

## NEWS FLASH –25<sup>th</sup> June, 2016

### SUGAR

#### Sugar supplies to outstrip demand

Sugar availability in the coming 2016-17 sugar season, starting from October, will be around 31 million tonnes, much more than the expected demand of 26 million tonnes, an official statement said, refuting speculations of a shortage due to low production.

According to the statement, India will start the 2016-17 sugar season with an opening stock of seven million tonnes, while domestic production is projected to be around 23-24 million tonnes.

This means that the total availability would be approximately 31 million tonnes, while demand would be 26 million tonnes.

"The government has taken necessary steps to maintain sufficient stocks in the country. It has imposed 20 per cent duty on export of sugar and has empowered state governments to impose stockholding limits on traders to ensure availability of sugar at reasonable prices," the statement added.

(Source- <http://www.indiansugar.com/NewsDetails.aspx?nid=5703>, published on 23rd June, 2016)

#### Mixed outing for sugar

Sugar prices increased by ₹ 10 a quintal for S-grade and ruled steady for M-grade on eased demand, supply and volume. Naka and mill tender rates were also unchanged on routine activities.

At Vashi, arrivals were about 59-60 truck loads and local dispatches were at 58-60 loads. The Bombay Sugar Merchants Association's spot rates: S-grade ₹ 3,582-3,662 (3,572-3,652) and M-grade ₹ 3,632-3,796 (3,632-3,796). Naka delivery rates: S-grade ₹ 3,540-3,620 (3,540-3,620) and M-grade ₹ 3,620-3,720 (3,620-3,720).

(Source-<http://www.thehindubusinessline.com/markets/commodities/mixed-outing-for-sugar/article8769119.ece>, published on 24<sup>th</sup> June, 2016)

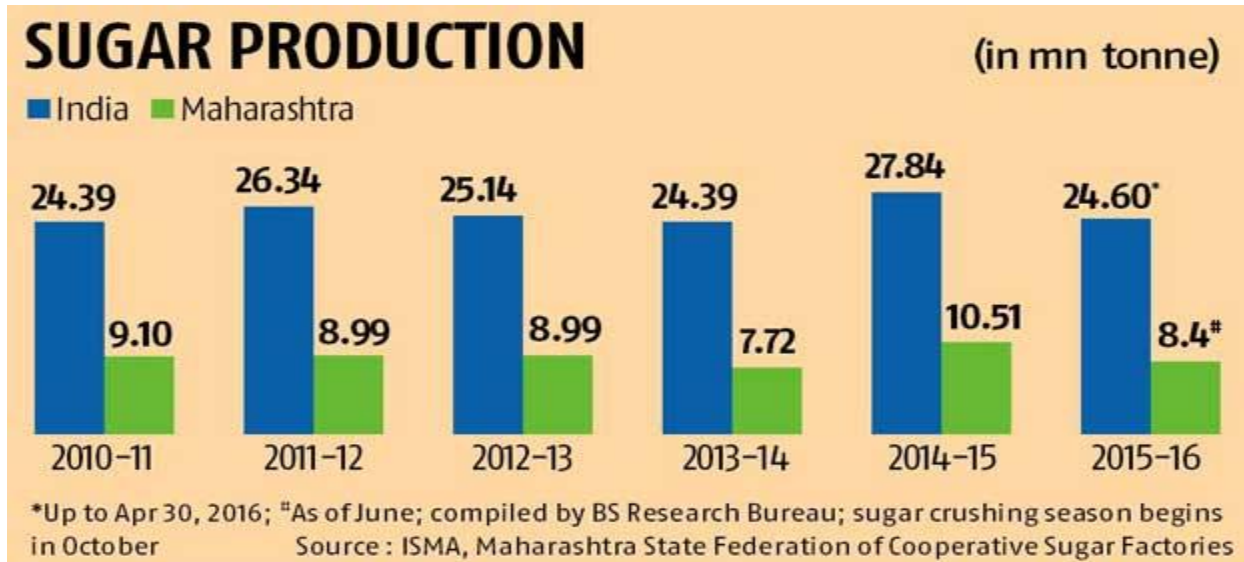
#### Drought likely to cut sugar output by 50% in Maharashtra

Maharashtra, which contributes a third of the country's sugar production, is expected to see a 50 per cent drop in its output during crushing season 2016-17 that begins in October.

