

NEWS FLASH –20th June, 2016

SUGAR

Sugarcane farmers in MP demand PM crop insurance cover

Sugarcane growers in MP's Narsinghpur district have demanded that their crop be included under the new Pradhan Mantri Fasal Bima Yojana (Prime Minister Crop Insurance Scheme, PMFBY). Sugarcane crop was kept out of the Prime Minister Crop Insurance Scheme purview which was introduced by the Centre in January

The scheme, introduced by the Centre in January this year, has various new features on crop losses including post-harvest losses.

Under the scheme, premium rates to be paid by the farmers have been brought down substantially so that more farmers avail insurance cover against crop loss on account of natural calamities. The scheme will come into effect from the upcoming kharif season.

The farmers in the state were perplexed to find that the sugarcane crop was kept out of the scheme's purview at a time when the Centre has been showing concern over the farmer's plight on crop losses.

Babulal Patel, a farmer from Samnapur village in Narsinghpur, said, "The sugarcane crop is also affected by insects and other diseases and since it is of one year duration, the farmers had to face great financial hardships if there is crop loss. Therefore, the cover is necessary."

In 2016, sugarcane has been sown on 63,000 hectares of land by around 50,000 farmers in the district.

In 2014, the area under sugarcane cultivation was 59,900 hectares while in 2015, it was 65,000 hectares.

Sugarcane is sown between October and November and is a one year duration crop. The sugarcane cultivation in Narsinghpur is over 50% of what is grown in Madhya Pradesh.

In Narsinghpur district, the total cultivated land is 3 lakh hectares of which sugarcane is grown on 20-22% of the area.

With the passage of time, farmers in the state who were growing soyabean shifted towards sugarcane cultivation after they sustained losses after poor or excessive rains and suffered from diseases like yellow mosaic.

The area under sugarcane cultivation doubled in the district from 29,041 hectares in 2013 to 59,900 in 2014.

The Bharatiya Kisan Sangh, one of the wings of Rashtriya Swayamsewak Sangh (RSS), has come in support of the farmers' demand.

Sangh state executive body member Mahendra Goswami said, "Shortly we will be taking up the issue at the national level through the state bodies including Uttar Pradesh, Maharashtra and Punjab where sugarcane is grown on a large scale."

Narsinghpur deputy director agriculture department Jitendra Singh said, "As per guidelines of the Yojana received from the government, there is no mention of sugarcane crop. Hence, the farmers growing sugarcane will not get insurance cover".

Satya Prakash Parihar, a farmer in Jhuba village, said the new insurance scheme had excellent features as it covered post-harvest losses, failure to sow crop due to nature's vagaries and losses due to localized calamities and in this backdrop, the sugarcane crop must also be included.

(Source- <http://sugarnews.in/sugarcane-farmers-in-mp-demand-pm-crop-insurance-cover/>, published on 20th June, 2016)

TN: Government urged to sanction loans to sugar mills to help them clear arrears

The Thanjavur District Cauvery Farmers' Protection Association has urged Chief Minister Jayalalithaa to extend Rs. 2,500 a quintal for paddy and Rs. 3,500 a tonne for sugarcane taking into account the exorbitant rise in agricultural input costs and to make farming remunerative.

Rs.1,560.40-crore arrears

Sugar mills in the State had run up arrears to the tune of Rs. 1,560.40 crore to growers who had supplied the cane to them in the past three years. With growers in dire straits because of the non-payment of the dues, the State government must intervene and release the amount as loan to sugar mills so that they could channel the funds to farmers, said association secretary Swamimalai R. Vimalnathan in a memorandum.

No grant since 2010

The association has pointed out that electricity connections to pumps sets had not been granted since 2010 and the backlog under the general scheme and under the self-finance scheme had only increased over the years.

Some applicants have been languishing for want of power connection for the past 14 years.

The Chief Minister could consider announcing the lifting of cap on granting electricity connections to irrigation pump sets in the current Assembly session, Mr. Vimalnathan has said.

Hapless situation

Farmers, hemmed in by rising input costs and non-remunerative prices for their produce, were in a hapless situation and the Chief Minister could waive all types of agricultural

loans granted by cooperative, scheduled, and commercial banks, the association has demanded.

Barrage across the Coleroon

Recalling the Chief Minister's promise made in Thanjavur on May 10 on building a barrage across the Coleroon at Kudithangi, Mr. Vimalnathan demanded establishment of the planned tender coconut trading centre at Papanasam, represented by Agriculture Minister R. Duraikannu.

