

NEWS FLASH –28th November, 2016

SUGAR

AP: Co-operative sugar factory to be revived

The only co-operative sugar factory in the district at Amudalavalasa is to be handed over to the Andhra Pradesh Infrastructure Corporation (APIIC), along with its lands. The State government has issued a GO (No 162) to this effect. The sugar factory was wound up on March 4, 2004 by the then government and the assets of the factory were handed over to Ambica Sugars and Agro-industries Limited for a price of Rs 6.20 crore through an auction.

But farmers and other stakeholders in the factory opposed the government's move and filed a writ petition in the High Court. On March 3, 2016, the High Court declared the auction process as 'illegal' and directed the government to recover the assets of the factory.

In compliance with the High Court instructions, the State government has decided to hand over the factory and its lands to APIIC for its revival. The government has also appointed District Co-operative Officer Balivada Srihari Rao as Managing Director for the sugar factory.

(Source-<http://sugarnews.in/ap-co-operative-sugar-factory-to-be-revived/>, published on 25th November, 2016)

Mills offer Rs. 3,100 per tonne of sugar; growers reject it

The Karnataka Rajya Raitha Sangha on Thursday rejected outright the offer made by sugar mills to give Rs. 3,100 per tonne of sugar and gave a call to the farmers to reject the Congress government hereafter.

Reacting to the offer made during the meeting of the managements of sugar mills in North Karnataka with Minister for Co-operation and Sugar H.S. Mahadev Prasad at the Suvarna Vidhana Soudha here, the sangha leaders said that the managements had offered Rs. 3,100 per tonne, including the cost of harvesting and transportation, which would be between Rs. 600 and Rs. 650 per tonne.

This is no less than cheating and illegal as there is no provision in the laws dealing with sugarcane suggesting that the harvesting and transportation cost be collected from the growers, they said.

The responsibility of the grower ended once the mill officials conducted on-field test for sugarcane maturity.

The sangha leaders said that the Congress government and the sugar mills had again conspired to exploit farmers.

They said that nothing less than Rs. 3,000 per tonne without any deduction, not even harvesting and transportation cost, would be acceptable to growers.

The sangha leaders would now discuss the issue and decide on taking up a fresh struggle for a justifiable price for their crop.

(Source-<http://sugarnews.in/mills-offer-rs-3100-per-tonne-of-sugar-growers-reject-it/>, published on 25th November, 2016)

PM Narendra Modi in Kushinagar: 'UP govt not interested in solving people's problems'

Prime Minister Narendra Modi on Sunday attacked the Samajwadi Party government in poll-bound Uttar Pradesh for being "unconcerned" to the hardships of the people and asked if its family feud was over to allow it to concentrate on implementing central schemes for farmers.

Modi criticised the Akhilesh Yadav government for not implementing the schemes to benefit farmers though the Centre was paying for them.

"I want to ask UP government if you have settled your dispute, implement crop insurance scheme in UP. I don't think they (UP government) can do that... They don't have interest in solving problems," he said at BJP's 'Parivartan Yatra' rally.

He was apparently referring to the crisis within the Yadav family that pitted Akhilesh against his father Mulayam and uncle Shivpal months ahead of the UP elections.

Modi said had previous governments thought of changing lives in villages, farmers and poor would not have been facing problems as he tried to strike an emotional chord with farmers by beginning his speech in Bhojpuri and devoted a considerable part of his speech to problems of cane growers.

"The time has gone when those in government called themselves rulers. I am your 'sewak' (I am at your service)...It's my responsibility to work for you. You have given me a lot. I am indebted to you," he added.

Stating that cane dues amounted to a whopping Rs 22,000 crore in 2014-15, he said people had got "used to" it, so much so that they did not even complain.

"The UP government was also unconcerned. When we formed government at the Centre, we decided to take care of cane growers. Now only very little payment is pending," he said.

Highlighting his government's initiatives, Modi said, "Sugar mill owners wanted package when they met me. I asked them your habit to take packages is old. I will give you whatever you want and I later sent officers to seek list of those whose dues were pending."

"I later said package will be given but not to sugar mills but to farmers and their dues will be transferred to their account directly" to ensure there are no middlemen, he said.

Modi said that in order to remove worries of sugarcane growers, he also asked sugar mills to install machinery to produce ethanol, which could be used as an alternative to petrol and diesel.