Preliminary estimates by the Maharashtra State Federation of Cooperative Sugar Factories

are for state production of 4.5 million tonnes in 2016-17, against 8.4 mt in 2015-16 and 10.5 mt in 2014-15. The fall is attributed to drought in cane growing districts.

The Federation has projected a decline in cane production to 46 mt in 2016-17, against 74.3 mt in 2015-16. Of the 13.5 million hectares under the kharif crop in the state, sugarcane is grown on 10.25 mn ha. The sharp fall is attributed to severe drought in sugarcane-growing districts, leading to a decline in plantation.



Sanjeev Babar, managing director of the Federation, told Business Standard: "At least 40 cooperative factories from drought-hit districts won't be in a position to operate, for want of cane."

In 2015-16, as many as 176 factories, 99 cooperatives and 77 private ones, took part in the crushing season."

Indian Sugar Mills Association and the National Federation of Cooperative Sugar Factories have estimated India's sugar production in 2016-17 at 23.5 mt, against 25.2 mt in 2015-16. The projected output will be the lowest since the 18.9 mt for 2009-10.

(Source-[http://www.business-standard.com/article/companies/maharashtra-s-sugar-output-likely-to-drop-50-to-4-5-mn-tonne-in-2016-17-116062300628\\_1.html](http://www.business-standard.com/article/companies/maharashtra-s-sugar-output-likely-to-drop-50-to-4-5-mn-tonne-in-2016-17-116062300628_1.html), published on 23rd June, 2016)

## Co-gen/Power

### Two AP discoms to ink tripartite deal for UDAY

Two power distribution companies in Andhra Pradesh will sign a tripartite agreement with the state government and the Union Power Ministry for implementing the Ujwal Discom Assurance Yojana (UDAY) here tomorrow.

Minister of State for Power Piyush Goyal and Chief Minister N Chandrababu Naidu will attend the event.

Andhra Pradesh was the first State to evince interest to join UDAY, when it was announced in November last year to pull the heavily debt-ridden power discoms out of the red.

However, it could not move ahead because the state Finance Department did not clear the proposal all these months.

After a change of guard at the finance department last month, things started moving and the plan was finally approved by the Chief Minister today, under which discoms' debts amounting to Rs. 8,892 crore out of the total Rs. 14,720 crore would be absorbed by the state government.

### **13th State to join UDAY**

AP will now become the 13th state in the country to join UDAY. The Power Minister will hold a high-level meeting with the Chief Minister and the state government officials tomorrow to discuss the performance of the power sector in Andhra Pradesh.

Goyal will discuss a five-point programme that includes 24x7 power supply to all sectors, 100 per cent household electrification, enhancement of power generation capacity and reduction in transmission and distribution losses.

Promotion of new and renewable energy, including development of solar energy parks to generate 4000 MW, and energy efficiency activities will also be discussed, according to the Chief Executive Officer of State Energy Conservation Mission A Chandrasekhar Reddy.

(Source- <http://indianpowersector.com/2016/06/two-ap-discoms-to-ink-triparite-deal-for-uday/>, published on 23rd June, 2016)

### **Agreement on UDAY likely at today's Goyal-Naidu meet**

Union minister of state for power Piyush Goyal, along with top officials of his ministry, will hold a high-level meeting with chief minister N Chandrababu Naidu on Friday at Amaravati on key issues relating to the power sector. During the meeting the state is expected to enter into an agreement with the Centre on Ujwal DISCOM Assurance Yojana (UDAY). As per the scheme, the Centre will take steps to relieve the AP Power Distribution Companies (Discoms) of the `9,000-crore debt burden

Principal secretary (energy) Ajay Jain said here on Friday that the Centre was also keen on studying the latest initiatives taken by the state government such as setting up of a new entity, APSeedco (Andhra Pradesh State Energy Efficiency Development Corporation Limited), exclusively for energy efficiency programmes in the state. The AP Fibre Grid project, which aims at providing 100 Mbps Internet connection to all the households in the state, will also be explained to the Union minister.

