

SUGAR

Centre's 37% sugar quota bar irks sugar mills in Maharashtra

Union govt has asked every sugar mill in the state to keep only 37% of its stock and to offload the rest by September 30

Sugar mills in Maharashtra are miffed with the Centre's directive to reduce their sugar stocks to 37 per cent by this month-end, a measure aimed at keeping retail sugar prices under control.

The Union government, in a letter dated September 8, has asked every sugar mill in the state to keep only 37 per cent of its stock, thus pushing them to offload the rest by September 30.

The sugar stock limit (37 per cent) allowed under this quota would not include exports. There are 177 sugar mills in Maharashtra.

"The sugar sale in the state, on an average is 6-7 lakh tonnes. Going by the Union government's directives, mills will have to (over) sell up to 10-12 lakh tonnes of sugar before September 30 (to meet quota obligations). It means sugar will be sold at lower rates and mills would incur losses," Managing Director of Maharashtra State Cooperative Sugar Factories Federation Ltd (Sakhar Sangh) Sanjeev Babar told PTI.

When asked about the likelihood of other states facing a similar situation, Babar said, "Some states neighbouring Uttar Pradesh -- the largest in terms of sugar mills -- do not produce sugar. Hence UP (sugar) mills get better rates (even during heavy selling). However, the neighbouring states of Maharashtra such as Gujarat, Andhra Pradesh and Karnataka are major sugar producers. Thus, the state would not fetch better rates like UP.

Besides, he said, the Centre has already withdrawn its export subsidy to mills, which has come as a setback to them. Now, the government is forcing mills to sell their sugar at lower rates compounding their problems.

Also, the fresh directive has brought down wholesale sugar prices by Rs 150-200 per quintal. At present, sugar is traded in the wholesale market at Rs 3,200 per quintal, he said.

The sugar rates were around Rs 3,400 a quintal a couple of months back, but downfall began with various restrictions introduced by the Union government, Babar claimed.

Sugar mills in Maharashtra have already exported 10 lakh tonne sugar so far.

(Source-http://www.business-standard.com/article/pti-stories/centre-s-37-per-cent-sugar-quota-bar-irks-sugar-mills-in-maha-116092500303_1.html, published on 25th September, 2016)

India asks China to import agri-products like rice & sugar

Seeking greater cooperation in agriculture trade, India today asked neighbouring China to import a wide range of items from it such as rice, sugar, maize and dried grapes.

Agriculture Minister Radha Mohan Singh met his Chinese counterpart Qui Dongyu on the sidelines of BRICS agri-meet here and asked China to consider importing these products from India.

"I am looking forward for more and more cooperation in agriculture and allied sectors between the two countries leading to further strengthening of bilateral relations," Singh said in a statement.

He said China can explore the possibility of importing agricultural items including live plants, coconut, cashew nuts, banana, pepper, shorghum, coconut oil, oil cake, which India has a potential to export.

Singh also expressed satisfaction over the progress made in finalising a memorandum of understanding (MoU) with China on sanitary and phyto-sanitary (SPS) issues

He said the MoU is "inching towards finality".

In 2015-16, India's export to China stood at USD 875.13 million, while imports were at USD 284.18 million.

India exports agri-items such as fish, prawns, shrimp, cotton and castor oil, and imports kidney beans, apples, pears and bamboos.

(Source- <http://economictimes.indiatimes.com/news/economy/foreign-trade/india-asks-china-to-import-agri-products-like-rice-sugar/articleshow/54484920.cms>, published on 23rd September, 2016)

Co-gen/Power

4 Mahagenco plants shut due to no demand

For the first time in the history of the state-run generation power company Mahagenco, it has completely shut down four of its seven power plants. The total generation has gone below 2,000MW, which has also happened for the first time. The reason is no demand for power from state-run discom MSEDCL.

According to Maharashtra Electricity Regulatory Commission's (MERC's) merit order dispatch order, MSEDCL has to buy cheap power first before going in for costlier power. As the rate of generation of Mahagenco is higher than some private plants, the company has taken a beating.

