

HIGHLIGHTS FOR FEBRUARY 2010

BIRLA SUGAR

SNAP SHOTS

Important developments that has taken place in the Sugar Industry and in the business of the other players

February saw a lot of developments in the Sugar industry. Renuka Sugars was all over the news for acquiring 51% stake in Equipav S.A. Acucar e Alcool (Equipav), one of the largest sugar and ethanol companies in Brazil, for Rs 1,530 crore. Renuka Sugars also decided to set up refineries near Kandla, to process and refine raw imported sugar with a daily handling capacity of 3,000 tonnes.

In the event of falling sugar prices sugar mills in Uttar Pradesh (UP) and neighboring Uttarakhand decided to reduce the price paid to farmers for sugarcane by nearly 8 per cent (Rs 20 a quintal) keeping in view the sharp fall of 15 per cent in sugar realisation over the last fortnight. Further, seven mills in Maharashtra shut operations due to lower cane supply, the Madhya Pradesh Government would import sugar to disburse it at cheaper rates in the retail markets of the state viewing the soaring prices of sweetener. The first consignment of sugar imported from Brazil is likely to reach the state in March; this sugar will be sold at around Rs.27 or 28 per kg in the open market in the state, adding that tenders for importing sugar were invited around three months ago.

The GMR Group is said to be considering exiting the sugar business to focus on its core business.

Coverage appeared in:

- The Economic Times
- The Times of India
- Hindustan Times
- The Hindu
- The Hindu Business Line
- Business Standard
- The Asian Age

OTHER PLAYERS

Sugar majors set up refineries in Kandla

Two major sugar companies—Simbhaoli Sugars and Renuka Sugars—have decided to set up refineries near Kandla, to process and refine raw imported sugar. The refining capacity of Simbhaoli will be 1,000 tonnes per day, while Renuka plans to set up its refinery with a daily handling capacity of 3,000 tonnes.

Mills effect 8% cut in cane prices

In an unprecedented move, sugar mills in Uttar Pradesh (UP), the country's second-largest sugar producing state, and neighboring Uttarakhand have decided to reduce the price paid to farmers for sugarcane by nearly 8 per cent (Rs 20 a quintal) keeping in view the sharp fall of 15 per cent in sugar realisation over the last fortnight. The move is aimed at ensuring healthy returns in the event of falling sugar prices. The country's top sugar companies, Bajaj Hindusthan, Balrampur Chini and Triveni Engineering, have their operations in the state.

Sugar-coated strategist

In 2006, Bajaj Hindusthan, the country's biggest sugar producer, toyed with the idea of making an acquisition in Brazil, the world's largest sugar producer. But the initiative never went beyond the idea stage. Three years later, Narendra Murkumbi-promoted Shree Renuka Sugars became the Indian company to acquire a Brazilian company VDI. That was in November 2009. Just three months later, it made another acquisition in Sao Paulo-based

Equipav SA. Both moves have made Renuka India's second largest sugar producer and Brazil's fifth largest. Renuka is investing over Rs 1,900 crore in the two deals.

Sugar Prices to Remain 'Strong' as Deficit Widens

Sugar prices will remain "strong" amid a global supply shortage, India's second-biggest producer said. Shares of sugar millers advanced in Mumbai. "The demand-supply mismatch should lead to strong prices as we move ahead both globally and domestically," said Vivek Saraogi, managing director of Balrampur Chini Mills Ltd., on a conference call today. He didn't forecast a price level.

Balrampur Chini Mills an outperformer: Karvy

Karvy Stock Broking has maintained outperformer rating on Balrampur Chini Mills with a price target of Rs 140 in its report dated February 3, 2010. Balrampur Chini Mills reported marginal increase of 1.1% YoY (QoQ increase of 14.4%) in revenue to Rs 4.33 billion in Q1FY10. The average sugar realization improved by 71.5% YoY to Rs 30.3 per kg while volume declined by 62.6% YoY to 0.126 mn mt. The operating margins increased from 26.8% in Q1FY09 to 29% in Q1FY10 against expectations of 26.6%. The decline in other expenditure by 18.8% YoY to Rs 358 million resulted in margin improvement of 203 bps. We expect the company report revenue growth 32.5% to Rs 22.53 billion and profit of Rs 3.78 billion in FY10 on back of strong sugar realization. We have revised our valuation from 11x FY10 to 9x FY11 earnings with price target of Rs 140 (previous Rs 163). We maintain our rating to Outperformer, "says Karvy Stock Broking.

Sugar Output Drops 2.5% in India on Delayed Crushing

Sugar output in India dropped in the first four months of the season that began Oct. 1, worsening a shortage that's doubled retail prices in the world's biggest consumer of the commodity, a producers' group said. Mills produced 9.7 million metric tons in the October-January period, down from 9.95 million tons a year earlier, Vinay Kumar, managing director of the National Federation of Cooperative Sugar Factories Ltd., said in a phone interview from New Delhi today. Bajaj Hindusthan Ltd., India's biggest mill, returned to profit in the three months to Dec. 31 and Balrampur Chini Mills Ltd., the second-largest, reported a 49 percent increase in net income to 765.5 million rupees. Profit at Shree Renuka Sugars Ltd. surged to 2.61 billion rupees from 110 million rupees.

Shree Renuka plans sugar refinery at Kandla

Shree Renuka Sugars Ltd (SRSL) is setting up a refinery to process and refine raw imported sugar near Kandla Port in Kutch district of Gujarat. If Simbhaoli Sugars Ltd (SSL) plans are taken into account, then nearly Rs 400 crore will be invested by both these firms for setting up refineries. SSL will set up a port-based green-field sugar refinery with an estimated investment of Rs 180 crore to be financed by way of long-term loans and the promoters' equity. The refinery would have a raw sugar refining capacity of 1,000 tonnes a day (TPD), thereby enhancing its overall sugar refining capacity to 3,000 TPD of white sugar annually. It is slated to be commissioned in mid-2011, company sources told Business Line

Sugar Firms plan independent refineries near port

Faced with cane supply constraints in the last two years, sugar mills in the country are planning to set up independent refineries to process imported raw sugar. A majority of them is planning refinery facilities near ports in order to avoid political hurdles like in Uttar Pradesh (UP). Delhi-based sugar producer Simbhaoli Sugars is planning to set up a 1,000 tonnes per day (tpd) raw sugar refining facility at Gandhidham, barely 2-km away from Kandla port in Gujarat. The company proposes to invest Rs 180 crore on the plant. The company currently has most of the cane crushing, distillery and co-generation facilities in UP. Now, it is planning a refining facility for the first time outside the state to avoid any political rift with the government

Shree Renuka sugars to buy 51% in Brazilain co for 1530 cr

Shree Renuka Sugars Ltd on Sunday announced the acquisition of 51 per cent stake in Equipav S.A. Acucar e Alcool (Equipav), one of the largest sugar and ethanol companies in Brazil, for Rs 1,530 crore. This is the second acquisition by the company in Brazil. It had bought Vale Do Ivai SA for \$82 million in last November. Mr K.K. Kumbhat, Chief Financial Officer, Shree Renuka Sugars, said the deal will be finalised in the next 40 days after negotiation with the Brazilian company's lenders for restructuring a loan of Rs 3,821 crore. The deal is subject to approval of an acceptable debt restructuring package by the Brazilian banks, the main lenders

Renuka MD looks beyond sweet nothings

His penchant for spotting and lapping up troubled assets has already earned him the sobriquet 'the LN Mittal of Indian sugar'. True to that, Narendra Madhusudhan Murkumbi,

cofounder and MD of Shree Renuka Sugars Ltd, has set a simple goal for his firm: to be the world's biggest sugar company. "I think we are within striking distance," he told ET from his hotel room in Sao Paulo, Brazil, on Monday, after announcing the acquisition of Equipav – Brazil's fifth largest sugar and alcohol company. Murkumbi, 39, is the master of makeover. Instead of setting up new factories, he acquires old and preferably ailing sugar mills, or leases them if buying is not a possibility. Out of his eight factories in India, seven have been acquired from a slew of owners that range from state governments, cooperatives, public sector and private companies.

