

NEWS FLASH – 26th April, 2016

SUGAR

It is not practical to close old sugar mill, says Devendra Fadnavis

World Bank has shown keen interest in making 5,000 villages in Marathwada and Western Vidarbha drought-free, claimed CM Devendra Fadnavis. The bank will provide a loan of Rs 5,000 crore to change the water conservation and crop pattern scenario.

Elaborating the World Bank scheme, Mr Fadnavis said the Maharashtra government had submitted a detailed proposal to the ministry of external affairs. He added that a meeting between World Bank and the Maharashtra government was held during the budget session. "We told a World Bank official that as the state is facing severe drought because of climate change, his organisation should help Maharashtra using the specific fund for created drought mitigation," said Mr Fadnavis,

He added that generally, the process from submitting the proposal to getting the loan approved and disbursed takes one and half year. "But I requested World Bank officials to consider the proposal through one window and they agreed to it," he said.

According to him, World Bank will support 3,000 villages from Marathwada and 2,000 villages from Vidarbha. Water conservation works will be the focus of this scheme and later the nature of the crop pattern to be adopted be in drought-prone regions would be decided upon, said Mr Fadnavis.

The scheme will be implemented in Aurangabad, Beed, Latur, Osmanabad and Akola, Buldhana, Amravati districts.

When asked whether the water-guzzling sugarcane crop would still be cultivated, the CM said, "Sugarcane is sustainable and its obvious that farmers have the first priority to choose such a crop. We cannot stop any sugar mill but we can bring all sugarcane crops under drip irrigation." He also said that it is not practical to close old sugar mills and we can make considerations while giving permissions to new sugar mills.

While replying to another question, Mr Fadnavis said, "We have directed all municipal corporations to use sewage water after tertiary treatment to industries. The Kalyan-Dombivali and Thane municipal corporations in particular should adopt this system as the industries around these cities use fresh water supplied by the Maharashtra Industrial Development Corporation.

He added that MIDC was earning money from selling water to industries, as the rate of the water for industrial purposes is high. "Their income would reduce up to a certain level, but people will get more fresh water if MIDC uses tertiary water," he stated.

(Source- <http://sugarnews.in/it-is-not-practical-to-close-old-sugar-mill-says-devendra-fadnavis/>, published on 25th April, 2016)

Bijnor cane farming methods draws interests in India & abroad

Better management of cane cultivation in the district have drawn farmers and sugarcane officers from nine neighbourhood districts, who have come to study the crop pattern and the farming practices in the area. Recently, a foreign delegation had also visited Bijnor to understand cane farming methods in Bijnor district.

According to district cane officer O P Singh, a delegation of farmers and sugarcane specialist visited Bijnor on Saturday to study the farming methods applied in the district. Bijnor district has 2.09 lakh hectares under sugarcane cultivation. It occupies second place in UP in sugarcane area. In addition to this, the recovery rate of sugarcane in Bijnor district is 11.40, which the second highest in UP and is better than that of Maharashtra.

The nine districts from where farmers and officials have come include Balrampur, Gaunda, Bareilly, Faizabad, Rampur, Amroha, Sambhal, Moradabad and Meerut. They are here on a two-day visit and visited Syohara, Nahtaur and Tisotaraon Saturday

He said, "Farmers in Bijnor are increasingly using trench methods for growing sugarcane. In this method, production and recovery is good and that too with less water use. Here, only the cane line is watered and not in the empty space. Therefore, a huge amount of water is conserved. In addition, if farmers want, they can sow inter-crops in the empty space and earn more money. This method is catching up with many farmers in India. They are showing a lot of interest in this method of cultivation. Earlier, farmers in foreign countries also visited Bijnor and were impressed by the technology and the method used in case cultivation here."

Mehndi Hasan, a farmer from Balrampur, said, "I saw many plots and found that fields in which cultivation were done with trench method were better than others. I will also adopt this method. "

(Source-<http://sugarnews.in/bijnor-cane-farming-methods-draws-interests-in-india-abroad/>, published on 23rd April, 2016)

Maharashtra likely to see 30% drop in sugar output

Maharashtra, which has long been the top sugar producer in the country, is likely to see a steep decline in its sugar output-of around 30%-on account of the intense drought, according to estimates from sugar department officials.

