NEWS FLASH – 28th December, 2016

SUGAR

Karnataka: Cane farmers protest over support price

Seeking remunerative price for sugarcane this crushing season, cane farmers under the banner of State Sugarcane Farmers Association staged a protest in front of sugar minister H S Mahadeva Prasad's house in Kuvempunagar on Monday.

State sugarcane growers association president Kuruburu Shanthakumar said that Bannari Sugar factory in Mysuru has lowered its charges compared to last year for supplying sugarcane to the factory. Presently, sugar price per quintal is Rs 4,000, and factory authorities have failed to provide the fixed price for their produce, he accused. He said that the government has failed to take any initiative even after several protests in front of the district minister's residence, deputy commissioner's office, and several letters to the government to fix the price at Rs 3,000 per quintal of sugarcane.

At the Belagavi session, the sugar minister had announced additional support price Rs 300 for remunerative price of Rs 2,300 for farmers of Bagalkot, Vijayapura and Belagavi districts, but the minister failed to announce the support price for Mysuru, Chamarajanagar and Mandya farmers, he accused.

Association secretary Athahalli Devaraj said that in Uttar Pradesh farmers are getting Rs 3,150 while the Haryana government is providing Rs 3,200 as state advice price (SAP). "The paddy grown in Kabini catchment area has withered due to drought. There is no water in canals in Kollegal, Chamarajanagar, Yalandur taluks. The government should take measures to provide Rs 25,000 per acre for the crop loss," he said.

(Source-http://sugarnews.in/karnataka-cane-farmers-protest-over-support-price/, published on 26th December, 2016)

Sugar climbs by Rs 100/a qtl on strong demand

Sugar recorded a significant rise of Rs 100 per quintal in its prices at the wholesale market in the national capital today following increased offtake by stockists and bulk consumers ahead of new month amid tight supplies from mills.

Marketmen said brisk buying by stockists and bulk consumers ahead of new month, triggered by restricted supplies from mills, mainly attributed sharp rise in the sweetener prices.

Sugar ready M-30 and S-30 prices went up by Rs 100 to end at Rs 3,880-3,980 and Rs 3,870-3,970 per quintal.

Mill delivery M-30 and S-30 prices also shot up by a similar margin to finish at Rs 3,480-3,660 and Rs 3,470-3,650 per quintal.

In the millgate section, sugar Kinnoni, Simbholi, Dorala, Khatuli, Dhampur and Sakoti flared up by Rs 100 each to conclude at Rs 3,660, Rs 3,640, Rs 3,610, Rs 3,640, Rs 3,600 and Rs 3,590 per quintal.

Sugar Asmoli, Budhana, Thanabhavan, Dhanora and Modinagar climbed up by Rs 90 each to Rs 3,620, Rs 3,600, Rs 3,590, Rs 3,610 and Rs 3,590, while Mawana, Anupshaher and Chandpur hardened by Rs 80 each to Rs 3,590, Rs 3,490 and Rs 3,580 per quintal.

Meanwhile, at the retail market, sugar prices moving in a range of Rs 38 to Rs 43 per kilo in the national capital.

Following are today's quotations (in Rs per quintal)

Sugar retail markets – Rs 38.00-43.00 per kg.

Sugar ready: M-30 Rs 3,880-3,980, S-30 Rs 3,870-3,970.

Mill delivery: M-30 Rs 3,480-3,660, S-30 Rs 3,470-3,650.

Sugar millgate (including duty): Mawana Rs 3,590, Kinnoni Rs 3,660, Asmoli Rs 3,620, Dorala Rs 3,610, Budhana Rs 3,600,Thanabhavan Rs 3,590, Dhanora Rs 3,610, Simbholi Rs 3,640, Khatuli Rs 3,640, Dhampur Rs 3,600, Ramala Rs 3,480, Anupshaher Rs 3,490, Baghpat Rs 3,490, Morna Rs 3,490, Sakoti Rs 3,590, Chandpur Rs 3,580, Nazibabad Rs 3,470 and Modi nagar 3,590.

(Source-http://sugarnews.in/sugar-climbs-by-rs-100a-qtl-on-strong-demand/, published on 27th December, 2016)

Hershey files winding up petition against Lokmangal Sugar

Hershey India Pvt Ltd, the maker of Jumpin juices and Brookside chocolates, has filed a winding up suit in the Bombay High Court against Maharashtra-based sugar manufacturer Lokmangal Sugar Ethanol and Co-generation Industries Ltd to recover around Rs 4.7 crore.

Hershey's India has filed a petition against Solapur-based Lokmangal in order to recover damages caused by Lokmangal due to non-deliverance of agreed upon products," said a release issued by the local subsidiary of US confectionary and chocolate company Hershey.

Lokmangal Group was founded by Subhash Deshmukh, who is a cabinet minister for cooperation, marketing and textile in Maharashtra government from the ruling BJP. Along with sugar and other agriculture products, Lokmangal Group has interests in banking, infrastructure and education as well.

According to the Bombay High Court website, the case was filed on 7 September and the first hearing will come up on 1 March 2017. The confectionery and chocolate syrup maker has filed the case under the Sections 433, 434 and 439 of Companies Act, which deals in winding up of the company in case a company fails to obligate its dues.

"Hershey's India and Lokmangal Sugars and Ethanol had entered into an agreement in 2015 whereby Lokmangal would supply a predetermined quantity of sugar to Hershey's at a mutually decided price," said the company release further adding that, "at the time of signing of the agreement, Lokmangal had assured in writing that it would set aside and store separately the quota allocated to Hershey's as per the agreement."

An email query to Hershey remained unanswered while several phone calls to the company did not elicit any response. When contacted, a senior official of Lokmangal Group said we have just received the notice and our legal team is looking into the matter.