Renuka Sugars' Brazil buy seen as supply ship for cane

Shares in Shree Renuka Sugars, India's biggest refiner, jumped on Monday after it agreed to buy a Brazilian firm, offering it control over sourcing cheaper cane and more operational flexibilities. The firm has signed a definitive agreement for a 51% stake in Brazil's Equipav SA Acucar e Alcool, its second in Brazil, the world's biggest producer of the sweetener. The company acquired sugar and ethanol producer Vale Do Ivai S.A. Acucar E Alcool for \$82 million in November 2009. As a business strategy, it is really good. Brazil is a low-cost producer of ethanol and the biggest producer of sugar. So, buying assets there, which will secure your raw material, is a good deal, Vikram Suryavanshi, analyst at Karvy, said.

Shree Renuka's Brazilian acquisition it from India's sugar cycle

The latest deal of Shree Renuka Sugars Ltd, (SRSL) the acquisition of Brazil's Grupo Equipav's sugar business, is a game changer in the making. SRSL spent Rs1, 500 crore in creating assets over five years till the fiscal ended 30 September 2009. Sugar firms count their year from October. In November, it announced the acquisition of a Brazilian sugar company Vale Do Ivai (VDI). It is now acquiring a 51% stake in Grupo Equipav's Brazilian sugar business for \$329 million (Rs1,530 crore). The sugar business has debt of Rs3,821 crore, which will be partly repaid from SRSL's equity infusion.

Shree Renuka gets boost, analyst warn against debts

India's biggest refiner, Shree Renuka Sugars Ltd's \$329 million (about Rs1,520 crore) bid for a 51% stake in Equipav SA Acucar e Alcool got a thumbs up from the equity markets on Monday even as analysts cautioned that the increase in debt and a possible correction in sugar prices could hurt the Indian firm in the long term. The company's stock rose 3.70% to end at Rs186.55 per share on Monday, beating the benchmark 30-share Sensex's 0.28% gain

because the Brazilian sugar and alcohol company looks a great strategic fit at a time when sugar prices are at a peak.

Rao re-designated Simbhaloi Sugar CEO

Simbhaoli Sugars said on Thursday said Mr GSC Rao, who is the Executive Director, has been re-designated as Chief Executive Officer (CEO) of the company. Further, Mr Sanjay Tapriya, Director (Finance) has been re-designated as Chief Financial Officer of the company, Simbhaoli Sugars said in a filing to the BSE.

INDIAN SUGAR INDUSTRY

Sugarcane may get higher tag to push up acreage

The farm ministry has recommended a higher price for sugarcane for the next year in bid to increase sugarcane acreage to the optimum and exponentially boost domestic sugar output against a backdrop of lower production and steep retail prices. The higher price is expected to encourage farmers to plant more sugarcane. The price increase has to be approved by the Cabinet Committee on Economic Affairs (CCEA).

Seven Maha sugar mills close ops

Seven mills in Maharashtra have shut operations due to lower cane supply, a senior industry official said on Thursday. This year, 137 mills in the state had started crushing operation, but now only 130 are operational, said Prakash Naiknavare, managing director, Maharashtra State Cooperative Sugar Factories Federation.

Punjab seeks sops for sugarcane farmers

Deputy chief minister of Punjab Sukhbir Singh Badal on Thursday asked the Congress-led UPA government to immediately announce a package of incentives for the farmers opting for sugarcane farming. Badal said sugarcane acreage was falling due to non-remunerative prices of sugarcane over the years and there was an urgent need to lure back farmers to sugarcane cultivation to sustain the prices of sugar at a reasonable level.

Sugar mills may get more to offset rise in cane price

The government is likely to pay sugar mills Rs four per kg more for the sweetener it procures for distribution through ration shops, to offset the rise in prices of sugarcane over the last few years. However, there is no immediate plan to increase the Rs 13.50 per kg rate that ration card holders pay for sugar.

High Sugar prices fail to lift mills' bottom line

Despite record high sugar prices, its proportionate contribution to the overall revenue of crushing mills during the season's first quarter (October-December) has remained about the same as last year. The quarterly results of major companies such as Bajaj Hindusthan, Triveni Engineering, Shree Renuka Sugars and Dhampur Sugars show the contribution of sugar to total sales revenue at 78.2 per cent, as against 78.8 per cent in the same quarter of the previous year. Total sales, though, are about 56 per cent more.

Centre fixes weekly free sale quota for sugar

In a bid to curb volatility in domestic sugar prices, the Centre has set a weekly sub-quota within the 15.97 lakh tonnes (lt) free sale quota (FSQ) allocated to mills for selling in the open market this month. Till now, mills were obliged to sell and dispatch their monthly FSQ on a fortnightly basis in two equal installments. Thus, they would have had to dispose of 50 per cent of the 15.97 lt FSQ released for this month before February 14 and sell the balance 7.985 lt by the month-end.

Maharashtra sees higher sugar output

The Maharashtra Government has revised upwards the sugar output during the 09-10 crushing season by 10-15% against previous estimates. The State is now expected to crush 450 lakh tonnes (lt) of cane and produce 51 lt of sugar during the current season. "During the 2009-10 season, 410 lt of cane was estimated to be available for crushing in Maharashtra. Rains during October led to increased sugarcane production, and we expect 450 lt to be now available for crushing," Mr. Harshavardhan Patil, Minister for Co-operation and Marketing and Parliamentary Affairs, said. The State's sugar production will be 51 lt, against 46 lt last year, he added.

Govt. extends stock limit for sugar till Sept

As sugar prices are still ruling over Rs 40 a kg, the Centre has extended till September the stock limit order, under which the states are empowered to take action against hoarders and black marketeers. The validity of the anti-hoarding order, first issued last March and was to expire on this January 31, has been further extended till September, a senior Government official said today. The order was earlier extended for six months last July.

Under the stock and turnover limit on sugar, the Centre has prescribed the maximum quantity a trader can keep, while giving flexibility to states to lower the limit. It said, a trader has to sell his stocks within 30 days from the date he receives the consignment. All sugar traders have to be licensed.

White sugar may top \$800/tn

White sugar may rise to more than \$800 a metric tonne, after reaching the highest level in at least 21 years last month, fueled by strong demand from Pakistan and India, according to German research company FO Licht. "White sugar has upside potential," Christoph Berg, the company's managing director, said before a sugar conference in Manila.

DMS to take action against sugar hoarders in UP

Uttar Pradesh chief minister Mayawati has authorised the district magistrates (DMS) of all the districts in the state to take individual decisions on lodging FIRs under Section 3/7 of the Essential Commodities Act against hoarders of sugar and those who are indulging in its black marketing. They have also been asked to launch a massive drive to carry out immediate raids on those who are indulging in such acts.

Nafed to sell Sugar, onion

The National Agricultural Co-operative Marketing Federation of India (NAFED) today said that, as part of its intensive market intervention plan, it would sell sugar at Rs 41 a kg and onions at Rs 16 a kg in Delhi. A press release from NAFED said a direction to this effect was given by Union Agriculture, Food and Civil Supplies Minister Sharad Pawar during a review of the federation's market intervention plans to bring down prices. The Minister also assessed the progress of NAFED's "Easy Market" and "People's Market" schemes which are making a dent in the prices of essential commodities in the market, it said.