"If sugar prices fall, produce ethanol. We won't let cane growers die. The sugar mills have produced 100 crore litre of ethanol that is a record for the country. This is used in vehicles and saved on import of fuel," he said.

(Source-<http://www.firstpost.com/politics/pm-narendra-modi-in-kushinagar-up-govt-not-interested-in-solving-peoples-problems-3127030.html>, published on 27th November, 2016)

COGEN

Coal India's supply to power sector dips 4 pc in Apr-Oct

State-run Coal India's fuel supply to the power sector witnessed a decline of 3.7 per cent to 216.5 million tonnes during the April-October period this fiscal, even as the Centre claimed the demand for coal has started picking up.

Coal India (CIL) supplied 225.1 million tonnes (MT) of coal to the power sector in the April-October period last fiscal, according to the latest government data.

While the dispatch of fossil fuel by CIL in October 2016 stood at 31.6 MT against 34.5 MT in same month a year ago, it said.

The supply of coal by Singareni Collieries Company (SCCL) during the April-October period marginally dropped by 1.2 per cent to 26.6 MT, against 26.9 MT in the corresponding seven months of the previous fiscal.

SCCL is a government coal-mining company jointly owned by Telangana and the Centre on a 51:49 equity basis.

The government last month said there were no plans to cut down coal production as the demand had already picked up.

(Source- <http://economictimes.indiatimes.com/industry/indl-goods/svs/coal-indias-supply-to-power-sector-dips-4-pc-in-apr-oct/articleshow/55647103.cms>, published on 27th November, 2016)

Kerala planning to purchase electricity

In a major setback for the power generation from Idukki, it will take nearly 20 days to resolve the technical snag found at the spherical valve of one of the power generators at Moolamattom power house. According to officials, the KSEB and state government are planning to purchase electricity from outside to avoid load-shedding in the state.

After visiting the Moolamattom power house on Sunday, Power Minister M M Mani said that technical issues found at the spherical valve of the No 3 generator would be rectified within 20 days. Mani added that he held discussions with officials concerned regarding alternative measures to be taken to address crisis in the electricity supply in the state in the wake of the technical troubles.

"We are considering a suggestion to purchase electricity from outside to avoid load-shedding. I have already discussed the matter with Chief Minister and higher officials in the department. At the same time, crisis in power generation will be severe in this year owing to dearth in rainfall and the ensuing low water level in reservoirs. As part of precautionary measures, government in principle decided to purchase electricity from outside," Mani said.

Regarding the technical snag found at the generator, he said troubles were quite natural in long running machines. "While one generator fell in trouble, two others were also shut down. The generators' proper functioning will be restored by December 16," he said. KSEB Chief Engineer Brijilal said that three out of six generators were shut down following maintenance works. "In such a situation we need to purchase around 390 MW electricity to avoid load-

shedding," he said. Mani, who reached the power house by 11 am, spent nearly one hour here, along with higher officials of the department.

(Source-<http://www.newindianexpress.com/states/kerala/2016/nov/28/kerala-planning-to-purchase-electricity-1543319.html>, published on 28th November, 2016)

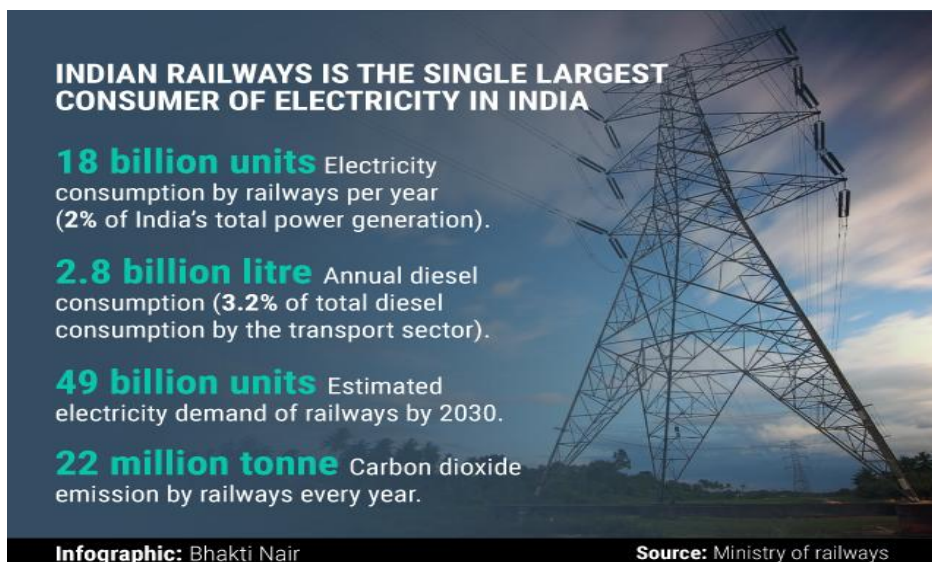
Bihar, West Bengal challenge CERC's order allowing Indian Railways to procure electricity from others

