

SUGAR

Sugar prices rule flat

Sugar prices ruled flat despite higher volume at upper mill level on Tuesday. Naka and spot rates at Vashi remained steady. Sources said considering higher demand during festival season starting next month, stockists entered with fresh bulk orders and bought over 90,000 bags on Monday. Freight rates were steady. Arrivals and local dispatches remain par keeping market inventory unchanged at 110-115 truck loads. The Bombay Sugar Merchants Association's spot rates (in ₹): S-grade 3,622- 3,712 (3,622-3,712) and M-grade 3,722-3,852 (3,712-3,852). Naka delivery rates (in ₹): S-grade 3,610-3,670 (3,610-3,670) and M-grade 3,670-3,780 (3,670- 3,780).

(Source- <http://www.thehindubusinessline.com/markets/commodities/sugar-prices-rule-flat/article8871448.ece>, published on 19th July, 2016)

Campco's new chocolate to be made from Neera sugar

Consumers may no longer have to worry about calories while eating chocolates.

Mangalore-based Central Arecanut and Cocoa Marketing and Processing Cooperative (Campco) Ltd will on Saturday launch a chocolate that will have sugar made from 'neera' or sap of coconut palm, which will be safe for consumption even for diabetics.

Neera sugar, prepared using a technology developed by Central Plantation Crops Research Institute (CPCRI), has low glycemic index and, hence, can be consumed by those having high sugar levels.

"We are introducing milk chocolates and chocolate beverages using Neera sugar," said M Suresh Bhandary, managing director at Campco. "It is a good chocolate from health point of view but comes at a higher price. The price will be almost double that of the normal chocolate."

At present, only a handful of neera producers in the southern states, particularly Tamil Nadu and Kerala, are engaged in manufacturing by-products like sugar, honey and jaggery from neera. Major coconut producing countries like Indonesia and the Philippines have dominance in value-added products from neera, which are mostly exported to the US and Europe. They go into the making of confectionary and cookies.

Palakkad Coconut Producers Company in Kerala makes neera using the 'ice box' technology. Its current production is 500 litres a day and it is one of the suppliers shortlisted for supply of neera sugar to Campco.

"We make sugar and honey . The sugar is costly, selling at Rs 400 per kg and, hence, is difficult to sell in the market. But during Christmas time, we had orders from lot of cake manufacturers," said Vinod Kumar P, CEO of the company.

CPCRI has developed the technology for extracting unfermented neera from coconut palm. Usually, neera gets fermented soon after extraction, making it unsuitable for producing sugar. CPCRI's technology uses a container with ice cubes for keeping neera unfermented in a cold state for a longer time.

"CPCRI has developed the technology for extracting unfermented neera from coconut palm. Usually, neera gets fermented soon after extraction, making it unsuitable for producing sugar. CPCRI's technology uses a container with ice cubes for keeping neera unfermented in a cold state for a longer time.

"Neera extracted using our ice box technology will remain in unfermented state for around 12 to 14 hours, facilitating transfer of the product to the value addition unit," said K B Hebbar, head of physiology department at CPCRI.

(Source- <http://economictimes.indiatimes.com/industry/cons-products/food/campcos-new-chocolate-to-be-made-from-neera-sugar/articleshow/53278259.cms>, published on 19th July.2016)

Medium sugar gains on sustained demand

Medium sugar prices gained further at the Vashi wholesale market here today due to sustained demand from stockists and retailers.

Small sugar maintained a stable trend in the absence of any worthwhile buying activity.

Medium sugar (M-30) firmed up by Rs 10 per quintal to Rs 3,722/3,852 from Monday's closing level of Rs 3,712/3,852.

Small sugar (S-30) was quoted at Rs 3,622/3,712 per quintal.

Following are today's closing rates for sugar (per quintal) with the previous rates given in brackets:

Small sugar (S-30) quality: Rs 3,622/3,712 (Rs 3,622/3,712).

Medium sugar (M-30) quality: Rs 3,722/3,852 (Rs 3,712/3,852).

(Source- http://www.ptinews.com/news/7668916_Medium-sugar-gains-on-sustained-demand.html, published on 19th July, 2016)

Co-gen/Power

NTPC saves Rs 550 crore/month on coal rationalisation, import control

State-owned NTPCBSE 0.51 % has achieved savings of approximately 30 paise per unit - approximately Rs 550 crore per month - on account of coal rationalisation and reduction in imports of fossil fuel, Parliament was informed today.