Sugar production in UP might touch previous year's level

Despite a bad beginning with low cane availability and farmers agitations marring the prospects of crushing, sugar production in the 2009-10 season in Uttar Pradesh, the country's second largest sugar producing state, is showing a healthy trend.

Sugar demand supply - mismatch may sweeten credit profile of companies

Indian sugar supply-demand mismatch would translate into a positive outlook for the Indian sugar sector in 2010, says Fitch Ratings. The global rating agency expects the benefit of this to result in an improvement in credit profiles of sugar companies.

You'll not die without sugar says NCP

As sugar process rise, Union agriculture minister Mr. Sharad Powar's NCP today offered a recipe - consume less of the sweetener as 'no one dies due to not eating sugar.'

Mayawati lifts sugar import ban

The Uttar Pradesh government has lifted its ban on the import of raw sugar. The state government has written to the Railway Board that it could now provide rakes to sugar mills for transportation of raw sugar from Kandla port in Gujarat. The state government, while imposing the ban on import of raw sugar for processing in mills in UP in November 2009, had also written to the Railway Board not to provide rakes because of the law and order problem. The state government had then told the board that it would not be responsible for any damage to railway property by sugarcane farmers who were demanding higher prices for their product and opposing imports at lower prices.

White sugar imports in Feb exceed raws: traders

India is expected to import more white sugar than raw sugar in February, in a sharp reversal of trend, trade sources said on Wednesday. India is expected to import 97,100 tonne of white sugar and 68,000 tonne of raws in February, trade sources told Reuters. Imports of white, or refined, sugar exceeded purchases of raws for the first time since India, the world's top consumer of the sweetener, resumed imports in 2009 after a cyclical dip in output. According to trade sources, the trend is expected to continue in the coming months

Spot sugar at 10 week low

Indian spot sugar continued its losing streak to reach a ten-week low on Wednesday, triggered by reports of a boost in import supplies, while rising arrivals and government moves to subdue demand also weighed, dealers said. The Uttar Pradesh state government has lifted the ban on processing imported raw sugar in the state. This may result in the release of about 1 million tonne sugar that was held up at ports. The biggest producer of

cane had banned imports of raws in November, bowing to pressure from farmers who said overseas purchases curtailed their bargaining power with mills.

Retail sugar prices

Retail prices of sugar could come down further, as the Uttar Pradesh government has lifted the ban on processing of imported raw sugar by big sugar companies. The state government has written to railway officials to start the process of lifting the ban. In what could come as a big relief to consumers, reeling under the impact of high food prices, India's sugar production in 2009-10 crop season that started in October is expected to more than 16 million tonne (mt), far above the earlier projections of around 14.6 million tonne, largely because of good output in Uttar Pradesh and Maharashtra, the two biggest sugar producing states of the country

Sugar output likely to breach PMEAC target

In what could come as a big relief to consumers, reeling under the impact of high food prices, India's sugar production in 2009-10 crop season that started in October is expected to more than 16 million tonne (mt), far above the earlier projections of around 14.6 million tonne, largely because of good output in Uttar Pradesh and Maharashtra, the two biggest sugar producing states of the country. In a meeting of sugarcane commissioners of major producing states held late last week, production for 2009-10 was estimated to be around 15.5 million tonne to 16.3 million tonne with strong possibility of final output being more towards the upper end of the band.

Sugar exports to EU withdrawn

Coming under attack for rising food prices and indulging export of sugar at a time when the country was faced with shortage and sky rocketing prices, the UPA II Government has cancelled its export order of 10,000 tonnes of white sugar to the European Union (EU). The Directorate General of Foreign Trade (DGFT), which comes under the Commerce Ministry, in a notification said "allocation of 10,000 tonnes of white sugar for export to the European Union for 2009-10 stands withdrawn." The U-turn comes a week after the Commerce Ministry had allowed the export.

Sharad feels heat of sugar price rise

The Economic Survey 2009-10 on Thursday blamed the ministry under Sharad Power for increase in the prices of sugar. "In the case of sugar, delay in the market release of

imported raw sugar may have contributed to the overall uncertainty, thereby allowing prices to rise to unacceptably high levels in recent months” said the Economic Survey.

Sugar seized in Rajasthan

State-level joint task force seized illegally-stored sugar worth about Rs.5.38 lakh at Bhawanimandi in Jhalawar district of Rajasthan over the weekend under a special campaign against black marketing and adulteration during the festive season of Holi. State Food and Civil Supplies Minister Babulal Nagar said here that the team raided several places in the district and seized 158 quintals of sugar stored illegally by a trader in Bhawanimandi. The task force officials also seized a truck and a locally assembled vehicle and filed a police case in this regard.

MP govt to sell imported sugar at cheaper rates

The Madhya Pradesh Government would import sugar to disburse it at cheaper rates in the retail markets of the state viewing the soaring prices of sweetener. The first consignment of sugar imported from Brazil is likely to reach the state next month, a Minister said. “The first consignment of 50,000 metric tons of sugar from Brazil is likely to reach the state in March,” Madhya Pradesh Minister of State for Food, Civil Supplies and Consumer Protection (Independent Charge) Paras Chandra Jain has said . He said that this sugar will be sold at around Rs.27 or 28 per kg in the open market in the state, adding that tenders for importing sugar were invited around three months ago.

Sharp rise in sugar prices

Small, sugar quality (S-30) shot up by Rs 100-120 a quintal to Rs 3,990-4,060 on the wholesale market on Monday. Medium sugar quality also hardened by 90-110 a quintal to Rs 4,050-4,140

Sugar prices turn bitter at 29 year high, may not be normal soon

Sugar prices may not return to “normal” until the end of the year as buyers compete for limited supplies from Brazil, the world’s largest grower, according to Bunge Ltd chief executive officer Alberto Weisser. Raw-sugar prices that climbed to 30.4 cents a pound in New York on Monday, the highest in 29 years, are “double the normal price” and “could even go further up,” Mr Weisser said in an interview on January 30 in Davos. Prices doubled last year and are up another 12% this year after bad weather disrupted crops in Brazil and India, the world’s second-largest grower.

Sugar spot price rises

Indian spot sugar price jumped 3.5% on Monday as millers raised prices in tenders due to lower recovery rates in key producing states, which will trim overall output, dealers said. The price of cost traded S-variety sugar jumped by .5% to Rs 3,916.85 (\$84.4) per 100 kg in Kolhapur, a key market in top sugar producer Maharashtra. "Millers are consistently increasing prices in tender due to low recovery. They are anticipating lower production. That's why price is rising in wholesale markets as well," said a member of Bombay Sugar Merchants Association (BSMA)

SC issues notice to centre, UP levy sugar conversion

The Supreme Court has issued notice to the Centre, the Uttar Pradesh government and others on a batch of petitions from state sugar mills challenging the Central government's decision to convert their undispatched and undelivered quantity of non-levy sugar into levy sugar (free sale sugar). A Bench headed by Justice V S Sirpurkar while seeking reply from the Ministry of Consumer Affairs, the UP government and others has restrained the government from lifting the sugar from their godowns.

GMR may exit sugar to focus on infrastructure biz

After ferro-alloys, the GMR Group is now said to be considering exiting the sugar business as well with a view to focusing on its core areas of airports, energy, highways and urban infrastructure. The Bangalore-headquartered conglomerate currently holds 74.84 per cent in GMR Industries Ltd (GIL), which operates three sugar plants at Sankili (Srikakulam district, Andhra Pradesh), Haliyal (Uttara Kannada, Karnataka) and Ramdurg (Belgaum, Karnataka) with a combined crushing capacity of 11,000 tonnes of cane a day. The three units also have a co-generation capacity of 46 MW and a distilling capacity of 95 kilolitres a day. According to industry sources, GMR has mandated NM Rothschild to look for prospective buyers in GIL. "They have already sounded out a few South-based sugar firms, including EID Parry (India) Ltd. The main issue is about valuation of the business and how much buyers are prepared to pay," they added.