"Some applicants have been languishing for want of power connection for the past 14 years"

(Source- <http://sugarnews.in/tn-government-urged-to-sanction-loans-to-sugar-mills-to-help-them-clear-arrears/>, published on 19th June, 2016)

Cane dues may hurt sugar stocks

Shares of Simbhaoli Sugars and Bajaj Hindusthan may come under pressure on reports that Minister of State for Agriculture Sanjeev Kumar Balyan said they are among wilful defaulters in the matter of cane dues. The minister said despite improvement in sugar prices, mills have not made payments to cane farmers in Uttar Pradesh and urged state governments to take strict action against sugar companies for cane payment dues.

(Source- <http://www.thehindubusinessline.com/markets/stock-markets/cane-dues-may-hurt-sugar-stocks/article8752476.ece>, published on 20th June, 2016)

Sugar prices down Rs 20 per quintal on higher supply

Sugar prices dropped by Rs 20 per quintal at the wholesale market in the national capital today, dragged down by sufficient availability of stocks following higher supplies from mills amid scattered buying by stockists and bulk consumers.

Marketmen said the fall in sweetner prices was mostly due to adequate stocks following increased supplies from mills.

Sugar ready M-30 and S-30 prices slipped from last closing levels of Rs 3,820-3,900 and Rs 3,810-3,990 to settle at Rs 3,820-3,880 and Rs 3,810-3,870 respectively, showing a fall of Rs 20 per quintal.

In tune with overall trend, prices of mill delivery M-30 and S-30 dropped from Rs 3,530-3,600 and Rs 3,520-3,590 to finish at Rs 3,520-3,580 and Rs 3,510-3,570, revealing a net loss of Rs 20 per quintal.

In the millgate section, sugar Kinnoni, Asmoli, Dhanora, Dhampur and Sakoti were down by Rs 20 each to conclude at Rs 3,580, Rs 3,550, Rs 3,510 and rest all at Rs 3,510 each per quintal.

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

Sugar retail markets - Rs 36.00-45.00 per kg.

Sugar ready: M-30 Rs 3,820-3,880, S-30 Rs 3,810-3,870.

Mill delivery: M-30 Rs 3,520-3,580, S-30 Rs 3,510-3,570.

Sugar millgate (including duty): Mawana Rs 3,540, Kinnoni Rs 3,580, Asmoli Rs 3,550, Doralā Rs 3,540, Budhana Rs 3,530, Thanabhavan Rs 3,520, Dhanora Rs 3,510, Simbholi Rs 3,570, Khatuli Rs 3,560, Dhampur Rs 3,510, Ramala Rs 3,540, Anupshaher Rs 3,530, Baghpat Rs 3,560, Morna Rs 3,550, Sakoti Rs 3,510, Chandpur Rs 3,510, Nazibabad Rs 3,540 and Malakpur Rs N.T

(Source- http://www.business-standard.com/article/pti-stories/sugar-prices-down-rs-20-per-quintal-on-higher-supply-116062000465_1.html, published on 20th June, 2016)

Co-gen/Power

Delhi Government Threatens To Cancel Licence Power Distribution Companies

The Delhi government is considering revoking the licences of BSES discoms due to their "dismal" performance.

"The government is considering revoking their licences due to dismal improvement in their performance despite repeated warnings," a source said.

In a meeting with CEOs of the companies, Chief Minister Arvind Kejriwal had warned that government will take strict action if their performance does not improve, the source said.

Power Minister Satyendar Jain had written to Anil Dhirubhai Ambani Group chairman Anil Ambani, last week, over "atrocious" performance and the "unprecedented" power outages across the national capital.

Mr Jain also had asked him to come down to the city for a meeting, alleging that the discoms that supply power to nearly 70 per cent of the city have started "fudging" data to show improvement following stern warnings from the government.

BSES entities BRPL (BSES Rajdhani Power Limited) and BYPL (BSES Yamuna Power Limited) supply electricity to around 12 lakh and 16 lakh customers respectively. The city's power sector was privatised in 2002.

"Performances of BSES so far have been atrocious...The expectation was that you will bring down tariffs and install a world class power system in the capital city of Delhi, which would compare better than power system in any other capital in the world. However, you have failed to do so," the letter said.

"There are also allegations of corruption and financial irregularities including siphoning off funds by your companies," Mr Jain had said in his letter.

He said despite repeated meetings and warnings to senior officials of BSES, the power situation has not improved. "If there are 10 outages, the daily report from your company shows only 7 and deliberately masks out 3."

The AAP government in its first stint had also written to DERC to do the same.

(Source- <http://www.ndtv.com/delhi-news/delhi-government-threatens-to-cancel-licence-power-distribution-companies-1421118>, published on 20th June, 2016)

China to generate a quarter of electricity from wind power by 2030

China is on track to generate more than a quarter of its electricity from wind power by 2030, and the figure could rise to nearly a third with power sector reforms, a new study has found.

