

SUGAR

Govt to Fix Minimum Wage Rate, Farm Worker to Get Rs 350 a Day

Labour Ministry has decided to fix the minimum wage at Rs 350 per day for unskilled agricultural labour in C-class towns in central sphere to be effective from November 1, 2016.

At present, agriculture workers in the central sphere are paid as per the rates prescribed under the national floor level minimum wage, which is Rs 160 per day.

“The ministry will notify minimum wages on November 1 to enhance minimum wages,” Labour Minister Bandaru Dattatreya told reporters here.

The minister informed that the new minimum wages notified will enhance wages of unskilled agricultural labour in C-class towns to Rs 350 per day in the central sphere. As of now the national floor level minimum wage is Rs 160 (per day), he added.

On benchmark minimum wage across the country, he said, “We are going to get amendment in Minimum Wages Act, which will be called universal minimum wage. Once it is amended then it will become statutory..then all the state governments would have to apply the same standards (of wages).”

At present, the states are free to fix wages for various category of workers as there is no benchmark minimum wage which is applicable across the country.

After the amendment, the states will have to maintain a benchmark minimum wage fixed by the Centre.

The minister further said, “The tripartite meeting on ‘Code on Wages’ is over. Now it is going for the Cabinet approval. After that it will be come in Parliament in next session.”

The Winter Session of Parliament is beginning next month.

On labour reforms, he said that these two key codes on wages and industrial relations will come in Parliament in the coming winter session.

“The tripartite consultations on Code on Industrial Relations are over and it will go for Cabinet approval. It will be introduced in Parliament in Winter Session.”

The ministerial panel on labour chaired by Finance Minister Arun Jaitley has set up a committee of secretaries to come up with a report on social security for anganwadi workers, asha workers and mid-day meal workers following which the government will finalise its social security cover for them, Dattatreya added.

(Source-<http://sugarnews.in/govt-to-fix-minimum-wage-rate-farm-worker-to-get-rs-350-a-day/>,29th October, 2016)

TN: Cane farmers disappointed

Farmers in the region are disappointed with the State Government saying its support has been lacking in recovering dues on account of State Advisory Price from sugar mills.

The farmers who are already upset with the Central Government's retention of Rs. 2,300 per tonne as fair and remunerative price wonder why the State government was "reluctant" to help out farmers in the prevailing drought-like situation by securing the pending dues running into hundreds of crores from the 28 mills, despite the start of crushing season.

In addition to the FRP, the mills were required to pay the farmers Rs. 350 per tonne during the last crushing season. The dues from the 28 mills on account of failure to settle SAP has accumulated to the extent of Rs. 1,000 crores over the last three years, K.V. Ponnaiyan, president of Tamil Nadu Swadeshi Farmers' Association said.

The government has to ensure settlement of SAP by the erring mills rather than resorting to arrest of farmers who stage demonstrations for getting their pending dues, Mr. Ponnaiyan said, referring to the recent arrest of cane growers at Chennai.

(Source- <http://sugarnews.in/tn-cane-farmers-disappointed/>, published on 29th October, 2016)

UP: Cane dues paid, farmers boost dhanteras sales

Dhanteras was observed with great enthusiasm in Bijnor district, with markets in the district remaining jam-packed with buyers on Friday. Traders say they have done business worth Rs 175 crore this Diwali festival.

There some good reasons for the boom in the market. First, salary of government and private sector employees was disbursed before dhanteras. Second, all sugar mills also cleared the sugarcane dues this year. Bijnor's markets flourish due to sugarcane farmers. About 80% of the population depend on cane farming, that generates nearly Rs 2,300 crore annually.

According to data from various agencies and trader's bodies, on the occasion of dhanteras this year about 108 Royal Enfield motorcycles, 175 tractors, over 900 other motorcycles and scooties were sold on a single day. Utensils trade was also done in large scale. Besides, the scene at the jewellery market was also upbeat. Talking to TOI, patron of Sarrafa Sangh, Virendra Agarwal, said, "The bullion market did well compared to last year. There are about 500 jewellery shops in the district."

Rajendra Singh, state secretary of BKU, said, "It is true that Bijnor's sugar factories have cleared the dues of cane farmers. However, it will be wrong to say that now the financial condition of the farmers is good. They are reeling under debt."

Abhishek Ror, leader of a government employees organisation, said, "This year, salaries of government employees were disbursed a few days before Diwali. This has uplifted their spirit and hence consumer demand has increased."

Market areas and main roads of the city remained jam-packed with shoppers. Commuters, however, had a harrowing time as long traffic snarls were reported from across the city.

(Source- <http://sugarnews.in/up-cane-dues-paid-farmers-boost-dhanteras-sales/>, published on 29th October, 2016)

TN: Cane farmers demand Rs 1,100cr dues from mills

The Tamil Nadu Sugarcane Farmers' Association on Thursday sought the help of the state government to secure outstanding dues of `1,100 crore that the private sugar mills owe farmers for the cane supplied during the last three fiscals.