Sugar bonus turns farmers shopaholics

Godrej Consumer, Hindustan Unilever and Hero Honda can look ahead for yet another year of strong revenue growth in Rural India as sugar companies are set to nearly double their payments to cane growers to as much as Rs 40,000 crores this year, boosting demand for

soaps, shampoos and helping some pay off their debts. Sugar companies in states such as Uttar Pradesh, Maharashtra, Karnataka and Tamil Nadu, which compete for cane, are willing to pay record prices as they boost inputs to benefit from more than a quarter-century high sugar prices due to short supply.

Sugar stock limit order extended

With sugar prices still ruling around Rs. 44 a kg in the retail market, the Centre has extended till September the stock limit order to prevent hoarding for speculation. The States are empowered to take action against hoarders and black marketeers under this order. As per the notification issued, under Section 3 of the Essential Commodities Act, 1955, (10 of 1955), read with clause 5 of the Sugar Control Order 1966, a dealer has to sell his stocks within 30 days of receipt of the consignment

UP not to allow process imported raw sugar till cane crushing

The Uttar Pradesh government on Wednesday ruled out allowing sugar mills to process imported raw sugar unless the crushing of canes was completed, despite requests by the Centre to lift the restrictions. The state government had deferred import and transport of raw sugar in the state by railway rakes with a view to provide maximum price to cane farmers in the current crushing season, a government spokesman said.

Sugar output drops 2.5%

Sugar production dropped 2.5 per cent in the first four months of the current season. Mills produced 9.7 million tonnes (mt) in the October-January period, down from 9.95m.t. a year ago, Mr Vinay Kumar, Managing Director of the National Federation of Cooperative Sugar Factories Ltd., said in a phone interview from New Delhi today

Sugar prices decline further

Sugar prices dropped further for the second day in a row on the vashi wholesale market on Thursday due to higher stockiest supply. Medium sugar quality (M-30) drifted by Rs 80-120 a quintal to Rs 3,780-3,880.

Mills, other import 1.2 Mt sugar in a month

Sugar mills and other food processors have entered into contracts to import over 1.2 million tonnes (mt) of sugar in the last one month, contrary to the perception that no fresh buying is taking place due to high global prices. According to official data, sugar

mills, traders and food processors have signed contracts with overseas producers to import over 1.2 mt, including 1.04 mt of raw variety, so far since January 8, 2010. During a meeting with Prime Minister Manmohan Singh recently, the sugar industry has said that no fresh contracts could be signed unless there is an “import price parity”. It had said that the country needs to import 1.6 mt more this season than the quantity already contracted.

Sugar at one month supply low

Spot sugar extended a fall to its lowest level in a month on Thursday, hammered by higher supplies after the government split up its monthly non-levy sugar quota into weekly releases in the market, dealers said.

Sugarcane

Easing in prices following extension of government’s anti hoarding order may be restricted by the forthcoming festive season.

Eat less sugar, NCP editorial

Sharad Power’s party has offered the country a remedy for the soaring sugar prices, along with some old age medical advice for free - eat less of the sweetener and keep diabetes at bay.

Sugar Production in UP might touch previous years level

Despite a bad beginning with low cane availability and farmers agitations marring the prospects of crushing, sugar production in the 2009-10 season in Uttar Pradesh, the country’s second largest sugar producing state is showing a healthy trend.

Stay healthy, avoid sugar: NCP paper

Agriculture minister and NCP president Sharad Powar, on Sunday, distanced himself from a statement in party mouthpiece Rashtravadi ‘One will not die if one does not consume (costly) sugar’.

You will not die without sugar, says NCP

As sugar process rise, Union agriculture minister Mr. Sharad Powar’s NCP today offered a recipe - consume less of the sweetener as ‘no one dies due to not eating sugar.’

No one dies from eating less sugar

As sugar process rise, the Nationalist Congress Party on Sunday offered a solution - consume less sugar as ‘no one dies from not eating sugar’.

Sugar demand supply mismatch may sweeten credit profile of cos

Indian sugar supply-demand mismatch would translate into a positive outlook for the Indian sugar sector in 2010, says Fitch Ratings. The global rating agency expects the benefit of this to result in an improvement in credit profiles of sugar companies

Centre mulls domestic sugar ban for bulk users

The Centre, which is under attack for rising sugar prices, is weighing the option of asking bulk consumers, like makers of sweets, soft drinks, fruit juice, chocolate, ice cream and biscuits, to use only imported refined sugar instead of buying domestic supplies. The move will impact a host of fast moving consumers' goods companies including multinationals like Coca Cola, PepsiCo, and Britannia apart from domestic firms like Parle and scores of sweetmeat makers. Consumer activist and Maharashtra Congress party leader Kanhaiyalal Gidwani suggested that restricting bulk or industrial consumers from using domestic sugar would release additional supplies into the open market and cool prices.

UP mills shut early on low cane availability

Uttar Pradesh (UP) sugar mills have started shutting down early this year due to cane shortage and high diversion to the gur producing units. Bajaj Hindusthan, the country's biggest sugar producer, has stopped crushing operations at two of its mills. Pratappur and Rudauli, two of Bajaj's mills, have closed during the last week, according to a company official. Notably, both have closed with lower crushing compared with last year. Crushing at Pratappur was nearly 19 per cent lower compared with last year while Rudauli's crushing declined by over 13 per cent. Birla Sugar will be shutting down operations at its Hata mill on Wednesday, said CB Patodia, advisor.

Sugar output may rise to 24mt says ISMA

India, the biggest sugar consumer may produce as much as 23 million to 24 million tonnes in the 2010-2011 season, as farmers increase planting to benefit from record prices, according to ISMA.

Cane farmers dhanra on Feb 24

Sugarcane growers in Tamil Nadu will hold state wide demonstrations in front of sugar mills on February 24 to draw the attention of government to their demands, including

increase in support price. This was decided at a meeting of Tamil Nadu Sugarcane farmers Association on Monday.

Sugar softens on stringent trade rules

Indian spot sugar nudged lower on Monday after government imposed curbs on buyers and seller to soften prices, though firmness in overseas markets provided some support, dealers said. In Kolhapur, a key market in top sugar producer Maharashtra state, the price of the most traded S-variety sugar eased 0.16 percent to 3,600 rupees (\$76.9) per 100 kg, after shedding 7.5 percent in past five sessions. Government announcements are putting pressure on prices. Restriction on bulk-buyers will keep prices under pressure for longer time, said a Kolhapur based trader.

Win-win situation for U'khand farmers, sugar mills

More than two months after the sugarcane crushing season began on the face of violent protests; it is virtually a win-win situation for both farmers and sugar mills in Uttarakhand.

Centre may import 1mt sugar for subsidized sales

The government plans to import one million tonne of ready-to-eat white sugar through state-owned trading companies for selling to local consumers at subsidised prices, amid growing concerns that India's sugar production may not fully recover even in the next season beginning October. It may also hedge its purchases on the London-based LIFFE commodity exchange to reduce risks in a highly volatile international market. Sugar prices in the world market climbed to a 29-year high last week as the world expects India to remain dependent on imports to meet local demand. Local retail prices have more than doubled in the last one year to about Rs 40 per kg, adding to food inflation and spiralling prices of processed food and soft drinks. Food inflation is running at near 18% levels as per the wholesale price data released by the government.