Within 14 years, more new generating capacity – mostly clean energy – will come online in China than currently exists in the whole of the US, further cementing the country's image as a burgeoning green giant.

Valerie Karplus, a co-author of the study published in the journal Nature Energy and assistant professor at MIT, said that Beijing wanted to increase its wind capacity by a factor of between three and five before 2030.

"China is now the world's wind energy leader by a fairly large margin," she said.

The country's 145GW of installed wind capacity last year eclipsed both Europe and the US, even if not all of it is yet grid-connected. By 2030, renewables are slated to generate a fifth of China's primary energy needs.

But the green giant narrative sits uneasily with the reality that China, the world's largest greenhouse gas emitter, still produces more than 70% of its electricity from coal.

It is also a pique to Europe's clean energy industry and policymakers who made much of the gains in the global green energy race over the first half of the decade.

Oliver Joy, a spokesman for the European Wind Energy Association, said: "Europe's leadership in renewables may be consigned to the history books if we don't implement long-term policies. If we do that, Europe could also get a quarter of its power from renewables by 2030. It is telling that global investment in renewables reached record levels last year and yet Europe saw a 21% decline."

Investment in China's renewable supplies may be less of an immediate priority than integrating the country's variable wind capacity, due to an outdated transmission system hooked on inflexible and predictable energy flows.

At present, local economic incentives favour inflexible suppliers, partly because of an annualised system of must-run quotas for coal that spread across much of the country.

These entitle operators to contractual guarantees and prevent amendments that reflect marginal price variations.

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Nick Mabey, the chief executive of the E3G thinktank, said: "China's inflexible coal power stations means that it wastes 40% of the clean wind power it generates in some regions. Tapping into China's abundant and affordable wind resources will require radical power system modernisation and tackling powerful coal interests."

The Nature Energy paper analyses future energy generation and distribution. "With more extensive reforms leading China to transition to spot markets and allowing electricity providers to reflect the marginal costs of wind generation, China's clean energy potential could be further increased," Karplus said.

Building windfarms close to "load centres" where electricity can be easily transferred and used would also make more sense than concentrating them in wind-rich but geographically isolated territories, she added.

With tweaks to coal unit scheduling, wind power could be procured as soon as it becomes available, allowing decisions on a much tighter timescale than currently happens, the report says.

(Source- <https://www.theguardian.com/environment/2016/jun/20/china-to-generate-a-quarter-of-electricity-from-wind-power-by-2030>, published on 20th June, 2016)

CLP India buys 49% stake in Suzlon's 100 mw-solar power project at Telangana

Hong Kong based CLP Group has forayed into the Indian solar energy market by acquiring 49% stake in Suzlon EnergyBSE 1.72 %'s 100 mw project in Telangana, the two companies said in a joint statement Monday.

While the two companies will develop the project at Veltor in Telangana in a joint venture, under s special purpose vehicle namely SE Solar, CLP India will have the option to acquire the balance 51% stake later. ET had first reported the deal on May 30.

"We have been keen to invest in solar in India to complement our wind portfolio, and have evaluated projects that will be value-enhancing for our shareholders, whilst being attractive for our customers. The Veltor solar project meets both the criteria. We remain keen and will continue to explore such projects to expand our renewable energy footprint in Telangana and across India," Rajiv Mishra, managing director, CLP India, was quoted as saying in the statement.

The two companies did not disclose the deal size. The Rs 800 crore project needs Rs 150 crore of equity and the rest will be financed through debt.

The country's second-largest wind turbine manufacturer, Suzlon made its entry into solar in January by winning the rights to set up 210 MW of solar plants in Telangana in this financial year across six projects. The largest is the 100 MW one that Suzlon is planning to monetise first, the others being one of 50 MW and four of 15 MW each. The 100 MW project is due for commissioning on May 31, 2017.

"The target of 175 GW renewable energy by 2022 outlined by the government of India, offers an opportunity of over 100 GW solar in the next six years. I am confident, with the conducive policy environment and public-private partnership we will seize this opportunity to ensure sustainable, affordable and reliable energy for all. We look forward to continuing our long-standing relationship with CLP and contribute towards nation's energy security," Tulsii Tanti, chairman and managing director of Suzlon Group said.

CLP has identified India as a primary growth market for CLP and the Veltor solar project will help the company inch closer to its target of having 20% of power generated by renewable energy by 2020. Recently, CLP India also signed a memorandum of understanding with the government of Haryana to set up a 132 mw solar project at its Jhajjar power station.

(Source- <http://economictimes.indiatimes.com/industry/energy/power/clp-india-buys-49-stake-in-suzlons-100-mw-solar-power-project-at-telangana/articleshow/52829703.cms>)

Thought of the day

'Poetry is when an emotion has found its thought and the thought has found words.'

-Robert Frost