Early forecasts suggest that sugar production in Maharashtra will drop from 85 lakh tonnes in 2015-16 to just around 55-60 lakh tonnes in 2016-17. A decline which ranges from 29% to 35%, officials say. The state's federation of cooperative sugar factories places the decline slightly lower, expecting an output of between 62 lakh and 67 lakh tonnes.

The sugarcane planting season stretches from June to February. Typically around 6 lakh hectares of new cane is grown during these months. However, the season of 2015-16 saw a plantation of less than 3 lakh hectares, officials say.

A final estimate of the crop area can only be made by June. Besides the new plantation, the old sugarcane stumps also grow out by then. These usually account for 45% of the total crop.

"It is premature to estimate the crop area. It will depend on the survival of the ratoon or the cane which grows from old stumps. We are hoping for pre-seasonal showers," said state sugar commissioner Vipin Sharma.

The steepest decline in cane area has been in the Marathwada region, which was worst hit by the drought. Despite being a historically arid region, Marathwada cultivates as much as 20% of the water-guzzling crop and has 70 sugar factories. The parched district of Solapur in the sugar belt of western Maharashtra also reported a major drop in cane area, besides Pune and Ahmednagar.

In 2014-15, which was a drought year, the state saw its highest ever sugar production at 105 lakh tonnes. In 2015-16, it fell to 85 lakh tonnes. Now it is set to plummet even further.

Maharashtra has 236 sugar factories, of which 177 functioned this year, officials say. "Sugar factories will face heavy losses with the fall in cane. Some will face closures and lay-offs," said Sanjeev Babar, managing director of the Maharashtra cooperative sugar factories federation.

The state's sugar factories also owe farmers massive dues worth Rs 3,200 crore. "The state's factories have paid 80% of farmers' dues, and the rest should be cleared by September," Babar said.

Critics are increasingly questioning the wisdom of cane cultivation in drought-prone Marathwada and calling for a ban. "There is a 101% cause-effect between sugarcane cultivation in Marathwada and the drought. The region is part of a deficit river basin and cannot afford to cultivate a water-intensive crop," said water expert Pradeep Purandare, former expert member of the Marathwada Development Board.

Latur, which is facing its most intense water crisis, cultivates the largest amount of cane in Marathwada. "It takes 2,500 litres of water to irrigate one kilogram of sugar. On an average, a factory that can crush 2,500 tonnes of cane a day needs 25,00,000 litres of water a day," he said. Yet, instead of cutting back on cane, Marathwada has only increased its cane cultivation and sugar factories, adding to the water stress and draining ground water.

(Source- <http://sugarnews.in/maharashtra-likely-to-see-30-drop-in-sugar-output/>, published on 24th April. 2016)

CO-GEN/ POWER

Power outage hits N coastal dists hard

The north coastal Andhra plunged into utter darkness in the early hours of Sunday following a major technical snag in the 400 kv power supply feeder of the AP Transco. Hospitals and train services were badly hit as officials took about four hours to restore the power supply. The hot summer night made matters worse as generators went out of fuel and inverters shut down due to discharge of batteries.

About 30 lakh power consumers in the three north coastal districts of Srikakulam, Vizianagaram and Visakhapatnam were put to pre-dawn trouble by the Eastern Power Distribution Company of AP Limited (APEPDCL), which apparently failed to keep a tab on the main power feeder.

Officials said the capacity voltage transformer attached to the 400 KV feeder at Kalpaka village in Parawada mandal, adjacent to the NTPC-Simhadri power generation unit in Visakhapatnam district, developed technical problem at about 4 am on Sunday, plunging the entire north coastal Andhra into darkness.

(Source- <http://indianpowersector.com/2016/04/power-outage-hits-n-coastal-dists-hard/>, published on 25th April, 2016)

ETHANOL

Plant to make ethanol from cellulosic biomass inaugurated at Kashipur

Dr Harsh Vardhan, Minister for Science & Technology and Earth Sciences, on April 22, 2016 inaugurated India's first second-generation (2G) ethanol demonstration plant at Indian Glycols Ltd's Kashipur facility in Uttarakhand.

