

NEWS FLASH –30th July, 2016

SUGAR

Centre considers curbs on sugar sales at mills

The government is mulling imposing stock limit for sugar millers and restricting domestic sales by fixing quota on each mill to tame the sweetener's retail prices, which are currently ruling as high as Rs.43 per kg.

"The sugar price was discussed at a conference. Prices are rising because of tight supply situation created mostly by holding of stocks by millers," a senior Food Ministry official told PTI on Thursday.

(Source- <http://sugarnews.in/centre-considers-curbs-on-sugar-sales-at-mills/>, published on 29th July, 2016)

Sugar stays flat in routine trade

Sugar market ruled flat on routine demand, supply and volumes. As stockists have bought more than enough in last few days they stayed away from fresh bulk buys. On the Vashi market, fair quality sugar was offered at 10 a quintal lower and the fine variety at 5 higher. Naka rates were unchanged. Freight rates were steady. Arrivals were about 60-61 truck loads and local dispatches were at 61-62 loads. The Bombay Sugar Merchants Association's spot rates: S-grade 3,660-3,772 (3,660-3,782) and M-grade was 3,752-3,872 (3,762-3,872). Naka delivery rates: S-grade 3,640-3,730 (3,670-3,740) and M-grade 3,740-3,840 (3,740-3,840).

(Source- <http://sugarnews.in/sugar-stays-flat-in-routine-trade-3/>, published on 28th July, 2016)

Sharad Pawar sees pressure on sugar prices continuing next year

Sugar prices are expected to remain under pressure due to an estimated supply gap of 3.5-4 million tonnes in the next marketing year starting October, former Agriculture Minister Sharad Pawar said today.

The Nationalist Congress Party (NCP) supremo also asked the industry to be prepared for any government action, including possibility of import of raw sugar to boost domestic supply and check prices.

"This year, sugar production situation is good. But I don't see similar situation in the next year. In 2016-17, there will be 3.5-4 million tonnes gap in demand and supply," Pawar said at the 74th annual convention of the Sugar Technologists' Association of India (STAI).

Sugar rates, which at present are ruling in the range of Rs 34-38/kg, may come under pressure due to a likely gap in supply and demand, he said.

“Next year, with a gap of 3.4 to 4 million tonnes of sugar, there will definitely be an impact on prices and the government will take some steps and the industry should be ready for that,” he noted.

The government has projected sugar output to decline to 23-23.5 million tonnes in 2016-17 marketing year (October- September), as against 25.1 million tonnes in the current year. Meanwhile, industry body Indian Sugar Mills Association (ISMA) has pegged sugar output at 23.26 million tonnes for next year.

Pawar said the country's sugar demand is around 25.6 million tonnes and is expected to grow at 3-4 per cent per annum. By 2020, sugar demand is pegged at 30 million tonnes.

Apprehensive about the government's policies to check price rise in sugar, Pawar asked the industry to be prepared for the possibility of sugar imports.

“A suggestion has been made to import raw sugar to bridge the gap. There are other alternatives and I hope the government will take appropriate action,” he said.

To curb price rise in sugar, the government has recently imposed 20 per cent export duty on sugar and withdrawn cane production subsidy to the mills.

(Source- <http://sugarnews.in/sharad-pawar-sees-pressure-on-sugar-prices-continuing-next-year/>, published on 29th July, 2016)

Government plans to re-introduce release order mechanism to check surging sugar prices

In a throwback to the release order mechanism days, the central government is mulling whether to impose stock limits for sugar millers and restrictions on domestic sales by fixing a quota on each mill, to tame retail prices, currently Rs 43 a kg.

Food Secretary Vrinda Sarup reviewed the price situation here on Thursday in a video conference interaction with sugar producing and consuming states.

“Prices are rising because of tight supply, created mostly by holding of stocks by millers. We are looking at stock limits and to reintroduce the monthly release mechanism,” a senior ministry official told PTI after the meeting. At present, stock holding limits are in place on dealers/traders, not on millers.

