



SANJEEB MUKHERJEE
New Delhi, 19 August

Though grains have overtaken sugarcane as the primary feedstock in making ethanol in the 2023-24 supply year, whether they will continue to be so depends on whether India's average yield of crops such as maize rises quickly. The rising demand for maize and broken grains from the ethanol players has put competing sectors such as poultry and feedstock under stress, as they are already feeling the pinch of a price rise due to the demand jump.

Some reports say the maize-based industry has demanded immediate imports of 5 million tonnes of duty-free imports to tide over the supply crunch. Not only that, even grain-based ethanol makers are feeling the pressure of a spike in maize prices as their ethanol procurement price of ₹72 per litre was fixed when maize MSP (minimum support price) was ₹2,090 per quintal.

The current maize MSP for the 2024-25 kharif season is ₹2,225 per quintal.

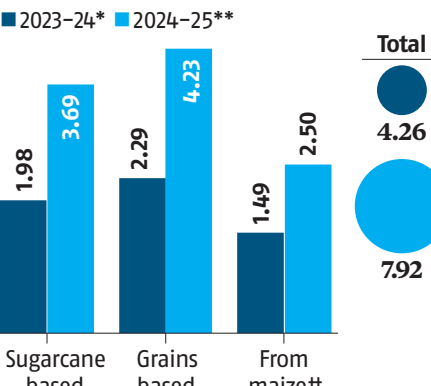
Even, the procurement price of ethanol produced from damaged food grains has not kept pace with the rate at which its price has picked up in the open market.

Upstaging sugarcane

In the ongoing ethanol Supply Year of 2023-24 (ESY24), which ends in October, grains (mainly maize and damaged food grains) have taken over sugarcane-based molasses as the main feedstock for producing ethanol to keep the blending programme running.

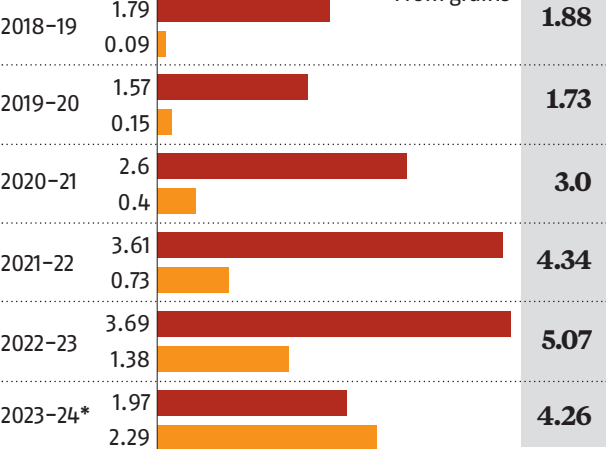
As per the latest trade data, till July 14, 2024, Oil Marketing

ETHANOL PRODUCED FROM DIFFERENT SOURCES (in billion litres)



Note: Total includes broad categories of sugarcane based and grains based; *As on July 14 of ethanol supply year 2023-24 that started in November 2023; **Projection as per ethanol supply year that will start in November 2024 #Included in total ethanol from grain-based sources Source: Trade and Industry sources

THE ETHANOL STORY SO FAR (in billion litres)



Data as per ethanol supply year that runs from November to October; * Till June 14, 2024 Note: Before 2022-23 ESY used to run from December till November Source: Trade and Industry sources

Companies (OMCs) have received 4.26 billion litres of ethanol. Out of this, grain-based sources accounted for 54 per cent, at 2.29 billion litres, while the rest came from sugarcane-based sources.

Among all sources from which ethanol has been produced in the 2023-24 supply year, maize, which is part of the broader grains basket, accounted for the largest share with 1.49 billion litres.

The biggest reason why the tide has shifted from sugarcane to grains in the last few months of ESY24 is the clampdown on the production of ethanol from B-heavy molasses and sugarcane juice since late 2023. The Centre, to keep its blending programme up and running, has incentivised maize much more than sugarcane this year, making distilleries go for ethanol from maize and grains in a big way.

Ethanol produced from maize

now commands a price of almost ₹72 per litre in ESY24, while its nearest competitor from sugarcane, which is C-heavy molasses, is at ₹56.28 per litre, even after it was raised mid-way in 2023-24 by almost ₹7 a litre.