(Source- <http://indianpowersector.com/2016/06/agreement-on-uday-likely-at-todays-goyal-naidu-meet/>, published on 24th June, 2016)

## **The largest wind turbine in the world is being built in Denmark – capable of powering 10,000 homes**

Denmark already holds a few records for wind power, but two Danish wind power companies really raised the bar this week.

LM Wind Power and Adwen are jointly developing the largest wind turbine in the world, and the first of its gigantic wind blades was just finished. The blade measures a staggering 88.4 meters.

With a rotor diameter of 180 meters LM's monolithic turbine will not only be the largest wind turbine in the world, but also one of the largest mechanical structures on Earth.

The size of the turbine is meant to lower the levelized energy cost, the per-kilowatthour cost of construction and operation of the turbine over its whole lifecycle. That will make wind power a more financially competitive alternative to other energy sources.

(Source- <http://indianpowersector.com/2016/06/the-largest-wind-turbine-in-the-world-is-being-built-in-denmark-capable-of-powering-10000-homes/>, published on 24th June, 2016)

## **ETHANOL**

### **Nagpur's ethanol green scania bus to be showcased in Pune**

Leading commercial vehicle and engine manufacturer Scania Commercial Vehicles India Pvt. Ltd. kickstarted a smart city initiative in Nagpur with the first Ethanol powered Green Bus as a pilot to show the environmental, social and commercial benefits of a Scania Bharat Stage V bus run on locally produced alternate fuels. The bus was handed over to the Nagpur Municipal Corporation (NMC) in August 2014 and has been in use in the city.

The Municipal Commissioner of Nagpur, Shравan Hardikar, has offered to showcase India's first ethanol powered city bus in Pune on 25th June 2016, at the city's first anniversary of the smart city project launch. Prime Minister Narendra Modi will attend the event and launch a number of initiatives under the smart city project. Scania is honoured to participate the Pune smart city anniversary with the Green Bus on behalf of Nagpur Municipal Corporation.

Scania is closely aligned with the mission of establishing sustainable smart cities that balance superior citizen services with ecological benefits and provide clean green and sustainable mass transit options. The ethanol powered bus is a first step in that direction. Developed as Scania's pilot project in the area of bio fuel powered transport solutions, the trial run of the Ethanol Green Bus in Nagpur has clearly demonstrated the merits of implementing sustainable transport solutions in a country that is in a phase of rapid urbanisation.

Clean and green renewable fuels, together with safe and smart mobility solutions, play a vital role in India's smart city mission. They provide the blueprint for smart cities to develop sustainable urban transport solutions. Mobility solutions that use bio fuels can not only help

in reducing emissions but also create value from waste. As India grapples with climate change and waste disposal, bio fuel technologies hold significant opportunities for the nation. These sustainable fuels also have an important role to play in helping the Government of India achieve its objective of reducing dependency on imported fossil fuels and reducing pollution

(Source- <http://sugarnews.in/nagpurs-ethanol-green-scania-bus-to-be-showcased-in-pune/>, published on 24th June, 2016)

## On brink of closure, Bihar distillery shifts to ethanol

A well-known distillery in Bihar, facing closure following complete ban on liquor in the State, has shifted to production of ethanol which would be supplied to major oil companies.

Sati Organics Private Limited, Gopalganj, started ethanol production from Wednesday with the same set of 250 employees who would have been rendered unemployed after prohibition.

"We started production of ethanol from yesterday by upgrading our production pattern," Sati Organics director Ramashankar Prasad said in a statement here on Thursday.

The ethanol would be supplied to leading oil companies like Indian Oil Corporation Limited, Hindustan Petroleum Corporation Ltd and Bharat Petroleum Corporation Ltd, Mr. Prasad said.

He said that initially the company would produce 12 lakh litres of ethanol, although the distillery's capacity is much higher.

Ethanol is produced from sugarcane molasses and is utilised in the chemical industry as well as bio-fuel in vehicles.

The Nitish Kumar-led government enforced a complete ban on liquor since April 5. The order prohibits production of spirit but there is no curb on ethanol which is blended with petrol.

(Source- <http://sugarnews.in/on-brink-of-closure-bihar-distillery-shifts-to-ethanol/>, published on 24th June, 2016)

### Thought of the day

'You will not be punished for your anger, you will be punished by your anger.' Buddha