"Lokmangal had delivered about 40% of the sugar to Hershey's and informed them that they were unable to deliver the balance. On being asked to reimburse the remaining money (approximately Rs. 4.70 crore), Lokmangal has pleaded financial crunch," said Hershey. "As per the agreement, in case Lokmangal fails to honour the supply commitment, it would reimburse the remaining amount at current market price to Hershey India."

The court registrar on 29 November directed Hershey to serve the notice regarding filing of the case to Lokmangal by registered post by 24 January 2017.

"When a company fails to pay any debt which is over Rs 500, the lenders can file this suit," said Chandubhai Mehta, managing partner of Mumbai-based law firm Dhruve Liladhar & Co. "However, the lenders here will have to prove that the company is indeed unable to fulfil its obligations."

(Source-http://sugarnews.in/hershey-files-winding-up-petition-against-lokmangal-sugar/, published on 24th December, 2016)

COGEN

India leads Spain, UK in wind energy generation; affordable solar panels could cause a clean energy boom

Renewable energy is an area that is expected to take off in India, thanks to the ambitious mission stated by the Ministry of New and Renewable energy. It states, "24×7 affordable environment friendly power for all by 2019." The government also plans to generate around 40 percent of its power from non-fossil fuels by 2030.

With the electronics market projected to grow at a compounded annual growth rate of 24.4 percent between 2012-2020 and expected to reach $400bn by 2022, it is only natural that we started looking at fossil-free sources of energy. India's per capita energy consumption has seen sustained increase over the years (from 734kWh in 2008-09 to 1075 kWh in 2015-16), but it is still the lowest among the BRICS nations. With the whole push towards putting India on the digital highway, our energy infrastructure backbone has to grow proportionately. Investing and accelerating the dependence of renewable energy source is definitely deemed to play a major role in this.

Did you know, India is at the fourth position in terms of installed wind power capacity, ahead of Spain, UK, France, Canada. As on 31 October, 2016, Solar Energy Projects with an aggregate capacity of over 8727.62 MW have been installed in the country. India's total solar capacity is 10GW and the government plans to take it to 17GW by 31 March 2017. Here are the targets of the government for renewable energy generation for the next three years.

Source	**2016-17**	**2017-18**	**2018-19**
Solar Power	**12,000**	**15,000**	**16,000**
Wind	4000	4600	5200
Biomass	500	750	850
SHP	225	100	100
Grand Total	**16725***	**20450***	**22150***

Thanks to the hot weather in majority of the Indian landscape, we are in a position of advantage as far as generating solar energy is concerned. That a relatively cooler country such as Germany can generate over 35GW of solar energy, should give us enough confidence to achieve the numbers the government is looking at. Just last month, news emerged that India has the largest solar power plant at a single location (Kamuthi, Tamil Nadu) with a capacity of 648MW – which has the capacity to power 150,000 homes.

In order to achieve these targets, solar panels installed capacity has to see a boost in numbers. We will need many Kamuthi-like examples across the country. A new report by the World Economic Forum (WEF) could certainly push the investments in solar energy. According to the report, solar and wind energy generation has reached the same price point or is cheaper than new fossil fuel capacity in over 30 countries.

Michael Drexler, leading infrastructure and development investing at WEF has said in a statement that investing in solar and wind is not only commercially viable, but a compelling investment with long term returns.

According to the WEF report, there are more political barriers rather than economic ones. "Contracts are not standardized, regulatory uncertainty remains, and financial institutions have not created an asset class with a public, standardized track record that will reassure mainstream investors," says the report.

Challenges faced

One of the main challenge which is stopping solar energy generation from taking off in India has been the costs associated with solar photovoltaics, when compared to those associated with other energy generation methods (read fossil-fuel based ones). With the WEF report hinting a drop in prices, this issue should not be that great a challenge going forward. Economies of scale, innovations in technology and dropping equipment prices should bring in some correction here.

Land acquisition is another concern, considering a 1MW of solar power generation requires around 5 acres of land. The government is trying to overcome this issue by earmarking dedicated solar parks across the country. "34 Solar Parks of capacity 20,000 MW in 21 states have been sanctioned which are under various stages of execution," says an MNRE report.

Evacuation of the generated solar energy is another challenge. According to this report in Livemint, Power Grid Corporation of India has been asked to have separate transmission lines to evacuate green energy. While initially there will only by inter-state transmission lines, local government are expected to distribute the energy inside their respective states.

As mentioned before, the Ministry of New and Renewable Energy has ambitious plans. All that's needed is a focussed approach towards overcoming the challenges mentioned above.

(Source-http://tech.firstpost.com/news-analysis/india-leads-spain-uk-in-wind-energy-generation-affordable-solar-panels-could-cause-a-clean-energy-boom-354776.html)

NTPC signs 160 MW PPA with Nepal Electricity Authority

NVVN is the only government company in the power sector engaged in the business of power trading

State-owned NTPC today said that its wholly-owned arm NTPC Vidyut Vyapar Nigam has signed power purchase pact with Nepal Electricity Authority to supply 160 MW power for January-May 2017.

"NTPC Vidyut Vyapar Nigam Limited (NVVN)...Has signed Power Purchase Agreement(PPA) with Nepal Electricity Authority (NEA) for supply of up to 160 MW power for the period January 2017 to May 2017 through Muzaffarpur-Dhalkebar transmission line," the company said in a statement.

The agreement was signed by Arun Kumar Garg, CEO, NVVN and Kul Man Ghising Managing Director, NEA, the statement said.

NVVN is the only government company in the power sector engaged in the business of power trading.

Quote of the day

'Education is the key to unlock the golden door of freedom.'- George Washington Carver