Industry players say that till June 24, out of the roughly 15.03 billion litres of ethanol production capacity already created in the country, 9.15 billion litres, about 61 per cent, is from sugarcane-based sources (this includes dual-feed distilleries that use both cane and grains) and rest by grains-based sources.

Way ahead and challenges

The big question is, can grains and within it maize maintain its newfound supremacy in ethanol production?

Trade sources say at least in the next ESY (2024-25), grains will remain the dominant source of ethanol production in the country.

Out of the estimated 792 billion litres of ethanol to be supplied to OMCs in 2024-25 supply year, 4.23 billion litres, about 53 per cent, are likely to come from grains and the rest from sugarcane-based sources.

Within grains, maize will continue to be the dominant feedstock, contributing 2.50 billion litres of ethanol. Rating agency CRISIL recently predicted it might rise to as much as 6 billion litres from grains in 2024-25.

Simply put, the situation that occurred in ESY24 will continue to remain almost the same in ESY25 as well.

However, some in the sugar industry think otherwise. Their analysis is that as soon as the Centre lifts the curbs on production of ethanol from sugarcane juice and B-heavy molasses, the share of sugarcane in total ethanol will come back to the old levels. Already, the

industry body, the Indian Sugar and Bio-Energy Manufacturers Association (ISMA) has dashed off a letter to the food secretary demanding the lifting of these curbs.

ISMA in its letter said the restrictions imposed in December 2023 have significantly impacted the sugar industry's financial stability. It added that with India expected to have a sugar surplus of 9.1 million tonnes by the end of the 2023-24 season, which will end in September, amid good monsoon conditions, the country should not see any sugar shortage in 2024-25.

Maze of challenges

Beyond the immediate few years, the road ahead for maize is riddled with challenges. And yield and production are the biggest of them.

Trade and industry players say India's average maize yield is around 3.5 tonnes per hectare, lower than the 5 tonnes per hectare in Pakistan and still lower than the global average of around 6 tonnes.

Within India, too, there is wide variance in per-hectare yield. In Bihar, which is one of the main maize-producing states, the yield in some farms comes as high as 8 to 12 tonnes per hectare.

"India has the potential to raise its average maize yield to 5 or 6 tonnes per hectare. As soon as that happens, the country's total production will jump from the current 34 to 35 million tonnes to around 50 million tonnes. This extra 15 million tonnes of maize will give an ethanol production of around 5.70 billion litres, which will be good enough for blending and won't create a shortage for anyone," Abinash Verma, former Director General of the Indian Sugar Mills Association told Business Standard.

The yield improvement can be done within two years by focusing on hybrids and also on the rabi maize crop, which gives a higher yield than Kharif, says Verma. It is here that the role of bodies such as the Indian Institute of Maize Research (IIMR), under the Indian Council for Agricultural Research, comes into focus.

The government aims to raise maize production by 10 million tonnes over the next five years. The IIMR in a recent statement said it started a project to raise the productivity and production of maize in 15 catchment areas of ethanol industries in 78 districts spread across 15 states.

The project involves working on high-yield hybrid maize varieties (those that give a yield of more than 6.5 tonnes per hectare in kharif, or summer months, and more than 10 tonnes per hectare in the rabi season). In the pipeline are varieties of waxy maize hybrids with better ethanol recovery (more than 40 per cent) and maize hybrids with high starch (more than 65 per cent).

IIMR also promotes effective nutrients and weed management practices for better maize cultivation.

Efforts like this, in collaboration with state governments, private seed companies, and others, can give the additional 12 to 15 million tonnes of maize over the next few years needed to tide over any possible crisis for user industries.

is in contrast with other asset classes, where the tax treatment is different and the realisation is taxed only at redemption.

There could be an alternative argument that deposits in countries such as the United States and in the European Union are taxed at the highest income bucket only. However, such an argument misses the point that deposits in India are mostly retail in nature and it should be our endeavor to protect them (80 per cent in India against 34 per cent in the EU). With India transitioning to net zero, there is an additional fund requirement of ₹7.6 trillion till 2032 and thus a uniform tax treatment for bank deposits along the lines of other asset classes is the need of the hour.

The other two leakages are small savings (these are only shadow accounts with banks) at 7 per cent and currency with the public at 5.3 per cent. Thus, the overall lending pie is at 39 per cent, or ₹23.9 trillion, of which priority sector commitments are at 15 per cent.