Currently, there is a stock holding limit on a dealer or trader for up to 500 tonnes for all states, barring West Bengal. The limit for a dealer/trader in Kolkata and extended areas of Bengal is 1,000 tonnes.

Under the release order mechanism, the central government decided how much each mill would sell in the open market. This mechanism was scrapped in 2013, when the sugar industry was partially decontrolled.

To curb prices, the government recently imposed a 20 per cent export duty on sugar and withdrew the cane production subsidy to mills.

Sugar prices are rising as domestic production is estimated to decline to 23-23.5 million tonnes in the 2016-17 marketing year (October-September), as against 25.1 mt in the current year.

Earlier during the day, former agriculture minister Sharad Pawar said prices were expected to remain under pressure due to an estimated supply gap of 3.5-4 mt in 2016-17.

(Source- <http://sugarnews.in/government-plans-to-re-introduce-release-order-mechanism-to-check-surging-sugar-prices/>, published on 29th July, 2016)

Co-gen/Power

Renewable certificate trading sees 30 per cent growth in July

Renewable Energy Certificate trade increased 30 per cent in July 2016 against the previous corresponding period.

They were bought mostly by obligated captive power and open access consumers.

The trading session saw 1.63 lakh RECs being sold against 1.25 lakh in the previous period.

Despite a substantial rise in traded volumes, hardly 2 per cent of the total non-solar certificates and 1 per cent of solar certificates were sold at the July trading session held on Thursday.

Both Non solar and solar certificates were sold at the floor price of Rs 1,500 per certificate and Rs 3,500 per certificate respectively.

A total of 1518 participated in bids with about 1000 participants bidding for certificates in the non solar segment while another 565 bidding for the solar segment.

On an overall basis, a total 3,257 participants are registered in the REC segment at the Indian Energy Exchange. Of this 841 are eligible entities - renewable energy generators, 2399 are obligated entities like DISCOMs, open access consumers & captive generators and 17 are registered voluntary entities.

(Source- <http://energy.economictimes.indiatimes.com/news/renewable/renewable-certificate-trading-sees-30-per-cent-growth-in-july/53453596>, published on 29th July, 2016)

BHEL commissions 40-mw hydro power unit in West Bengal

State-run power equipment maker BHEL has commissioned a 40-mw unit of a hydro power plant in West Bengal.

“Just a month after the commissioning of the first 40-mw hydro electric generating unit at the Teesta Low Dam Hydro Electric Project (HEP) Stage-IV in West Bengal, Bharat Heavy

Electricals Ltd (BHEL) has successfully commissioned the second unit of the same rating at the project," the company said in a statement today.

A run-of-the-river project located in Darjeeling district of West Bengal, Teesta HEP is being set up by National Hydroelectric Power Corporation (NHPC), on the River Teesta, it said.

(Source- <http://indianpowersector.com/2016/07/bhel-commissions-40-mw-hydro-power-unit-in-west-bengal-2/>, published on 30th July, 2016)

New artificial leaf creates fuel using CO₂, sunlight

Scientists have developed "artificial leaves" – potentially game-changing solar cells that cheaply and efficiently convert atmospheric carbon dioxide directly into usable hydrocarbon fuel using sunlight.

Unlike conventional solar cells, which convert sunlight into electricity that must be stored in heavy batteries, the new device essentially does the work of plants, converting atmospheric carbon dioxide into fuel, solving two crucial problems at once.

A solar farm of such "artificial leaves" could remove significant amounts of carbon from the atmosphere and produce energy-dense fuel efficiently.

"The new solar cell is not photovoltaic – it's photosynthetic," said Amin Salehi-Khojin, assistant professor at University of Illinois at Chicago.

"Instead of producing energy in an unsustainable one-way route from fossil fuels to greenhouse gas, we can now reverse the process and recycle atmospheric carbon into fuel using sunlight," he said.

