

HIGHLIGHTS FOR JANUARY' 2009

BIRLA SUGAR

UPPER GANGES SUGAR & INDUSTRIES LIMITED

UPPER GANGES SUGAR & INDUSTRIES LIMITED 2nd QUARTER FINANCIAL RESULT

- Appeared in *The Economic Times*
- Appeared in *Business Standard*
- Appeared in *The Financial Express*
- Appeared in *The Hindustan Times*

OUDH SUGAR MILLS LIMITED

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- Appeared in *The Financial Express*
- Appeared in *the Hindustan Times*
- Appeared in *Bartaman*

SNAP SHOTS

[Important developments that has taken place in the Sugar Industry and in the business of the other players](#)

Sugar production in the country is likely to fall to 180 lakh tonnes in 2008-09 season from 264 lakh tonne last year. India, the world's biggest consumer of sugar, may cut taxes on import of raw sugar or waive re-export obligations to bolster local supplies and prevent an increase in domestic prices. Anticipating changes in sugar import policy, some mills have firmed up deals to import 200,000 tonnes. The government is believed to have taken a decision on easing imports norms of raw sugar to reduce prices ahead of elections.

COMPETITION

Curtain comes down on Bajaj Dispute after 5 years: The five-year long ownership battle in the Bajaj Group finally came to an end on Thursday when the two factions-The Rahul Bajaj and the Shishir Bajaj Groups-agreed on an amicable settlement that included transferring of shareholdings.

Balaji's Badamba sugar mill gets back cane command area: Laxmipathi Balaji Sugar & Distilleries, which has acquired Badamba Co-operative Sugar Mill in Orissa's Cuttack district, has got a relief with the state high court restoring the command area of the sugarmill.

INDIAN SUGAR INDUSTRY

Govt likely to put curbs on sugar export, allow import: The government on Tuesday indicated that it would not allow export of sugar from the country in view of lower estimated production in 2008-09 seasons and said it seriously considering allowing import of raw sugar.

Statutory minimum price for sugarcane may be hiked – The Centre is said to be considering a statutory minimum price in the region of Rs 110 to Rs 115 a quintal for sugarcane to be crushed during the 2009-10 season

Food Ministry plans easing raw sugar imports: The centre is all set to relax duty-free imports of raw sugar against advance licenses by allowing it on a 'tonne-to-tonne' basis till September 30. Currently, mills can import raw sugar at zero duty against ALs only if they reprocess it into white (refined) sugar for exports within 24 months of license being used.

Govt to fix quantity of sugar mills can export – The Union Govt has reimposed the release order mechanism for sugar exports. The Govt will now strictly fix the quantum of sugar that each mill can export, similar to controls placed on domestic production each month.

Howrah Mills for carbon credits: Howrah Mills Company Limited today said it was the first jute mill in the country to earn carbon credits under the clean development mechanisms thanks to adoption of latest technology.

Sugar's bitter-sweet truth: The sugar industry in India has undergone a paradigm shift which is not fully understood. The country being large there are differing interests of sugarcane millers in the north, south and west that are not reconciled.

Sugar may not touch 180 LT: Sugar production in the country may fall below 180 lakh tonne (LT) in 2008-09 from 264 lakh tonne in the previous year.

Tax cut on raw sugar import to boost supply: India may cut taxes on import of raw sugar or waive re-export obligations to bolster local supplies and prevent an increase in domestic prices. India levies a 60% duty on sugar imported for domestic refining and sales.

Sugar import may not dissolve speculation: Output Estimates Fall 40 Lakh Tonnes, Prices Shoot Up 16%. The Centre's downward revision of sugar output estimates for 2008-09 by 40 lakh tonnes to 180 lakh tonnes last week from 220 lakh tonnes is likely to increase speculative activity in sugar prices this year. Sugar which ruled at only Rs 1850 per qtl shot up to Rs 1982 per qtl by end of December 2008. The sugar industry was divided vertically prior to the ISMA meeting, over the issue of whether raw sugar imports were at all needed to boost domestic supply.

MMTC floats bids for 22k-t raw sugar import: MMTC, on Friday, invited bids on behalf of private companies, who have advanced licence, for import of 22,000 tonnes of raw cane sugar from any country to be delivered in February

Sugar Norms: The Centre is likely to decide on tweaking sugar import norms tomorrow to allow millers to sell duty-free imported sugar in the domestic market.

Centre likely to take up sugar import issue today: The Centre is likely to decide on tweaking sugar import norms on Wednesday to allow millers to sell duty free imported sugar in the domestic market . First CCEA meeting will be held in the absence of Prime Minister

Delay in sugar import sops fuels speculative buying: The delay in Centre's decision to provide the necessary incentive for import of raw sugar to make up for the loss in production may cost Maharashtra. The State may import one lakh tonnes as and when the government announces its policy on raw sugar imports

Sugar output may dip to 180lakh t: Pawar – The country's sugar production may decline to 180 lakh tonne in 2008-09 seasons from 264 lakh tonne in the previous year.

HC stays UP order on sugar mills occupiers – Sugar mills in UP can heave a temporary sigh of relief as the Allahabad Court on Tuesday stayed orders of various district collectors making mill owners the occupiers of respective units

Govt defers decision to change sugar import norms: The Government has deferred a decision on tweaking sugar import norms to allow millers to sell duty free imported sugar in the domestic market.

INTERNATIONAL NEWS

Thai 2009 sugar exports to match the 2008 record: Thai sugar exports hit a record high of 5 million tonne in 2008 and the same level is expected in 2009. Thailand, expects to produce around 73 million tonne of sugarcane, or around 7.3 million tonne of sugar in its 2008-2009 crop year.

Buying prospects offer little respite for sugar: India is about to import raw sugar for the first time in three years. The global deficit is seen swelling to 6 million tonne, India's exports won't make much difference. India's purchases could boost prices in New York. The US department of agriculture estimated Brazil's sugar output at 32.4 million tonne in 2008-2009.
