks to heavy rains across the State during July and September, the State has recorded 29 per cent surplus rainfall against the average for the south-west monsoon period this year, and it is likely to push up cultivation of crops to a maximum extent in the recent years, officials estimated.

Officials stated that there were about 17 lakh agriculture pumpset connections in the State and the rainfall of 925.2 mm recorded during June-September period, against the season normal of 713.6 mm, is expected to prompt farmers to tap groundwater through pumpsets.

#### **Cultivated area**

When contacted, Agriculture Department officials stated that they were expecting the cultivation during Rabi around 12 lakh hectares with paddy, maize and bengalgram crops taking a lion's share. Rabi crops, most which are groundwater dependent, were cultivated only in 7.25 lakh hectares during 2015-16 Rabi and 10.88 lakh ha, 15.39 lakh ha and 11.35 lakh ha, respectively, during the three previous Rabi seasons.

Officials of the power utilities stated that 1,000 MW power supply from Chhattisgarh, power purchase agreement for which was inked last year itself, is expected to become available from January with the completion of Wardha-Maheshwaram transmission line.

"Spot purchases would not be more than 500 MW during the summer as necessary long-term and short-term supply arrangements are already put in place for meeting the demand up of 175 million units of energy from the present 140 MU," a senior official of Southern Power Distribution Company of Telangana Ltd told The Hindu .

The power utilities have already spent about Rs.2,450 crore on improving infrastructure for supply (distribution) network by setting up new sub-stations and separation of agriculture feeders as the State Government has announced of supplying nine-hour power to farm sector. "There are about 5.46 lakh dedicated transformers for farm power supply in the State and about 4 per cent rolling stock is being maintained to meet exigencies during the peak demand," the officials said.

**(Source-<http://www.thehindu.com/news/cities/Hyderabad/ts-geared-to-meet-higher-demand-for-power-in-rabi/article9342267.ece?ref=tpnews>, published on 14th November, 2016)**

## ETHANOL

### Ethanol use can reduce India's fuel imports, says PM Modi

"Ethanol production and sale has tripled in the last two years," Modi said, adding that "ethanol can be a balancing power in the economy."

Prime Minister Narendra Modi on Sunday said the use of ethanol can reduce India's fuel imports and cited Brazil's example in successfully replacing gasoline to a large extent. "India's biggest import is petrol, diesel and oil. We can reduce this through use of ethanol. Brazil has made good use of ethanol," Modi said. He was speaking after inaugurating the 'Sugarcane Value Chain-Vision 2025 Sugar' International Conference and Exhibition.

"Ethanol production and sale has tripled in the last two years," Modi said, adding that "ethanol can be a balancing power in the economy." Ethanol is a renewable fuel made from corn and other plant materials.

"India has over the years lagged the world in agricultural research and technology. We can bring good results through micro irrigation in sugarcane," Modi said, adding that farmers in states like Maharashtra have turned to micro irrigation.

The Prime Minister also spoke of genetic intervention to boost sugar content in sugarcane crop. "There is a guarantee of assured market if we encourage pulses cultivation," Modi said.

He added: "There is a global market for bamboo farming. It needs less water and there is possibility of more production." He highlighted genetic research that can help bring in bamboo quality that is globally competitive.

At a time when land holding is declining, farmers will benefit when the per hectare yield improves, Modi said. "We have a lot to do in the field of innovation," he said, pointing to a lot of innovation in the agri sector. Modi also spoke of start-ups in the agri sector which, he said, will bring in value addition.

(Source- <http://indianexpress.com/article/india/india-news-india/ethanol-use-can-reduce-indias-fuel-imports-says-pm-modi-4373542/>, published on 13th November, 2016)

### Quote of the day

'Every child comes with the message that God is not yet discouraged of man.'  
— Rabindranath Tagore