To sum up, regulatory dispensation and leakages are indeed constraining factors in overall deposit pie available for lendable resources. Though there could be a debate on the extent of such prescriptions, some of these measures also aid financial stability and could change direction in the future.

Additionally, banks need to evolve towards products that could cover the lifecycle needs of the customer. Separately, since states in India exhibit different characteristics regarding deposits, it might be a better idea to think of having bespoke products specifically suited to the customers of different states.

The author is Group Chief Economic Advisor, State Bank of India, and member, 16th Finance Commission; views expressed are personal

OPINION

The untold story of bank deposits



SOUMYA KANTI GHOSH

Indian banks never had it so good. The banks and the stakeholders like the government of India and the Reserve Bank of India (RBI) have worked assiduously in the last decade to ensure a stable, resilient and adequately capitalised banking system that is a sine qua non for financing India's growth story. For the decade ended FY24, Indian banks' consolidated profit was ₹3.2 trillion, a four-fold jump over FY14. Deposits and Credits have jumped by 2.7 times during the period, with the asset quality now among the best along with all operating ratios. In terms of capitalisation, in dollar terms, the market capitalisation of Bank Nifty has jumped by a staggering 2.9 times since the pandemic.

Against this background, there have been stories expressing concern that deposits in the banking system have significantly fallen behind and that household savings in bank deposits are being crowded out as a result of financialisation of household savings. For the record, there are currently 2,650 million deposit accounts in the system against 400 million credit accounts. Both these concerns need to be fact checked.

Firstly, the numbers suggest that the incremental deposit growth at

₹61 trillion has outpaced the incremental credit growth at ₹59 trillion since FY22. Hence, deposit growth has actually outpaced credit growth. What is thus actually important is whether such quantum of deposit growth is enough to fund the credit requirements of an economy expanding at 8 per cent and at what price it is being mobilised.

Secondly, as financialisation of household savings has gathered significant momentum after the pandemic, households are indeed investing in alternative instruments of savings like mutual funds, equity and non-bank deposits. These instruments accounted for ₹3.2 trillion, or 10.5 per cent of incremental household savings at ₹29.7 trillion in FY23.

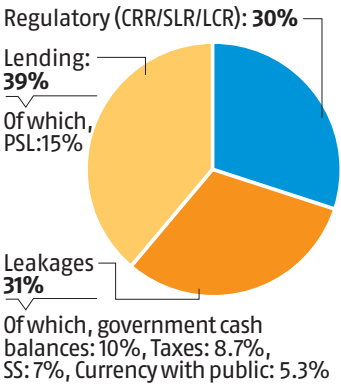
Households still invested ₹10 trillion in bank deposits and another ₹2.5 trillion in small savings deposits out of this ₹29.7 trillion pie, or 42 per cent. The remaining were household investments in pension and provident funds channelled by respective market players.

Many analysts mistakenly consider such savings in alternative instruments as a leakage from the financial system and therefore a cause for decline in bank deposits. This is however incorrect, as banking deposits are purely used for transactional purposes through which households change instruments of savings, say from bank deposits to mutual funds or equities (except deposits in small savings) and hence it stays within the financial system.

But why is there so much noise regarding the deposit growth? For this, we need to understand the dynamics of the ₹61 trillion incre-



ASCB DEPOSIT GROWTH SINCE FY22: ₹61 TRILLION, OF WHICH



mental deposit growth since FY22. There is indeed a regulatory dispensation and a leakage of deposits from the financial system that has

बैंक ऑफ इंडिया

Bank of India

BOI

HEAD OFFICE
Transaction Monitoring and KYC/AML Department

CORRIGENDUM

Corrigendum in the advertisement issued for inviting open Tender for conducting feedback exercise for our field functionaries. The following corrigendum is hereby issued in the advertisement published in Business Standard-Mumbai (English), Business Standard (Hindi), Loksatta (Marathi) on 7th August, 2024.
Last date for submission of bids now extended up to 02.09.2024. In clause No. 3.25 (Bid Processing fees) non-refundable, the term "Bid Processing Fees, non-refundable" to be read as "Earnest Money Deposit, Refundable". Revised details are available in Bank's official website.
Further changes, if any in this matter will be published in Bank's website only. For more details kindly visit Bank of India official website www.bankofindia.co.in under BOI>Important Links>Tender.