"NTPC has achieved saving of approximately 30 paise per unit (approximately Rs 550 crore/month) due to rationalisation of coal linkage and reduction of imports," Power and Coal Minister Piyush Goyal informed the Rajya Sabha.

Further, due to various efficiency measures, including reduction in grade slippage, specific coal consumption (coal consumed per unit) in the first quarter of 2016-17 has come down by 2.9 per cent as against the same quarter in the previous fiscal, the minister said.

The minister further said the government has taken various measures in order to ensure synergy between power and coal sectors.

The coal availability, he said, is regularly monitored at the highest level, resulting in increased supply of domestic coal. The blocks have been allotted to certain power utilities to improve domestic coal availability and 100 per cent crushed coal is supplied from Coal India BSE 1.27 %.

Coal India, he said, will supply 100 per cent washed coal of G10 grade and above from October 1, 2018, as per environment ministry guidelines.

The amount of coal imported during 2013-14, 2014-15 and 2015-16 was 166.86 mt (million tonnes), 217.78 mt and 199.88 mt (provisional), respectively," he said.

(Source- <http://economictimes.indiatimes.com/industry/energy/power/ntpc-saves-rs-550-crore/month-on-coal-rationalisation-import-control/articleshow/53264696.cms>, published on 18th July, 2016)

Banks, financial institutions provide over Rs 78K crore for clean energy projects

Banks and financial institutions have sanctioned about Rs 78,830 crore funding for clean energy projects, of which Rs 33,482.83 crore has been released till March end this year, Parliament was informed today.

"Banks and financial institutions (FIs) have supported (renewable energy) projects of 30,983.70 MW capacity with sanction and released an amount of Rs 78,829.69 crore and Rs 33,482.83 crore respectively as on March 31, 2016," Power, Coal, Mines and New & Renewable Energy Minister Piyush Goyal said in a written reply to Rajya Sabha today.

Overall, as many as 23 public sector and 7 private sector banks as well as 4 public sector and 2 private sector non-banking financing companies (NBFCs) have committed for financing renewable energy projects of 76,350 MW in the country with an outlay of Rs 3,72,240 crore.

Goyal said the World Bank has also approved a loan of USD 620 million (Rs 4,228 crore) and a grant of USD 5 million (Rs 34.50 crore) from clean technology fund for the grid connected rooftop solar programme in May 2016.

Public sector banks have provided Rs 19,639.52 crore finance for 12,619.83 MW renewable projects and have already released Rs 7,333.35 crore.

Private sector banks have provided Rs 18,660.01 crore for 6,905.24 MW projects, and have released Rs 8,615.07 MW.

Public sector NBFCs have provided finance of Rs 20,802.01 crore to fund 6,121.68 MW projects, and released a total amount of Rs 9,442.71 crore.

Similarly, private NBFCs financed 5,336.95 MW projects and sanctioned Rs 19,728.15 crore. These firms released Rs 8,091.70 crore for these clean energy projects.

Among public sector NBFCs, Indian Renewable Energy Development Agency Ltd (IREDA) has provided maximum finance of Rs 8,489.72 for 2,337.30 MW projects. IREDA has released Rs 4,526.50 crore.

Similarly, L&T Infrastructure Finance Company Ltd is a private NBFC which has sanctioned maximum finance of Rs 14,863 crore for 3,434.05 MW projects. It has released Rs 5,962.90 crore.

These clean energy projects of 30,983.70 MW include 16,040.09 MW of wind power, 13,773.81 MW solar power and 700.95 MW of small hydro power projects (of up to 25 MW capacity).

(Source- <http://economictimes.indiatimes.com/industry/energy/power/banks-financial-institutions-provide-over-rs-78k-crore-for-clean-energy-projects/articleshow/53265652.cms>, published on July 18th, 2016)

KERC regulations a challenge to wind, solar energy: ICRA

The Karnataka Electricity Regulatory Commission's (KERC) recently approved mechanism for forecasting, scheduling and deviation settlement is likely to pose a challenge for wind and solar power generators in Karnataka, says ICRA.

