

NEWS FLASH –25th July, 2016

SUGAR

Expert stresses need for improving sugar quality

The need to improve the quality of sugar was stressed at the inauguration of a two-day training programme on 'Sugar quality: basic concepts, process alternatives for improvement in sugar quality and sugar certification' organised by the S. Nijalingappa Sugar Institute here on Wednesday.

Institute director R.B. Khandagave, who inaugurated the programme, said that quality improvement was necessary to increase the profits of sugar manufacturing units. Sugar quality was decided by its whiteness and chemical impurities.

Dr. Khandagave said that internationally, the quality of sugar was measured in terms of International Commission for Uniform Methods of Sugar Analysis units.

The sugar produced in India was normally 80-150 IU units whereas the international demand was for 40-60 IU units.

To achieve international standards, sugar factories need to upgrade their technology.

Quality improvement and food safety practices such as better quality juice clarification, improved pan boiling practices, modern boiling schemes and ideal sugar handling practices were the need of the hour.

Considering the growing demand for safe food, technologies to produce sugar with less sulphur would have to be used.

These achievements certified by recognised agencies would make Indian sugar internationally competent, Dr. Khandagave said.

Senior sugar technologist M.B. Londhe explained about aspects of sugar quality. Santosh Kumbhar of Swaraj India Agro Ltd. gave a lecture on 'Sugar quality certifications: methods and procedures for IMS, FSMS, GMP & FSSC 2200'.

(Source- <http://sugarnews.in/expert-stresses-need-for-improving-sugar-quality/>, published on 22nd July, 2016)

Parrys Sugar Q1 net profit at Rs. 1.9 crore; stock plunges 10%

Parrys Sugar Q1 net profit stood at Rs 1.9 crore

The total income was down 10.5% at Rs. 65.7 crore.

Parrys Sugar Industries Ltd ended at Rs. 63.35, up by Rs. 5.75 or 9.98% from its previous closing of Rs. 57.6 on the BSE.

The scrip opened at Rs. 59 and has touched a high and low of Rs. 63.35 and Rs. 59

respectively. So far 74260(NSE+BSE) shares were traded on the counter. The current market cap of the company is Rs. 114.97 crore.

The BSE group 'B' stock of face value Rs. 10 has touched a 52 week high of Rs. 58.5 on 10-May-2016 and a 52 week low of Rs. 13.65 on 07-Sep-2015. Last one week high and low of the scrip stood at Rs. 57.6 and Rs. 50 respectively.

The promoters holding in the company stood at 65 % while Institutions and Non-Institutions held 1.94 % and 33.06 % respectively.

The stock is currently trading above its 50 DMA.

(Source- <http://sugarnews.in/parrys-sugar-q1-net-profit-at-rs-1-9-crore-stock-plunges-10/>, published on 22nd July, 2016)

Sugar stays flat in routine trade

Sugar prices ruled unchanged despite higher volume and prices remained range-bound as producers continued selling at prevailing prices. Enough stocks at Vashi kept arrivals and local dispatches at par. Naka and mill tender prices were steady. Freight rates were steady, sources said. Inventory at Vashi market remained stable at 110-115 truck loads continuously. The Bombay Sugar Merchants Association's spot rates: S-grade 3,622-3,712 (3,622-3,712) and M-grade 3,712-3,852 (3,712-3,852). Naka delivery rates: S-grade 3,610-3,670 (3,610-3,670) and M-grade 3,670-3,780 (3,670-3,780).

(Source- <http://sugarnews.in/sugar-stays-flat-in-routine-trade-2/>, published on 22nd July, 2016)

Cabinet nod to Rs 200 cr dues payment to sugarcane farmers

The Uttarakhand Cabinet that met here today announced several populist schemes to benefit all sections of society.

The Cabinet announced payment of Rs 200 crore as dues to sugarcane farmers. While the state government would pay Rs 100 crore, the remaining amount would be raised through loans and other sources.

The Cabinet also approved a monthly pension of Rs 4,000 to the children of freedom fighters, a scholarship scheme named after statehood activist Indermani Badoni for meritorious students of families belonging to the BPL category, a corpus fund of Rs 1 crore to be created for meritorious students belonging to the Muslim community for technical and higher education under the Chief Minister's special scheme. Another scheme for OBC meritorious students was also approved.

Further, the state government also announced a scheme for meritorious students belonging to the SC category in the memory of former MLA from Bhagwanpur and Transport Minister Surinder Rakesh. Under the scheme, students achieving top 10 positions in high school would be given Rs 1 lakh each for pursuing higher studies.

The Cabinet also approved a scholarship scheme for children of nomadic tribesmen, for Kamboj communities and for those belonging to extreme backward classes. It also approved a plan for providing free sanitary napkins to girl students of government schools

studying in Class XI to XII. Under the scheme, in the first phase, 25 per cent of the students would be covered.

(Source- <http://sugarnews.in/cabinet-nod-to-rs-200-cr-dues-payment-to-sugarcane-farmers/>, published on 23rd July, 2016)

22 sugar factories in district get revenue recovery certificates

As many as 22 sugar mills in the state have received revenue recovery certificate from the sugar commissionerate after the sugarcane arrears declined to Rs 165 crore.

The action initiated by the government is a technical procedure for payment of dues. Another 11 mills have also lost their licence to crush cane because of their delay in making payment before the deadline.