In a representation to industries minister M C Sampath, association president N Palanisamy said that private sugar mills were not extending the state-advised price (SAP) between 2013 and 2016. "We want the government to intervene and get the outstanding dues. During last fiscal alone, the outstanding dues of cooperative and public sector mills stood at `300 crore," he said. The farmers urged the state to increase SAP to `4,000 per tonne to sustain their livelihood.

During the last session of the parliament, Union minister of state for consumer affairs, food and public distribution C R Chaudhary said liquidity of sugar mills were adversely affected by surplus sugar production in the last four consecutive sugar seasons, over domestic consumption and depressed sugar prices. This resulted in accumulation of cane price arrears.

TN Farmers' Association president K Balakrishnan said the acreage of sugarcane cultivation had halved in the state due to the ongoing crisis. "The state minister promised to convene a meeting of farmers and mill owners and we repose faith in the government," he said.

The sugar mill owners say they paid the Centre's fair and remunerative price (FRP) for sugarcane to the farmers, which was based on the recommendations of the Commission for Agricultural Costs and Prices (CACP). "Only the FRP has any legal validity and not the SAP," said a member of South Indian Sugar Mills' Association. Tamil Nadu fixes SAP that hovers around `550/tonne higher than the Centre's FRP and it has been challenged in the Madras high court. The mill owners say that they are also plagued by issues like the dues TN Electricity Board owes them for the power produced by the mills.

(Source-<http://sugarnews.in/tn-cane-farmers-demand-rs-1100cr-dues-from-mills/>, 28th October, 2016)

Co-gen/Power

Role of Technology in Improving Power Generation Efficiency in India

India, like any other developing country, cannot overlook the pivotal role of the power sector in fuelling its overall development. All other sectors require a constant and reliable supply of electricity for the economy to function and grow. What sets the country apart though is the fact that it is the fifth largest producer and consumer of electricity with a capacity of 302 gigawatts (GW). From a meagre 1,743 megawatt hour (MWh) in 1950-51, the gross electricity generation boomed to 278,733 MWh in 2015, yet India is not a power surplus country even in the present coverage where around 1/4th of its total population is still deprived of access to electricity. Currently, the estimated average gap between supply and demand of electricity (peak demand) is about 14%. The transmission and distribution losses are estimated between 26% and 32%. With rapid urbanization and industrialization, this gap is bound to rise fast.

The distribution of power generation through different sources, however, is uneven. The thermal power contribution to this is around 63%, followed by hydropower contributing around 25%. The share of nuclear power is the smallest with 3%, and the power generation through renewable sources contributes the remaining 9%. The distribution of power generation

amongst various states and regions in India is also highly uneven. The reason behind this uneven distribution is that India has over 200 billion tons of coal deposits. Thus, the generation is mainly dominated by coal-based thermal power plants. However, the coal reserves are mainly concentrated in the north and north-eastern states of India and not uniformly spread in the country. Hence, logically, to reduce the gap between the increasing demand and limited supply of power, the country must focus on coal-fired thermal power plants.

There are two ways to it -- by establishing new and more power plants, or to revamp and improve the existing ones in order to boost their efficiency. Efficiency can be measured at three levels -- economic, operational and energy efficiency. Also, efficiency levels vary based on different types of thermal power plants. Setting up new power plants with supercritical and ultra-supercritical technology, instead of sub-critical technology, can help increase the efficiency of the thermal power plant from the earlier 36% to 42%. These plants should be designed to utilize imported technologies that are domestically manufactured. Secondly, of the total electricity produced by the plant, in many cases, the auxiliary power consumption of the plant is still more than 10%. One of the ways to improve the efficiency of an existing thermal power plant can be by reducing this consumption by installing latest technology and infrastructure. For e.g. ensuring that the plants are equipped with the variable frequency drive so that the plant uses less electricity while running on half-capacity mode. Thirdly, the maintenance time and volume needs to be cut down.

There are several areas on which to focus for e.g. reducing flue gas heat losses, improving the air pre-heater seal, optimization of turbine steam parameters and operation, using boiler feedwater pump turbine and flexible heat regenerative technology together with maintaining high efficiency. Moreover, appropriate IT organizational structure should be developed along with management information services (MIS). There is also an urgent need for the development of IT modules to cater to various functional requirements such as computerized maintenance management system (CMMS), materials and stores management system (MSMS), operation plant performance management system (OPPMS), business planning module, finance and accounting (F&A) and human resource development modules etc.

Although there are global and national projects in research and development towards improving the efficiency of coal-based thermal power plants, there are several limitations such as viability as commercial prospects, natural limitations in various geographical locations and conditions, burn-off rate and coal type, and especially by the sulphur content, system complexity, the large investment required, and concerns related to balancing the performance and costs. Coal is reliable and cheap, however, low plant efficiency not only leads to burning of more coal in the plants, it also has a high sulphur, nitrogen and carbon content, similar to other fossil fuels. Combustion of coal releases gases (oxides of nitrogen, sulphur and ash) that are hazardous to lives and the atmosphere.