The Indian Railways, which was granted permission by the Central Electricity Regulatory Commission (CERC) for procuring electricity directly from power generators, is facing opposition from the state governments of West Bengal and Bihar.

The two states have challenged the CERC order granting deemed distribution licence status to the national carrier under the Electricity Act, 2003 in November 2015, leading to the railways being treated at par with distribution companies.

The matter is currently in the appellate tribunal for electricity which was set up following the Electricity Act.

The railways currently consumes 18 billion units of electricity annually drawing a bill of around Rs.10,000 crore. It expects to reduce the input cost to the railways by Rs.3,000 crore annually if it buys electricity directly from generators rather than state electricity boards' distribution companies.



"Bihar and West Bengal have challenged the order of CERC which gave the deemed licence 14 May, though the appellate tribunal for electricity has said in-principle the order of CERC is upheld. As far as the law is concerned, it is on our side," said a senior official at the ministry of railways requesting anonymity.

The Indian Railways contracted about 500 megawatt (MW) power from Ratnagiri Gas Power Pvt. Ltd for consumption in Maharashtra, Gujarat, Madhya Pradesh and Jharkhand at about Rs.4.70 per unit.

It further got 200MW power from 47 traction sub-stations in Maharashtra starting 26 November last year. In addition, railways, through its company Railway Energy Management Co. Ltd, contracted 50MW power through open tendering system at Rs.3.69 per unit in its central transmission utility-connected network from Dadri to Kanpur in Uttar Pradesh. This 50MW power flow started 1 December 2015.

InfraCricle on 9 November reported Rajasthan has given approval for providing no-objection certificate (NOC) to the Indian Railways for procuring power directly from other generators.

“We are getting electricity from Ratnagiri Gas and Power Pvt. Ltd at Rs.4.70 per unit. At the moment, we have been granted NOC by Gujarat, Madhya Pradesh, Maharashtra, Uttar Pradesh and Jharkhand. We also have soft commitment from Rajasthan and Chhattisgarh. Our main problem is Bihar where we have the Nabinagar power house from which we have to evacuate energy. In that 110MW unit, 90% is our share,” said the official quoted above.

PROCUREMENT OF CHEAPER POWER THROUGH OPEN ACCESS

- Railways began drawing about **500 megawatt** of power from Ratnagiri Gas and Power Pvt. Ltd for consumption in Maharashtra, Gujarat, Madhya Pradesh and Jharkhand.
- Average cost of energy for electric traction in these four states has come down from an average ₹7.70 per unit to **₹4.61 per unit**.
- Net savings of about **₹1,500 crore** for Indian Railways.

CERC in its judgement on November 2015 had clarified that the railways was an authorised entity under the Railway Act to undertake transmission and distribution in connection with its working.

India's apex electricity regulator further directed all regional and state load dispatch centres and state transmission utilities to facilitate the railways' medium- and long-term access from generating units and other sources to the railway network, according to a note issued by the ministry of railways titled 'New Paradigm of Electric Power Procurement'.

“The matter is still with the appellate tribunal,” said a CERC official requesting not to be named.

Queries emailed to the spokespersons of the ministry of railways, CERC and the state governments of West Bengal and Bihar on 16 November remained unanswered.

According to experts, the Indian Railways should be allowed to procure electricity legally according to the Electricity Act.

“As the matter is sub judice, it is the decision of the appellate tribunal which will be watched. However, personally in my opinion according to the Electricity Act the Railways should be allowed to procure electricity,” said Abhaya Agarwal, partner at consultancy firm EY.

(Source-<http://infracircle.vccircle.com/bihar-west-bengal-challenge-cercs-order-allowing-indian-railways-procure-electricity-others/>)

Quote of the day

Character is like a tree and reputation like a shadow. The shadow is what we think of it; the tree is the real thing. -Abraham Lincoln