State cooperation minister Subhash Deshmukh said, "The dues are from 2015-16 cane crushing season that ended in April this year. The total amount due was Rs 167 crore but Rs 2 crore was distributed to farmers. Thus reducing the amount to Rs 165 crore."

He made the information public during the ongoing session of state assembly and legislative council.

In December last year, the government decided to go ahead with the 80:20 formula, where 80% of the total sugarcane purchase amount was asked to be paid as first instalment to the farmers. The decision was taken because sugar mills had expressed their inability to pay complete amount for sugarcane purchased based on Fair and Remunerative Price (FRP) formula laid by the Union government. There are 11 sugar mills in the state that have failed to pay the sugarcane cultivators as per the formula finalised by the state government and farmers' organisations. Pune division alone has dues worth Rs 89 crore.

"The state based sugar mills produced 84 lakh tonnes of sugar. In March this year, the prices of sugar started rising and reached Rs 32 per kg in April. Worried by the sudden increase, the union government restricted the stock size and forced the traders to sell sugar into the market. The wholesale dealers in sugar are now allowed to stock upto 5,000 quintals, while retailers can stock only 500 quintals," Deshmukh said.

(Source- <http://timesofindia.indiatimes.com/city/kolhapur/22-sugar-factories-in-district-get-revenue-recovery-certificates/articleshow/53372634.cms>, published on 25th July, 2016)

Co-gen/Power

Essar Power may sell gas-based plants in Gujarat to pare debt

Burdened by a whopping Rs 20,369 crore debt, private utility Essar Power is looking to sell two of its gas-based plants in Gujarat to reduce debt, a senior company official said.

"We are evaluating all options for monetising our assets. We are looking at selling two of our captive gas-based plants in Gujarat," said Essar Power's Chief Financial Officer Alok Nagpal.

The company has two captive gas-based plants in Hariza in Gujarat with a capacity of 500 MW and 515 MW each, which are currently shut for want of fuel.

The 500-MW Bhandar plant in Hazira was commissioned in 2006 and commenced full commercial operations in October 2008 but due to high fuel price, the company shut the plant three years ago.

The 515-MW Essar Power Hazira had signed power purchase agreements (PPAs) with Essar Steel and Gujarat Urja Vikas Nigam and was commissioned in October 1997.

"Both these plants are ready and can go operational once we have fuel supply. We are looking at selling off these plants now. We are still evaluating its valuation and it may take some time. The benefit for the buyer, who would mainly be a captive user, will be that it can operate the plant immediately once the fuel is available," Nagpal said.

The company earlier expressed hope that it may be able to commission the 500-MW project this quarter saying it will be able to procure the fuel as the gas prices are coming down

(Source- <http://indianpowersector.com/2016/07/essar-power-may-sell-gas-based-plants-in-gujarat-to-prepare-debt/>, published on 25th July, 2016)

Coal India won't revise its share buyback offer price of Rs 335 per share

Coal India (CIL) will not revise its share buyback offer price of Rs 335 per share even if the stock crosses the offered price at the bourses. This would mean the government, its majority shareholder, will earn the entire Rs 3,650 crore earmarked for the offer.

The buyback is expected to be executed in October and with the share price briefly crossing the Rs 335 threshold last Thursday, analysts are not ruling out the possibility of the stock price surpassing the buyback offer price by then.

Two weeks ago, the company's board approved a proposal to buyback 10.89 crore shares, which is 1.72% of the state-run miner's shares, for Rs 335 each at a total of Rs 3,650 crore.

"The offer price has been decided after consultation with the government and the amount of money the company can spare for the buyback. This amount or the share buyback price will not be changed even if the stock price at the bourses is higher," a senior coal ministry official said.

As per the buyback regulations, a company cannot withdraw the offer to buy back after the draft letter of the offer is filed with the Securities & Exchange Board of India (Sebi) or a public announcement is made.

(Source- <http://indianpowersector.com/2016/07/coal-india-wont-revise-its-share-buyback-offer-price-of-rs-335-per-share/>, published on 25th July, 2016)

Green panel gives nod to MCL's coal washery project in Odisha

The Centre's green panel has recommended environment clearance to state-owned Mahanadi Coalfields Ltd (MCL) to establish a 10 million tonnes per annum capacity coal washery in Talcher district in Odisha.

Coal India arm MCL has proposed setting up of 'Jagannath Coal Washery' with 10 million tonnes per annum (MTPA) capacity in an area of 30 hectare at Hensmul village in Talcher district.

MCL's coal washery proposal was taken up for discussion in the recent meeting of the Expert Appraisal Committee (EAC) set up under the Union Environment Ministry.

As per the rule, the ministry gives final green clearances to the projects based on the EAC recommendations.

"After the detailed discussion, the EAC has recommended environment clearance to the proposed washery project subject to compliance of some conditions," a source said.

Among conditions specified, MCL has been asked to set up the washery as per the project report submitted to the committee. It has been told to transport raw coal through pipe-belt conveyor, and clean coal and rejected ones by rail with wagon loading through silo, the source said.

The panel has asked MCL to utilize rejected coal in power generation through joint venture companies which have been set up with NTPC. The technology chosen should conform to 'Zero Liquid Discharge'.

(Source- <http://indianpowersector.com/2016/07/green-panel-gives-nod-to-mcls-coal-washery-project-in-odisha/>, published on 25th July, 2016)

Quote of the day

'Follow your bliss and the universe will open doors where there were only walls.'

-Joseph Campbell