AP mulls global tenders for sugar import to check price rise

The Andhra Pradesh Government is contemplating inviting global tenders to import sugar both to improve its availability and also help check its price rise and hoarding by traders. Significantly, the State Government has not imposed VAT on sugar imported from other countries. The Chief Minister, Mr K.Rosaiah, mentioned how they refrained from imposing VAT on sugar with a view to checking the price rise and also help make available this major commodity to the end consumer

India sugar drops 3 pct on weak demand, supply glut

Indian spot sugar shed more than three percent on Wednesday, depressed by weak demand from bulk buyers amid aggressive selling by millers to finish the weekly quota, dealers said. India has asked sugar millers to sell non-levy sugar quota for February on a weekly basis and report sale and dispatch of sugar during each week to the Directorate of Sugar within 7 days from the end of the respective week.

Sugar prices continue to decline

Sugar prices continued to decline on the Vashi wholesale market on Wednesday on the back of heavy offloading by stockists and traders. Small sugar quality (S-30) dropped by Rs 110-140 a quintal to Rs 3,510-3,600. Medium sugar quality (M-30) also slipped by Rs 110 a quintal to Rs 3,600-3,690.

Sugarcane crop area may rise a tad

Farmers may only increase planting of cane marginally as some growers choose grains. Output may rebound to as much as 23 million-24 million tonnes in the year starting October 1; the Indian Sugar Mills Association said this week.

Rs.2,500 per tonne of sugarcane sought

All India Anna Dravida Munnetra Kazhagam general secretary Jayalalithaa, leading a demonstration here on Saturday to highlight the problems of sugarcane farmers, alleged that sugarcane cultivation in Tamil Nadu was facing an uncertain future owing to anti-farmer policies of the Dravida Munnetra Kazhagam government. "In many districts, farmers have burnt down the standing crop because they could not get remunerative prices."

Sugar Association seeks removal of octroi, APMC cess to curb prices

The Bombay Sugar Merchants' Association has urged the Maharashtra government to consider removal of octroi duty and APMC cess, which will help in bringing down sugar prices, a top industry official said. This year both sugarcane and sugar production remained low and sugar price has shot up to Rs45 per kilogram in the retail market, Kuvadia said.

10k t sugar export to EU

High domestic prices of sugar and desperate control measures notwithstanding, the Centre on Monday approved the export to 10000 tonnes of sugar to the European Union (EU). The DGFT has allocated 10,000 tonnes of white or refined sugar for export to the EU for the fiscal 2009-10 (sugar season October 2009-September 2010) through state-run trading firm Indian Sugar Exim Corporation.

UP mills may cut cane price by 6%

In an unprecedented move, sugar mills in Uttar Pradesh (UP), the country's second biggest sugar producing state, may bring down the sugarcane price paid to farmers by nearly 6 per cent (around Rs 15 a quintal) keeping in view the sharp fall of nearly 15 per cent in sugar realisation over the last fortnight. The move is aimed at ensuring a healthy return in the event of falling sugar prices. The issue was discussed at a meeting of the UP Sugar Mills Association (UPSMA) on Saturday. The country's top sugar companies –Bajaj Hindusthan, Balrampur Chini and Triveni Engineering – have their complete operations in the state.

World may witness sugar surplus next season

Food price inflation has already painted our agriculture minister Sharad Pawar in a corner. As if that is not enough, his own party NCP mouthpiece Rashtravadi has now become a cause of embarrassment for him as it thought it wise to proffer the unsolicited advice to the masses to avoid using sugar to negotiate the short supply and high prices of the commodity.

Sugar Price

Sugar prices rose by Rs 50 per quintal in the national capital today on emergence of buying by stockists and bulk consumers amid restricted supply. Marketmen said better offtake by stockists and bulk consumers, such as ice-cream, soft drink and pharma drug makers, mainly pushed up sugar prices.

Sugarcane

Selling Pressure continues to weigh on prices amid sufficient supply. Forthcoming festive season coupled with low yield estimates may restrict the fall in price. Light rain in parts of East, North and Central India will keep the crop healthy at vegetative to grand growth state.

There's still some sweetness left in the price of raw sugar this year

If there was any commodity guaranteed to provide sweet profits for traders in the second half of 2009 it was sugar. Raw prices have more than doubled since mid-2009 to almost 30 cents per pound at the end of January, their highest level since 1981. Like other commodities, sugar has since taken a bit of a caning, partly as a result of a stronger dollar. Traders are now asking whether this correction is the sign of further weakness ahead.

UP Sugar Likely to rise

Sugar production in Uttar Pradesh may gain 3.7 per cent this year as higher sugar cane yeild boosts output, a producers group said. Output may total 4.2 million tonnes (mt) in the crop year, Mr. Shyam Lal Gupta, Secretary - General of the Uttar Pradesh Sugar Mills Association said in a phone interview from New Delhi on Wednesday.

AIADMK MP's take up sugarcane prices issue with PM

A delegation of 15 AIADMK MPs, from both the Houses of Parliament, met Prime Minister Manmohan Singh here on Wednesday and urged him to increase the fair and remunerative price of sugarcane substantially and also impress upon the Tamil Nadu government to increase its component so that cane farmers got at least Rs.2,500 per tonne in the State. Dr. Singh promised to look into the matter when they told him that if no action was taken sugarcane fields in the State would turn into barren lands as farmers, who failing to get sufficient price for their produce, might not be able to go for alternative crop such as paddy as it needed more water.

Sugar: Centre says no to Nepal, yes to EU

India is learnt to have refused visiting Nepal President Ram Baran Yadav's request to provide sugar to the neighbouring country. The denial comes at a time when the Centre's decision to export 10,000 tonnes of sugar to the European Union has sparked a blame-game among UPA partners, all of whom wish to shirk responsibility for the decision as sugar prices remain high.

Sugar Exports : Pawar hits back

The issue of exporting 10,000 tonnes of sugar to EU despite its price doubling in the domestic market in a year has put NCP chief Sharad Pawar's Food and Agriculture Ministry and Congress leader Anand Sharma's Commerce Ministry at loggerheads, with both shifting responsibility for the decision. A day after Congress spokesperson Manish Tewari, quoting

Sharma, said Pawar's ministry was responsible for the decision, the latter on Thursday said the decision to export sugar was based on the "recommendation" from Sharma's ministry.

UP sugar output set to cross 4mt mark

Contrary to earlier apprehensions that gur and khandsari units in Uttar Pradesh will divert a large share of the sugarcane crop in an already low supply year, thereby leading to a dip in sugar production, sugar mills have been able to wrest an all-time high drawal percentage of 48%, thereby leading to a more than expected sugar production of 3.52 million tonne in the state till now. With a fortnight of crushing still left, the state, which is one of the largest producer of sugarcane in the country, expects to not only breach last year's production of 4.06 million tonne but could produce around 4.3 million tonne of sugar this year.

Sugar Slips

Small sugar quality (S-30) dropped by Rs 85/100 a quintal to Rs 3480-3540. Medium sugar quality (S-30) also fell by Rs 60-80 per quintal to RS 3550-3620.

Sugar mill workers threaten to commit relay suicides

About 1,000 employees of sugar mills in Punjab have threatened to commit relay suicides across the state if government fails to pay up their salaries withheld for 23 months.

Cola cos to import sugar despite high prices

Undeterred by 30-year-high world market prices, beverage companies Coca-Cola & PepsiCo are scrambling to buy sugar overseas to make sure they are not compelled to slow down bottling lines during the peak demand months of summer.