A Mahagenco official said that all the units of Koradi, Khaparkheda, Bhusawal and Parli plants were offline. "Even though MSEDCL increased power supply to agricultural consumers from eight hours a day to 12, it has not helped. Heavy rains in many parts of the state has reduced demand for power. Farmers are not required to use their pumps. Moreover, the demand had increased during Ganeshotsav but now with the festival over the extra demand is no longer there. Presently, the total maximum demand is in the range of 13,500MW, which is quite low," an official said.

The official added that Parli plant was closed down last year due to water shortage. "Now there is water in its feeder dam to run two units but we are unable to start them due to lack of demand," he added. Last month, Mahagenco had started all the five units of the 1,340MW Khaparkheda power plant but had to close all of them down within a few days.

A MSEDCL official said that demand had also gone down due to increase in solar and wind generation. "The wind is strong during the rainy season and hence wind power generation has gone up. Many people are going for our solar roof top policy and this too is gradually reducing our demand," he said.

The MSEDCL has become hugely power surplus from facing an acute demand supply gap a few years ago.

(Source-<http://timesofindia.indiatimes.com/city/nagpur/4-Mahagenco-plants-shut-due-to-no-demand/articleshow/54503090.cms>, published on 25th September, 2016)

Essar loses coal mine for non-payment; may be barred from CIL supply too

The coal ministry has issued termination notice to Essar Power severing contract for development of Tokisud coalmine in Jharkhand.

With the termination, Essar Power will be barred from future coal auctions. The government is also considering taking severe actions against the company including disqualifying it from Coal India supplies, a senior government official said.

"Essar has invested over Rs 500 crore and made all necessary efforts to commence mining at the Tokisud North coal block. Despite this, the Company has been facing some legal and technical issues ever since the allocation of the block. Until these issues stand resolved, the Company won't be in a position to start development and mining activities on the ground. Hence the mining lease could not be executed," said Essar spokesperson commenting on the development.

"The termination notice will come into effect from October 6. The firm's Rs 261 crore bank guarantee will also be forfeited,"

(Source-<http://indianpowersector.com/2016/09/essar-loses-coal-mine-for-non-payment-may-be-barred-from-cil-supply-too/>, published on 26th September, 2016)

Tata Power consumers can soon know about their daily consumption. Here's how

Tata Power consumers in the city will soon be able to know about their daily electricity consumption and access various other details like reasons for technical fault in transmission line with the company working on a Rs 100-crore project to introduce "new-age" technology.

Under the first of its kind initiative in the country, domestic consumers of Tata Power Delhi Distribution Ltd (TPDDL), will be no longer required to report to the company about snapping of electricity supplies as real time monitoring of power transmission to each and every consumer will be ensured through a communication network, currently used by very few countries.

TPDDL CEO and Managing Director Praveer Sinha said consumers, by using an app in their smart phones, will be able to access a host of information such as consumption during peak and off-peak hours, details of consumption for any period in the current fiscal compared to same period a year ago etc.

(Source- <http://indianpowersector.com/2016/09/tata-power-consumers-can-soon-know-about-their-daily-consumption-heres-how/>, published on 26th September, 2016)

Power price increased for Rajasthan residents by 9.6%

The Rajasthan Electricity Regulatory Commission (RERC) on Thursday announced the revised power tariff, with an average hike of 9.6% in various consumer categories, to be effective from September 1. This is the fifth revision in the state after the National Tariff Policy came into force.

The commission cleared the full tariff increase sought by state discoms, which has led to 11 to 12% increase in all consumer categories except for agriculture, where the hike is 5.5%.

“The commission agreed to the hike proposed by state discoms as they were quite conservative in their proposal. Moreover, the last revision of rates came in February 2015. This has come after a year and seven months. The discoms have already suffered huge losses,” said G K Sharma, secretary, RERC. The revision would lead to an additional revenue of Rs 2,993 crore for the financial year. The power tariff for domestic consumers has been hiked between 35 paise and 75 paise in different categories. In the non-domestic category, the commission announced a revised rate of Rs 7.55 per unit from the earlier Rs 6.75 for consumption up to first 100 units per month, and from Rs 7.15 to Rs 8 per unit for consumption from 101 to 200 units a month.