Although technologies such as oxy-fuel combustion have been developed to curb such issues, the global dependence on fossil fuels has led to the release of over 1100 GtCO₂ (gigatonnes of carbon dioxide) into the atmosphere since the mid-19th century. Currently, energy-related GHG (greenhouse gas) emissions, mainly from fossil fuel combustion for heat supply, electricity generation and transport, account for more than 70% of the total emissions including carbon dioxide, methane and some traces of nitrous oxide. Thus, there is an urgent need for

harnessing the large potential of renewable energy sources in a planned and strategic manner to reduce the gap between demand and supply.

Promotion of energy conservation and increased use of renewable energy are the twin planks of a sustainable energy supply. In an article, titled 'Biomass gasification for decentralized power generation: The Indian perspective', the authors Buljit Buragohain, Pinakeswar Mahanta, Vijayanand S Moholkar of the Centre for Energy, Indian Institute of Technology (IIT), Guwahati, claim that the vast potential of biomass power remains almost unused, and there is an urgent need of utilization of this resource through more efficient technologies such as biomass gasification. Likewise, there is a need for implementing newer fields of technological studies such as energy systems engineering work to provide a methodological scientific framework to arrive at realistic integrated solutions to complex energy problems, by adopting a holistic, systems-based approach, especially at the decision making and planning stage.

In very remote areas where installing extensive grid is not feasible, power generation through renewable sources offers a viable solution for meeting the electricity needs of the local population. The National Electricity Policy (NEP) insists on the use of both conventional and renewable sources of electricity generation, as long as they are economically viable. In order to reduce the load on grid and state electricity boards, NEP emphasizes the use of renewable energy even in areas with access to grid, provided renewable sources are as economic as conventional ones. The various options for power generation through renewable sources are wind energy systems, solar photovoltaics, biomass gasifiers and small hydro-power systems, etc. However, efficiencies of different types of power plants could differ from 0.27% in the case of nuclear power plant to 90% for a hydro power plant. The efficiency of a wind turbine can vary between 30% and 45% and that of geo thermal system could be 35%.

In a hot country like India, it is of utmost importance to develop technologies which are economically viable to harness the abundant solar energy. Together with that, more research into alternative energy systems and their impact on the environment need to be done.

In a study, titled 'International comparison of fossil power efficiency and CO₂ intensity - Update 2014' by ECOFYS, the researchers compared fossil-fired power generation efficiency of several countries over the period 1990-2011, the countries taken into account comprised: Australia, China, France, Germany, India, Japan, Nordic countries, South Korea, the United Kingdom & Ireland, and the United States. These countries and regions together were responsible for generating 68% of the public worldwide fossil-fired power generation in 2011. India had the lowest performance (-21%). The Nordic countries had the best levels of efficiency (10%) in the fossil-fuel based power generation and development and the growth of other sources of energy and technology, followed by the United Kingdom and Ireland (+9%), Japan, Germany, South Korea (all in the range of +9% to +7%) and the United States (+3%). China, Australia and France all performed within +1% to -6% compared to the benchmark. Thus it is of crucial importance for India to adopt the latest and advanced technologies and best practices to improve the efficiency of its power generation.

While planning to set-up a power plant in India and evaluating the necessary technology and equipment suppliers, it is of utmost importance to reach a fine balance between the initial cost and long-term durability of the plant. It has been observed that there are companies

which go for lower initial investment to break-even sooner but in the longer run, this strategy usually backfires - a case in point is the Chinese power equipment manufacturers, many of which could not offer service, maintenance, warranty and part replacement. These issues often reduce the efficiency of a power plant as the downtime is frequent and the time taken to bring back the plant in running mode is often much longer.

So, partnering with a reliable and established power equipment manufacturer for setting up a power plant and ensuring its smooth running may possibly result in initial high investment but it would eventually even out in the longer run due to its durability and stability. It is also vital to ensure periodic maintenance and service of a power plant to ensure optimal utilization of fuel and generation of power. This issue can be easily addressed by having a local equipment manufacturing who could offer better warranty and replacement of worn out parts in shorter time duration.

India's energy landscape requires all EMPCS (Engineering, Manufacturing, Procurement, Construction and Services) solutions of a thermal power plant under one roof (one stop solution) that not only brings down the turnaround time, but also ensures complete compatibility of all systems operating in a power plant. EMPCS also solves a major roadblock that Indian IPPs (independent power producers) and state power producers face for a continuous power generation, aside from coal availability.

(Source- <http://economictimes.indiatimes.com/toshiba/power-systems/hydro/role-of-technology-in-improving-power-generation-efficiency-in-india/articleshow/55050153.cms>, published on 25th October, 2016)

Quote of the day

“Be yourself; everyone else is already taken.” — Oscar Wilde