States raise 2009-10 sugar output estimate to 1561 lt

The country's sugar production during the current 2009-10 season (October-September) seems well on course to top 150 lakh tonnes (lt), if the latest estimates provided by the Cane Commissioners of various States are taken into account. Based on the inputs supplied in their previous meeting with the Food Ministry officials on November 6, the total sugar output worked out to 146.14 lt. This included 47 lt from Maharashtra, 39.60 lt from Uttar Pradesh (UP), 19 lt from Karnataka, 11.57 lt from Gujarat, 10.86 lt from Tamil Nadu, 5.34 lt from Andhra Pradesh (AP), 2.90 lt from Haryana, 2.80 lt from Uttarakhand, 2.75 lt from Bihar, 2.32 lt from Punjab and 2 lt from other States.

UP mills cut cane price a tad to Rs 245

Sugar mills in Uttar Pradesh have decided to pay Rs 240-245 per quintal for cane to farmers, down Rs 15-20 a quintal from last season, while Uttaranchal mills will pay Rs 250-255 a quintal. Despite the price cut, producer prices will remain higher than the current cane fair & remunerative price (F&RP) of Rs 129. The sugar output in UP in 2009-10 is expected to be higher than the 2008-09 levels of 4 million tonnes while the cane production in UP was around 39.5 million tonnes. But the lower cane support price appears to have increased apprehensions over long term volatility of price for the commodity under the new F&RP regime.

Sugar Import policy

The government is likely to soon finalise a policy framework for import of sugar with the Prime Minister's Economic Advisory Council forecasting a shortfall of 3-5 million tonne (mt) in 2010-11. "Various options are being examined for import of sugar. A final decision will be taken shortly," a government official privy to the deliberations said. The PMEAC has also emphasised on the need for developing an "appropriate policy framework" to ensure that the country can tackle the problem of periodic scarcity of sugar and consequential high prices in the domestic market.

Do not auction properties of sugar factory: MLA

K. Raghupati Bhat, MLA, on Sunday urged the South Canara District Central Cooperative (SCDCC) Bank not to seek open auction of the properties of the Brahmavar Sugar Factory for not clearing the loan

Brahmavar sugar factory to be auctioned?

Unable to recover Rs 89 lakh and the interest from the Bramhavar Co-operative Sugar Factory, Brahmavar branch of SCDCC Bank has decided to go for auction.

What's behind high sugar prices

Sugar prices in India are not likely to fall in a hurry. One can expect a further rise in domestic prices, after most Indian mills stop crushing by March 2010 and more white sugar is imported in the country at international prices of \$750-800 per tonne – with a landed cost of Rs 35-40 per kg at port towns. Since there are no surplus stocks that the Government can unload to cool the markets, Indian consumers will end up paying through

their nose almost till the next harvest. Higher prices have hardly led to demand rationing, despite the advisory from Union Agriculture Minister to consume less sugar. Indian sugar prices in the open market are now integrated with world sugar prices.

Karnataka sugar output set to rise

Sugar production in Karnataka is likely to reach 20 lakh tonnes (lt) in the current season (2009-10) against 16.6 lt in the previous year (2008-09). Better sugarcane yield and increased recovery have contributed to the higher output. According to sources in the State Government and industry, good monsoon was another major reason for the increased sugarcane production. With a recovery rate of over 10 per cent on a tonne of sugarcane, the output is expected to touch 20 lt in the current season, officials in the Sugar Directorate said.

INTERNATIONAL SUGAR INDUSTRY

Raw Sugar up on tight supply

Raw sugar futures on ICE move up within sight of a new year peak in early trade on Tuesday, underpinned by global supply tightness, while ICE cocoa fell and Arabica coffee was little changes in moderate volumes. ICE March raw sugar futures were up 0.31 cent or 1.03 per cent to 29.59 cents a lb at 1207 GMT.

Sugar boom set to end huge Brazil output

Raw sugar prices will probably decline from a 29 year high this year as a huge increase in production driven mainly by Brazil may balance the market, according to German research company F.O. Lieht.

CSR keeping its options open on sugar business

CSR still maintains a demerger is the best option for its sugar business but behind the scenes, in tandem with appealing against a negative Federal Court decision, it has been talking to China's Bright Food about a trade sale.

Fermentable sugar stores could boost biofuels industry

Scientists have found a way to increase fermentable sugar stores in plants which could lead to more economic and sustainable methods of biofuel production, says the Biotechnology and Biological Sciences Research Council (BBSRC).

ANALYSIS - White sugar premium bodes well for investment

LONDON (Reuters) - A key measure of profitability for sugar refiners is near record highs and looks set to stay strong in 2010 against a backdrop of tight supply and rising refining costs, which may encourage investment in new capacity.

TCP awards second contract for sugar supply

Trading Corporation of Pakistan (TCP) has awarded a contract for the supply of 50,000 metric tonnes of white sugar to M/s Agro Corp International at \$779.95 per tonne C&F. A TCP official said here Wednesday, that four out of six bidders had quoted prices in response to the international sugar tender for 200,000 metric tonnes, floated by Trading Corporation of Pakistan (TCP) on January 18, 2010. M/s Agro Corp. Int. Singapore had quoted the lowest at \$784.95 per tonne C&F, while the highest price was quoted by M/s Cargil International at \$ 811 per tonne C&F at the opening of tender on February 22, 2010. However, M/s Agro Corp has decided to decrease the offer price by \$5 to \$779.95 per tonne.

Govt to cut sugar and cane subsidies to save public funds

The government may reduce subsidies for sugar and cane farmers later this year in a bid to curb public spending, Prime Minister Abhisit Vejjajiva says.

Crist ousts anti-Sugar deal board member from South Florida Water Management District

Crist today will reappoint Shannon Estenoz and appoint Anne Sandy Batchelor-Robjohns, chairwoman of The Batchelor Foundation, and Weston attorney Glenn Waldman

Western Sugar CEO critical of USDA sugar reporting

Washington The vast amount of sugar marketed in America is sold below spot prices commonly reported in the media, Inder Mathur, CEO of the Western Sugar Cooperative told an annual outlook forum hosted by the U.S. Department of Agriculture last week.

South Africa: What Eskom Must do Now is Realise What its Business is

Johannesburg ESKOM's requested 35% electricity price rise for the next three years is much too high, primarily because Eskom does not seem to understand the nature of its own business.

Sugar Falls on Fund Sales After Buyer Cancels Planned Purchase

Sugar futures in New York fell to the lowest level in 10 weeks on sales by speculators after Egypt canceled a planned purchase.

Coca-Cola, six others qualify to import sugar to ease prices

Coca-Cola Bottlers Phils., Inc. and six other companies have qualified for government contracts to import 16,000 metric tons (MT) of sugar, the government announced on Tuesday.

Govt Mulls Cane Milling Joint Venture

Government wants to enter into a joint venture with private companies to establish a new sugarcane mill in the lowveld and in the process increase Zimbabwe's milling capacity and assist new farmers allocated land there, Vice President Joice Mujuru has said.

Mozambique: Labour Inspectors Suspend "Illegal" Workers

Maputo Mozambican labour inspectors have ordered the suspension of the contracts of 87 foreigners found to be working illegally at the Maragra sugar plantation, in Manhica district, about 80 kilometres north of Maputo.

Sugar millers give assurance of no shortage

The Thai Sugar Millers Association today gave an assurance there would be no domestic sugar shortage. The association, which covers 47 millers around the country, said in a statement that sugar reserves for domestic consumption were sufficient and that mills had started the annual sugar-cane crushing process.

Italian firm pulls the plug on Jamaican sugar deal

An Italian-owned company has pulled out of an expected deal to buy three of Jamaica's state-run sugar estates, the Caribbean country's agriculture minister said.