Phoenix ARC Private Limited

Regd Office: 3rd Floor, Wallace Tower (earlier known as Shiv Building), 139/140/B, Crossing of Sahar Road & Western Express Highway, Vile Parle (E), Mumbai - 400 057, Tel: 022-68492450, Fax: 022-67412313 CIN: U67190MH2007PTC168303 | Email: info@phoenixarc.co.in | Website: www.phoenixarc.co.in

INVITATION FOR EXPRESSION OF INTEREST FOR SALE/ASSIGNMENT OF PORTFOLIO OF NON-PERFORMING ASSETS OF PHOENIX ARC PRIVATE LIMITED

Phoenix ARC Private Limited ("Phoenix ARC") has appointed BOB Capital Markets Limited ("BOBCAPS") for assisting & advising Phoenix ARC on the process ("Process Advisor") & matters incidental thereto in connection with Sale/Assignment of Portfolio of Non-Performing Assets ("NPAs"), The details of Portfolio are as under:

Classification of Portfolio	No. of A/C's	Principal O/s as on April 2024 (Rs. Cr)	Terms of Sale
Secured	420	186.98	100% Upfront Cash
Unsecured	5,60,805	3,363.08	Basis as a Single Lot

Phoenix ARC invites Expressions of Interest ("EOI") from Asset Reconstruction Companies ("ARCs") as per the Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions dated September 24, 2021 (updated as on December 28, 2023) and Master Direction - Reserve Bank of India (Asset Reconstruction Companies) dated April 24, 2024 issued by the Reserve Bank of India ("RBI") and as per Phoenix ARC's Policy for Sale/Assignment of Portfolio of NPAs.
The NPAs are being offered as a Single Lot for Sale/Assignment on 100% Upfront Cash basis and the Transfer of assets shall be on "As is where is", "As is what is" basis and "Without recourse basis", i.e., with the risk such credit risk, operational risk, legal risk or any other type of risks associated with the NPAs being transferred to the ARCs and shall not be liable to be revoked for any breach including antecedent breach of any representation and warranty, in the event of non-realization of amount out of assets/securities, Phoenix ARC is not liable to refund anything in part or full. Phoenix ARC reserves right to execute the assignment deed as per Phoenix ARC's format, based on applicable laws.
The Sale/Assignment will be conducted as per the terms & conditions set out in Bid Process Document ("BPD") and as per the procedure set out therein and shall be uploaded on website as described hereinafter.
ARCs can conduct due diligence of these assets including access to the Virtual Data Room ("VDR") after submitting EOI along with supporting documents, executing a Non-Disclosure Agreement and Undertaking as Annexed in BPD. The last date for access to VDR is 16th September 2024 or such extended date as Phoenix ARC may decide, at the sole discretion of the Phoenix ARC.
The format of EOI and BPD are available on the Process Advisor's website (www.bobcaps.in) and Phoenix ARC's website (www.phoenixarc.co.in). Interested ARCs should submit the EOI & necessary documents electronically vide email to sale.process@phoenixarc.co.in & Phoenix ARC's assignment@bobcaps.in or physically at "K/A Mr. Vinay Tibrewal, BOB Capital Markets Limited, 17th Floor, B Wing, Pannsee Crescendo, BKC, Mumbai-400051".
Phoenix ARC will also go for bidding of the Portfolio by Swiss Challenge Process thereafter. The transfer will be subject to final approval of the competent authority of Phoenix ARC. However, Phoenix ARC reserves the right not to go ahead with the proposed transfer at any stage without assigning any reason. The decision of Phoenix ARC in this regard shall be final and binding.
ARCs shall be under their own obligation to follow all extant guidelines/notification issued by SEBI/RBI/IBA/Gol/other regulators from time to time pertaining to transfer of stressed loan exposure/NPAs.
For all updates, amendments, modifications, corrigendum and information in relation to the Process, please visit the website (www.bobcaps.in) and (www.phoenixarc.co.in) on a regular basis.
In case of any clarifications, please contact the following:

Contact Person	Telephone No.	Email-ID
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Mr. Mahesh Malunekar	+91- 9920381684	sale.process@phoenixarc.co.in