(Source- <http://indianpowersector.com/2016/07/new-artificial-leaf-creates-fuel-using-co2-sunlight/>, published on 30th July, 2016)

NTPC & NHPC to spend Rs 100 crore in Hydro Engineering College in Himachal

Government of Himachal Pradesh, NTPC Ltd. & NHPC will jointly spend Rs 100 crore in setting up a Hydro Engineering College in Himachal Pradesh to promote technical education.

To this effect an memorandum of understanding was signed by the three entities on Friday

NTPC & NHPC will each contribute Rs 37.50 crore each (total Rs 75 crore) in the first tranche for setting up the Hydro Engineering College at Badla, district of Bilaspur in Himachal Pradesh.

NTPC & NHPC will be spending an additional Rs 12.5 crore each (total Rs 25 crore) in the second tranche.

Apart from this NTPC and NHPC will also contribute Rs 2.5 crore each (total Rs 5 crore) per year for five years (total Rs. 25 Crore) towards operating expenses.

Land for the proposed college has already been identified by the government of HP & will be transferred to the society registered for the purpose. NTPC, NHPC and Ministry of Power will be represented in the governing body of the college which will be affiliated to Himachal Pradesh Technical University.

(Source-<http://indianpowersector.com/2016/07/ntpc-nhpc-to-spend-rs-100-crore-in-hydro-engineering-college-in-himachal/>, published on 30th July, 2016)

PSPCL faces Rs 2,075 cr loss for surrendering surplus power

As power surplus is putting "heavy" financial burden on energy utility PSPCL due to lack of sale, state electricity commission has worked out Rs 2,075 crore financial impact for surrendering excess energy for 2016-17.

Asking Punjab State Power Corporation Limited (PSPCL) to sell additional power to reduce fiscal burden, the regulator has also announced measures to boost power consumption and reduce financial impact.

"When there is surplus power (with power utility), it (PSPCL) has to bear fixed cost that comes to Rs 2,000 crore loss which PSPCL has to incur because power is not sold," Punjab State Electricity Regulator Commission (PSERC), Chairman, D S Bains said here today.

"That is why we are trying that there will be no peak load hours restrictions, no surcharge. We have given night rebate which will kick start the demand for power as industry is the only sector which can consume more power. So that the power surplus situation can be used to our advantage," he said.

PSPCL, in its annual revenue return for 2016-17, has projected 18,124 million units of surplus power from central generating stations and independent power producers (IPP) in the state for 2016-17 which is to be surrendered.

The power utility has not submitted any proposal to either utilize or sell this additional energy available within the state or outside the state, as per new tariff order.

It has also not calculated the financial burden of surrendered power in the annual revenue requirement (ARR) for 2016-17, the order said.

(Source-<http://indianpowersector.com/2016/07/pspcl-faces-rs-2075-cr-loss-for-surrendering-surplus-power/>, published on 29th July, 2016)

248 tribal families to get solar LEDs

As many as 248 tribal families from Sakeri, Pathan, Kondhval, Pimpergane, Velholi, Nigdale and Siddhagad located in Bhimashankar Wildlife Sanctuary would see light in their homes for the first time next month.

The Science and Technology Innovation Park (Scitech Park), Pune, would distribute solar LED home light sets among them on August 2. A solar panel, battery bank and two bulbs would be given to each family under the project 'Scitech Surya'. Each set costing around Rs3,000 would be provided free to the tribal families.

Backed by a CSR initiative of the New India Assurance Company Limited, Mumbai, the project secured all its funding. The entire project costs around Rs10 lakh. Last year, Scitech Park provided over 1,000 such sets in Kinwat tehsil of Nanded District, a tribal region.

(Source- <http://indianpowersector.com/2016/07/248-tribal-families-to-get-solar-leds/>, published 29th July, 2016)

Quote of the day

***'No act of kindness, no matter how small, is ever wasted.'* -Aesop**