EU gives go ahead to export of 99,871 tonnes of out-of-quota sugar

The EU's executive approved on Thursday export licences for 99,871 tonnes of out-of-quota sugar, completing its controversial export of 500,000 tonnes of unsubsidized sugar, official documents show.

Guarani Sugar snaps up half of Vertente plant

Guarani Sugar has signed an agreement with the Humus Group to purchase half of the Vertente plant for R\$ 105 million. The resources came from Guarani and Tereos, the plant's French controller.

British Sugar to grow more beet

British Sugar is set to double the amount of sugar beet it grows itself - arguing that doing so is cheaper than buying the crop from British farmers.

Supply worries to lift coffee cocoa; sugar bearish -StanChart

Worries about supply could support coffee and cocoa this year but the outlook for sugar was bearish, with more sweetener expected to emerge from Brazil and Europe, Standard Chartered Plc said on Monday. Slowing demand in India, the world's largest sugar consumer, would also weigh on global sugar prices, which had dropped to around 24 U.S. cents per pound since hitting a 29-year peak above 30 cents in early February. "We expect prices to fall to 17 U.S. cents/lb in Q4-2010, averaging 21 cents/lb in 2010," StanChart said in its quarterly analysis of commodity trends.

Kenya: Switch to Biofuels Will Delay by Two Years

Kenya's switch to green energy - thanks to blending of petrol with ethanol - is going to delay by up to two years, a government agency dealing with the project has said.

thai envoy to wto hopeful of progress Complaint made over EU sugar measure

The World Trade Organisation's ministers meeting on March 29 in Geneva will be a key indicator of whether the marathon Doha Round of trade talks can be wrapped up this year.

Sacombank to launch sugar exchange

Vietnam's Sacombank announced it would open a sugar exchange in Ho Chi Minh City this April with more than 60 local producers as trading members.

Sugar falls on speculation

White sugar fell in London on speculation that extra production from European Union may help alleviate a supply shortfall. White or refined sugar for March delivery dropped \$8.4, or 1.1 per cent, to 734.40 a tonne on the LIFFE exchange in London at 1 pm, erasing an earlier gain of .07 percent.

KPLC and Mumias Agree on Energy Deal

Nairobi Mumias Sugar Company on Monday said it had resumed selling 26 megawatts of electricity to the Kenya Power & Lighting Company, after the power distributor backed down on its decision to cut purchase.

Indian Firms Warned over Tendaho Sugar Inaction

The two Indian companies that were to construct the Tendaho Sugar Factory are being threatened by the government with losing the job if they do not start the work that is already two years overdue. The project was enabled by a loan of 640 million dollars from Exim Bank of India, granted on 1.75pc interest. Out of this, 400 million dollars was for the construction of the factory while the remaining was to be used for the expansion of the Fincha and Wonji sugar factories.

KPLC to Pay More for Mumias Power Supply

Mumias Sugar Company has been awarded a new purchase price for power supplies from its co-generation plant, raising hopes for increased investment towards such environmentally friendly energy ventures.

Philippines May Extend Sugar Imports to Fill Export Quotas

The Philippines, planning its first sugar imports in eight years, may need to keep buying through the 2010-2011 crop year as an El Nino-induced drought may damage crops and to help fill export quotas to the U.S.

Australia, Brazil, Thailand decry EU sugar plan

Australia, Brazil and Thailand have criticized the European Union for planning to export an extra 500,000 tons of sugar this year.

Subsidized sugar fails to stop rising prices

The initial batch of subsidized sugar has failed to stop rising prices of the commodity in Metro Manila, with the government appealing to consumers on Tuesday to refrain from hoarding.

Cosan Quarterly Profit Surges on Higher Sugar Prices

Feb. 1 (Bloomberg) -- Cosan SA Industria & Comercio, the world's largest sugar-cane processor, said fiscal third-quarter profit surged more than 30-fold after sugar prices rose.

Cosan, Shell Plan Sugar, Ethanol Venture in Brazil

Feb. 1 (Bloomberg) -- Cosan SA Industria & Comercio, the world's largest sugar-cane processor, and Royal Dutch Shell Plc said they plan to combine ethanol, sugar and distribution assets in Brazil.

AFP: Brazil, Australia, Thailand concerned by excess EU sugar

Geneva. Australia, Brazil and Thailand expressed concern Monday about an EU proposal to release an extra half a million tonnes of sugar for export, saying that such a move would violate trade rules, AFP reports.

Groundbreaking Set for Largest Sugar Refinery in U.S.

Construction officially gets under way Feb. 3 in Gramercy, La., on what will become one of the largest capacity sugar refineries in the United States. The new million-ton-per-year sugar refinery is expected to bring more than 500 construction jobs as well as renew plant jobs in the Gramercy area. The sugar refinery will be built, owned and operated by Louisiana Sugar Refining, LLC, a joint venture among Sugar Growers and Refiners Inc., Cargill Inc. and Imperial Sugar Co. Sugar Growers and Refiners is a Louisiana cooperative representing eight sugar cane mills and more than 700 sugar growers in Louisiana. Cargill is an international producer and marketer of food, agricultural, financial and industrial products and services, and Imperial Sugar, operator of the current sugar refinery at Gramercy, is Americas second largest sugar producer.

65 sugar retailers caught overpricing

The Department of Agriculture (DA) during the last week of January caught 65 retailers in 22 markets in Metro Manila who allegedly were selling refined sugar beyond the suggested retail price (SRP) of P52 a kilo that had been fixed by the Sugar Regulatory Administration (SRA).

Asbestos fund push for CSR sugar

The new sugar company that CSR wants to spin off should be required to guarantee the asbestos liabilities of the building products company left behind, the NSW government has told the Federal Court.

Lawmaker censures ceiling price on sugar

Negros Occidental third district Congressman Jose Carlos "Kako" Lacson said he is against Department of Agriculture's (DA) plan of a ceiling price or Suggested Retail Price (SRP) on sugar.

Help sought on sugar

An official from a business group has asked for the governments intervention to help consumers and sellers cope with the growing prices of sugar in the market.

Ex-agri chiefs share view on sugar issue

Escalating sugar prices could be due to speculation, lawmakers said on Monday.

Cargill wants license for sugar plant in Egypt

Agricultural conglomerate Cargill has requested a license to build a sugar refinery in Egypt with investments worth LE 600 million, Al-Borsa newspaper has reported. 'The final approval for Cargill's sugar refinery is part of the government's plan to encourage sugar production to decrease the gap between supply and demand in the country,' Amr Assal, head of Egypt's Industrial Development Authority, was quoted as saying by the newspaper. The new plant will be in the Damietta area on Egypt's north coast and is expected to start up one year after it receives approval, the paper quoted Hussien Elawendy, Cargill's adviser in Egypt, as saying.

Cargill seeks licence for Egypt sugar plant

Agricultural conglomerate Cargill has requested a licence to build a sugar refinery in Egypt with investments worth 600 million Egyptian pounds, al-Borsa newspaper reported on Sunday.

Mumias Sugar Profit Rises 561 Percent

Nairobi High sugar prices and cost cutting measures sweetened Mumias Sugar Co Ltd's pre-tax profit by 561 per cent in the first six months to December 31, 2009.

Brazil still Al Khaleej main sugar supplier

Al Khaleej Sugar Co, the world's largest sugar refinery, said that it will continue to depend on Brazil as its main provider for raw sugar and will not seek alternative suppliers, Reuters reported.

Florida Supreme Court to hear case over U.S. Sugar land deal

Even before its justices rule, the Florida Supreme Court has erected a potential legal hurdle to Gov. Charlie Crist's \$536 million land deal with the U.S. Sugar Corp.