Notes:
1. This advertisement does not constitute and will not be deemed to constitute an offer from or on behalf of Phoenix ARC or any commitment on the part of the Process Advisor. Phoenix ARC/Process Advisor reserve the right to withdraw/suspend/modify the Process or any part thereof, to accept or reject any/all offer(s) at any stage of the process or to vary any terms without assigning any reasons and without any liability. This is not an offer document or an invitation to offer or undertake any sale of securities.
2. Any extension in timelines/modification in the content of this advertisement will not necessarily be carried out through another advertisement, but may be notified directly on the website as detailed above and interested ARCs should regularly visit the website to keep themselves updated regarding clarifications, modifications, amendments or extensions.
Date: 20th August 2024 Sd/- Authorised Signatory
Place: Mumbai Phoenix ARC Private Limited

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THE RAMESHWARA JUTE MILLS LIMITED

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Fax: +91 33 22109455
Website: www.rameshwarajute.com; E-mail: sharedept@rjm.co.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting (AGM) of The Rameshwara Jute Mills Limited will be held at 3:00 P.M on Thursday, the 12th September, 2024 at 16th Floor, Birla Building, 9/1 R N Mukherjee Road, Kolkata -700001 facility to transact the business as set out in the Notice convening the AGM.
Pursuant to Section 101 and Section 136 of the Companies Act, 2013 ("Act") read with rules made thereunder and circulars of the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI"), the Company has completed dispatch of the Notice of the AGM along with the Annual Report for the Financial Year 2023-24 through electronic mode to those shareholders who have registered their e-mail IDs with the Company or with any of the Depositories. The Physical copy of the Notice along with Annual Report shall be made available to the Member(s) who may request for the same.
The Annual Report for the Financial Year 2023-24 is available on the website of the Company i.e. www.rameshwarajute.com, and the Central Depository Services (India) Ltd. (CDSL) i.e. <https://www.evotingindia.com> respectively.
Pursuant to the provisions of Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and in accordance with the Regulation 44 of the Listing Obligations and Disclosure Requirements, Regulations 2015, the Company is providing e-voting facility to its members holding shares in Physical or dematerialized form, as on the Cut Off date i.e. Thursday, the 5th September, 2024 to exercise their right to vote through electronic means on any or all the business specified in the Notice. The Members/Shareholders, who will be present in the AGM and have not cast their vote through remote e-Voting are eligible to cast their vote at the AGM. However, Members who have voted through remote e-Voting will be eligible only to attend the AGM.
The remote e-Voting will commence on Monday, the 9th September, 2024 at 09.00 AM (IST) and ends on Wednesday, the 11th September, 2024 at 05.00 PM (IST). Any Person who acquires shares of the Company and becomes a shareholder after emailing of the Annual Report (including Notice of AGM) and holding shares as on the Cut Off Date i.e. Thursday, the 5th September, 2024 may follow the procedure as provided in the Notice of the AGM for obtaining the login ID and password for e-Voting. A person whose name is recorded in the Register of Shareholders/Beneficial owners as on the Cut-Off Date only shall be entitled to avail the facility of remote e-Voting/Voting through ballot at the AGM.
The Results of e-Voting will be placed on the Company's website www.rameshwarajute.com within two working days of the conclusion of the AGM and also be communicated to The Calcutta Stock Exchange Ltd, where the shares of the Company are listed and CDSL.
The Resolutions proposed will be deemed to have been passed on the date of the Annual General Meeting subject to receipt of the requisite number of votes in favor of the Resolutions.
Kamal Kumar Sharma, Practicing Company Secretary (Membership No. FCS 3337) has been appointed as the Scrutinizer to scrutinize the e-Voting process including ballot in a fair and transparent manner.
In case of any queries or issues regarding e-Voting from the CDSL e-Voting system, you can write an email to helpdesk.evoting@cdsindia.com or call 022-23058542/43.
All grievance in relation to voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager CDSL, A-Wing, 25th Floor, Marathon Futurex, Mafatali Mill Compounds, N.M. Joshi Marg, Lower Parel (East) Mumbai-400013 or send an e-mail to helpdesk.evoting@cdsindia.com or call 022-23058542/43 as aforesaid.

For The Rameshwara Jute Mills Limited
Sd/-
Priyanka Arora
Company Secretary

Place: Kolkata
Date : 19th August, 2024