"The recent KERC regulations pose a challenge to wind and solar energy generation entities in Karnataka due to the variable and intermittent nature of generation from these sources and the limited track record and experience of the Indian renewable energy (RE) players in forecasting with the required accuracy (+/-15%)," ICRA Senior Vice President Sabyasachi Majumdar said in a press release.

According to statement, this forecasting framework is likely to have a negative impact on the cash flows and project internal rate of return (IRR) for wind and solar power projects, especially if the actual overall deviation (mix of over-generation and under-injection) exceeds 30 per cent of the scheduled generation.

(Source- <http://indianpowersector.com/2016/07/kerc-regulations-a-challenge-to-wind-solar-energy-icra/>, published on 19th July, 2016)

Till date, solar power projects are not-viable for SMEs as per the banks' circulars: MSMEs

The solar power projects which are highly in demand these days, have also become viable for the industry. But some of the public sector banks holding tightly onto their old circulars dating back to 2014 tend to be unsuitable to finance them for SMEs and other big industrial units as well.

Naveen Jain, Director, Dayachand Engineering Industries Pvt. Ltd, pointed that some of the banks, in their circulars, mention that these solar power projects are unviable because of high capital cost and non-availability of subsidy.

But as per the industry experts this is not the case today. Over the time, the costs of such projects have come down making it feasible for both SMEs and the large scale industries.

Today even without any subsidy some industrial units seem capable enough to finance them on their own via loanable funds available from the banks. But all this works only if the banks are ready to financially support industries on these lines.

Talking to KNN about the feasibility of the solar projects for MSME industry, Jain said, "Though currently on such projects there is no subsidy given by the government to the industry but our industry fortunately is willing to take over solar power project on its own."

"The only problem is that financing for the same by the banks has been restricted by the circular released in 2014. Today we don't require any subsidy for this. All that we need is the bank support to provide us with adequate finances to initiate the projects coming our way," Jain explained.

(Source- <http://indianpowersector.com/2016/07/till-date-solar-power-projects-are-not-viable-for-smes-as-per-the-banks-circulars-msmes/>, published on 19th July, 2016)

Regulatory price controls reduce investments, not cost

Inflation, monetarists claim, is a monetary phenomenon as long as supply-side shocks are not there. That is like claiming to have the spouse's permission to say that one is the boss of the house.

Supply-side changes happen slowly and are greatly influenced by micro rigidities in that particular industry or segment. One such micro rigidity is regulatory control of prices. In the face of high inflation, the government tries to moderate it by controlling prices. Such control of prices looks like the right thing to do, but in fact it is exactly the wrong thing to do.

Comparing industries that are price regulated, such as electricity and railways, with those that are not, such as telecommunications and aviation, throws up interesting data. (I have purposely ignored the recent aviation policy, which is trying to regulate some aspects of airline pricing.) Over the past nine years, revenue realised by railways for carrying 1 person for 1 km has increased from 27 paise to 40 paise—a rise totalling 48%. If we use the same metric for Jet Airways (India) Ltd's domestic business (as a proxy for airline industry), we see a fall in cost of 9%, from Rs.5 to Rs.4.54

(Source- <http://indianpowersector.com/2016/07/regulatory-price-controls-reduce-investments-not-cost/>, published on 19th July, 2016)

SUNNY STATE HAS HUGE POTENTIAL: ISRO

Study identifies high-density solar pockets in Karnataka, where it recommends setting up of energy plants

In a bid to scale up the country's solar energy harvest, the Indian Space Research Organisation (ISRO) has identified Karnataka as one of the hotspots in the country for assured solar energy.

Most parts of Karnataka receive high assured solar energy annually (2,000-2,500 kilowatt-hours per square metre), while some pockets get very high — more than 2,500 kWh per square metre per year.

The finding is significant in the backdrop of fast-depleting conventional energy resources.

According to scientists from the Space Applications Centre of ISRO, Ahmedabad, quantification of assured solar energy potential is essential in selecting locations for solar photovoltaic (PV) and thermal power plants. The present assessment would help with “site selection for installation of new large-scale, solar-based power generation systems and also to compute roof-top solar energy potential” in urban and rural India.

(Source- <http://indianpowersector.com/2016/07/sunny-state-has-huge-potential-isro/>, published on 19th July, 2016)

Quote of the day

‘It always seems impossible until it’s done.’ -Nelson Mandela