The technology demonstration plant, with a capacity to consume 10 tonnes of biomass per day, is based on the globally-competitive indigenous technology of converting lingo-cellulosic biomass to ethanol. It is a feedstock-independent technology developed by DBT-ICT Centre for Energy Biosciences at the Institute of Chemical Technology (ICT) Mumbai, supported by Department of Biotechnology, Ministry of Science and Technology and the Biotechnology Industry Research Assistance Council (BIRAC).

Dr Harsh Vardhan said that it is a novel technology suited to both Indian & global needs and is projected to be capable of converting all types of agricultural residues like bagasse, rice straw, wheat straw, bamboo, cotton stalk, corn stover, wood chips, etc to ethanol in less than 24 hours, with optimum product yields. If successfully operated and scaled-up, it will establish India as a major global technology provider in the arena of renewables and

reduction in carbon-emissions, besides effecting considerable savings in import of crude oil.

Government of India has set a mandate of 5 percent blending of renewable biofuel in both petrol and diesel. While diesel biofuel blending is near zero, the petrol blending today stands at an overall of about 3 percent in the form of first generation (1G) or molasses-based ethanol.

While the annual requirement of 1G-ethanol stands at about 500 crore litres, the current total installed capacity is about 265 crore litres. In such a scenario, the targets of 10 percent blending by 2017 and 20 percent by 2020 look remote unless agricultural waste based ethanol, ie 2G-ethanol production technologies are successfully demonstrated. India's potential for 2G-ethanol production from a mere 10 percent of its non-food and non-fodder agricultural residues, currently estimated to be available in excess of 300 million tonnes, stands at nearly 1000 crore litres of ethanol.

Dr K Vijay Raghavan, Secretary, Department of Biotechnology, expressed confidence that this technology, with the lowest capital and operating costs, would allow 2G-alcohol to be produced and sold at globally competitive price. The DBT-ICT Centre has already developed designs of plants with capacities of 250-500 tonnes per day. He added, "This is an example of how we can work on the challenges the world faces, define them in Indian labs and then strive to solve them for the benefit of the world community in general and India in particular."

(Source-http://www.business-standard.com/content/b2b-chemicals/plant-to-make-ethanol-from-cellulosic-biomass-inaugurated-at-kashipur-116042500542_1.html, published on 25th April, 2016)

Ethanol Blending of Petrol

The Minister of State (I/C) for Petroleum & Natural Gas Shri Dharmendra Pradhan informed the Lok Sabha in a written reply today that in India, the Government has permitted Oil Marketing Companies (OMCs) to sell Ethanol blended petrol with percentage of ethanol up to 10% as per BIS Specification to achieve 5% ethanol blending across the country as a whole. During the sugar year 2014-15, OMCs have achieved a blending percentage of 2.3 per cent.

The Government has fixed the price of ethanol. As petrol has been decontrolled with effect from June, 2010 OMCs take appropriate decision on pricing of petrol as per international prices and market conditions.

Ethanol blending in Petrol results in saving of Petrol to the extent of its blending and consequent foreign exchange. The potential foreign exchange earnings for the Sugar Year 2014-15 amounts to around USD 285 Million.

In order to improve the availability of ethanol and encourage ethanol blending, the Government has taken following steps:

- (i) The Government has fixed the delivered price of ethanol in the range of Rs.48.50 per litre to 49.50 per litre.
- (ii) Ethanol produced from other non-food feedstocks besides molasses, like cellulosic and ligno cellulosic materials including petrochemical route, have been allowed to be procured.
- (iii) Ministry of Petroleum and Natural Gas, on 1st September, 2015, inter-alia has asked OMCs to target ten percent blending of ethanol in Petrol in as many States as possible.
- (iv) The procedure of procurement of ethanol under the EBP has been simplified to streamline the entire ethanol supply chain.
- (v) Excise duty has been waived on ethanol supplies to OMCs for EBP by sugar mills during 2015-16.

Above initiatives to incentivize Ethanol Blended Petrol (EBP) Programme are expected to increase blending of ethanol in the near future.

(Source- http://www.business-standard.com/article/government-press-release/ethanol-blending-of-petrol-116042500877_1.html, published on 25th April, 2016)

Thought of the day

"The world is the great gymnasium where we come to make ourselves strong."

- Swami Vivekananda