TCP may import 700,000T more sugar

State-run Trading Corporation of Pakistan (TCP) will issue tenders in April to import 700,000 tons of white sugar if private traders remain wary of using tax breaks to buy supplies after prices hit a record high last week

Kenya's Mumias Sugar gets new purchase price for co-gen power

Kenya's Mumias Sugar Company has been awarded a new purchase price for power supplies from its co-generation plant, raising hopes for increased investment towards such environmentally friendly energy ventures.

Soros venture Adecoagro eyes Brazilian sugar/ethanol IPO

Billionaire George Soros's Adecoagro venture, which invests in agriculture and renewable energy in Latin America, is considering an initial public offering to help fund projects in Brazil that include a \$700 million sugar mill.

RP prepares for more sugar imports in 2010

The Philippines, which is importing sugar this year after eight years of being an exporter, may improve its sugar production in 2011.

Sugar demand in Asia to hold

Sugar market bears hoping prices above 30 US cents will melt demand from Asia could be disappointed as dwindling stocks on shrunken domestic crops will force India, Indonesia, Pakistan and others to buy the sweetener regardless. Several consumers in Asia, which

accounts for around 40% of global production and consumption and where sugar is often seen as an essential commodity, have already announced their intention to buy more this year.

Sugar futures at week's low

Sugar fell the most in a week in London as the dollar strengthened, diminishing the appeal of commodities as an alternative. White, or refined sugar for May delivery fell \$13.10, or 1.8 per cent to \$723.50 a tonne on the LIFFEE exchange at 10.40 am local time.

Sugar fell to a three week low in London as the dollar extended its rally, diminishing the appeal of commodities as an alternative investment.

Sugar Cane Shortage Looms, Warns Board

Nairobi A serious shortage of sugar cane is looming after some farmers stopped growing the crop, the Kenya Sugar Board has warned.

Finland Ambassador Tours Bank Supported Agriculture Project in Zambia

The AfDB Zambia Country Office Resident Representative, Freddie Kwesiga, joined by the Ambassador of Finland to Zambia, Her Excellency, Mrs. Antila Sinikka and Mr. Abednego Banda, Permanent Secretary in the Ministry of Agriculture and Cooperative, on Tuesday 26 January 2010, toured two sites of past and on-going Bank funded Irrigation Projects in Mazabuka in southern Zambia.

Sugar imports cleared to prevent price spike

Vietnam will import 280,000 tons of sugar this year to prevent the price of the sweetener from surging further on the local market, said the Ministry of Industry and Trade.

Cosan to raise sugarcane crush capacity to meet rising ethanol, sugar demand

Brazilian sugar and ethanol major Cosan (NYSE: CZZ) will raise its sugarcane crush capacity at existing mills in order to meet increasing demand for ethanol and sugar, CFO Marcelo Martins told a conference call.

Goldman Sachs sees ongoing constraints on Brazilian sugar

Sugar producers should sell into the strong market, Goldman Sachs has said, even as it raised its forecasts for prices of the sweetener for the next 12 months.

Handysize fleet used for sugar ageing

The handysize fleet, often used to ship sugar, is ageing and declining in numbers, senior freight executives said. Robert Haggquist, drybulk freight analyst with Clarksons in London, said 21 percent of handysize vessels, often used to transport sugar, were over 30 years old, a typical age for scrapping.

Sugarcane crushing in full swing in Sindh: Sugar price down by Rs 4/kg in retail

Improved sugar supply from sugar mills of Sindh has helped bringing down prices of the commodity at retail and wholesale level during the last few days. The price has been hovering in the range of Rs 70 per kg to Rs 72 per kg at retail level and Rs 68 per kg at wholesale level during the last 4 to 5 months. Anees Majeed, chairman Karachi Wholesale and Grocer Group termed the decline in sugar rates on account of enhanced supply not only from Sindh's sugar mills but also those from across the country. Since the crushing of sugarcane season has reached its peak at almost all mills, it has helped bettering supply of the commodity in the market. If the current pace of sugarcane crushing continue for next one month, further decline in its rates can not be ruled out which will further ease out problems of the consumers in coming days ahead.

No sweet solution to sugar shortage

China may sell its sugar reserves to cool the market and avert a sugar shortage after poor weather damaged sugarcane fields and jacked prices up to a three-year high. Customs report released yesterday forecast China, the world's second-largest sugar consumer after India, will see a sugar deficit of more than 2 million tons this year as drought and cold weather reduced sugarcane production in Southern China's growing regions. Supply shortfalls and rising sugar prices may force food producers to raise retail prices and use substitute sweeteners. This could, according to a report, increase the possibility of food safety problems.

Sugar gains on short supplies

Sugar headed for its first weekly gain in three weeks in London on speculation a supply shortfall may linger and spur importers to boost stockpiles. Prices have climbed 4.4 per cent this week.

Raw, Refined Sugar May Rise in New York, London, Survey Shows

Raw-sugar futures and refined-sugar contracts may rise this week as the U.S. dollar strengthens, according to a survey. Seven out of 11 traders, analysts and brokers surveyed

last week forecast that raw sugar traded in New York would rise and four predicted a drop. Raw sugar gained 0.6 percent to 26.33 cents a pound last week.

Sugar prices not so sweet for Asians

Asia is reeling from rising sugar prices that show no sign of abating anytime soon. China, the world's second largest consumer, is already dipping into its reserves amid the Chinese New Year sugar rush. And there will be no let-up in Asian demand because Holi, the festival of colours in India, the world's largest consumer of sugar, is up next. Speculation about shortages in major sugar-consuming countries pushed raw sugar futures to a 29-year high this month. Traders say the fundamentals point to a further hike in the near future.

Commerce Ministry hunts for sugar cheats

In cooperation with the Industry Ministry, it will send teams of inspectors to food manufacturers this week to see whether they are using sugar allocated to them by the government under what is called quota C, or are illegally purchasing cheaper sugar from quota A, which is that allocated for domestic supplies.

Sugar deficit outlook raises

Merchant and consultancy Czarnikow raised its forecast for the 2009-10 global sugar deficits by 10 per cent on Tuesday, after revising down its northern hemisphere crop projections. Czarnikow upped its deficit figure to 14.8 million tonnes, closing in on estimated record deficit of 15.6 million tonnes in 2008-09.

Sugar to Export Sugar to Morocco

Israeli sugar maker Sugat will begin exporting sugar from Israel, with the first exports to be sent to Morocco, after the company signed an agreement with a company there. The first shipment will be for 100,000 tons of sugar, worth about \$80,000. The sugar will be packed for the Moroccan company distributing it, and will bear a "made in Israel" label. This is Sugat's first export deal ever.

Sour taste to sugar fete cash

The Lautoka City Council is scrutinising the accounts of the Sugar Festival Committee following reports the charitable organisation has \$200,000 in term deposit at an unnamed bank.

Refinery bringing hope of good times to La. sugar

After years of fighting storms and flat prices, Louisiana sugar cane growers at the heart of a \$2 billion industry are hoping for better financial times as farmers and the food industry unite to get the product from the fields to the consumer in a direct line.

Guyana's agriculture minister fearful global crisis will delay MDG on malnutrition

Guyana's Agriculture Minister, Robert Persaud, is fearful the current global economic and financial crisis will significantly affect countries from achieving the Millennium Development Goal (MDG) of reducing malnutrition by 2015.

Kenya: Spat over EU Sugar Exports to Keep Prices Up

Consumers in Kenya and other sugar deficit nations are unlikely to enjoy lower prices of the commodity any time soon following a fresh dispute between the EU and three top producers over volume of shipments to the world market.

Kenya Sugar Board to review performance of receiver managers

Kenya Sugar Board will today review the performance of the receiver Managers at Miwani Sugar and Muhoroni Sugar companies as their term ends at the end of the month.