(Source- <http://indianpowersector.com/2016/09/power-price-increased-for-rajasthan-residents-by-9-6/>, published on 24th September, 2016)

The power of transmission

Power Grid Corporation of India (Power Grid) has near monopoly on the country's inter-state and inter-regional power transmission network. Tariffs set by the Central Electricity Regulatory Commission enable it to earn assured returns on its commissioned projects. We spoke with I.S. Jha, Chairman and Managing Director, Power Grid, on the state of India's power transmission network and the company's growth prospects.

What have been some noteworthy improvements in the country's transmission infrastructure in recent years? What remains to be done?

The broad objective of the government is 24x7 power supply to people. This is possible only if power reaches everyone at the cheapest price. What is happening is that the power stations in the Southern region may price power at ₹3.50 a unit while those in Chhattisgarh can make power available at ₹2.30 a unit. If you have a good transmission network, then you won't buy electricity from the local power station in the South and will instead take the ₹2.30 per unit power because the cost of transmission is very low (only a few paise). Earlier the role of transmission was to evacuate the power generated, today it is the enabler of the market.

Today, we have one National Grid and here Power Grid has played a major role. In the last four years, our transmission assets have doubled. They have grown at 10 per cent (CAGR). The transmission capacity (importing power from other regions) of the country's two most deficient regions — the South and the North — has gone up by 71 per cent and 100 per cent in the last two years. All this has brought a lot of flexibility in the grid for transmitting power.

Since the grid is becoming more complex, the control systems also have to be good for smooth power transmission. Since the 2012 Delhi power outage, there have been no such incidents even though the quantum of power transmitted has gone up substantially. This is

because we have automated many substation operations. Our control centre at Manesar in Gurgaon manages all our substations through remote control. We have also brought in very high technology such as +_800kV HVDC (high voltage direct current) line from the North-Eastern Region to Agra, the first in the world.

On the maintenance side, too, we have ensured better patrolling of the transmission network so that uninterrupted power supply is available to consumers. You need to patrol to keep a check on thefts and also because if there is even one breakage anywhere, power will not flow. Since the network has become very extensive, we have introduced helicopter patrolling. In the last six months, we have also started using drones in the Northern and the Western regions.

(Source- <http://indianpowersector.com/2016/09/the-power-of-transmission/>, published on 24th September, 2016)

Major HFCs Climate Opportunity Emerging for India

Significant momentum is building toward major progress on climate change. In a landmark announcement, more than 100 nations signaled strong action by agreeing to an early freeze of highly potent global warming hydrofluorocarbon (HFC) gases. Developed countries and private foundations pledged eighty million dollars to support an early transition in developing economies. More than 500 companies and over 100 subnational governments made strong commitments to an early phasedown of HFCs as well. As nations head to Kigali for the final discussions in a few weeks, the world looks to India to take action.

In Kigali, countries will come together to agree on a schedule to control the use of highly global warming HFC refrigerant gases under the Montreal Protocol. HFC emissions are rising rapidly, especially in developing countries, where air conditioning demand is skyrocketing. While HFCs do not damage the ozone layer, their global warming effect is up to 15,000 times greater than that of carbon dioxide (CO₂). If started early, a phasedown of HFCs has the potential to shave off half a degree of expected warming by the end of the century—the single biggest step that the world can take to meet our global climate targets.

The agreement next month is critical to upholding the Paris Agreement's ambition of limiting global temperature rise to 1.5°C. More than ever before, the world needs to come together and build on the ambition signaled by the countries in New York this week. India, in particular, can take this singular opportunity to ensure long lasting benefits for the country including access to new technology and funding from the Montreal Protocol's Multilateral Fund for making an early shift.

(Source- <http://indianpowersector.com/2016/09/major-hfcs-climate-opportunity-emerging-for-india/>, published on 24th September, 2016)

Quote of the day

It is not living that matters, but living rightly. Socrates