

## HIGHLIGHTS FOR MARCH 2010

### BIRLA SUGAR

#### SNAP SHOTS

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

March 2010 was slightly a better month in terms of sugar price volatility. However, Sugar stocks did not do too well. Some stocks such as Bajaj Hindustan and Balrampur Chini have dropped by over 10 per cent in the last three trading sessions. Since the beginning of the year, sugar stocks have underperformed the Sensex and the Nifty, dropping 20 per cent. The fall in these stocks shouldn't come as a surprise. It was expected, particularly in the background of sugar prices rising to over Rs 40 a kg without any fundamental reasons.

Whereas, BK Birla Group Company Jayshree Tea & Industries Limited announced their plans to acquire a sugar mill in Bihar, MP Chinni for Rs 112.50 crore, Shree Renuka Sugars completed the acquisition of Brazil based sugar and ethanol production company, Vale Do Ivai (VDI). the company said in a filing to the BSE.

Faced with falling profit margins due to a dramatic fall in prices, the sugar industry has sought immediate protection. In a letter to the Union agriculture ministry, the Indian Sugar Manufacturers' Association (Isma) has asked for tariffs on imports of raw or refined sugar, a reversal of stock and trade limit orders and other help to ensure viability in the next season.

The Prime Minister admitted to the government's failure to control sugar prices and said ways would have to be found to ensure this crisis did not recur.

***Coverage appeared in:***

- The Hindu Business Line
- Dainik Viswamitra

**OTHER PLAYERS**

***Shree Renuka Sugars***

Shree Renuka Sugars has informed BSE that the allotment committee of the board on Thursday fixed March 17, 2010 as the record date for determining the equity shareholders who shall be entitled to bonus shares to be issued on the ratio of 1:1.

***Renuka Sugars fixes March 17 for 1:1 bonus***

Shree Renuka Sugars (SRSL) has fixed March 17 as the record date for its bonus issue of 1:1, the company informed the BSE on Thursday. This is a maiden bonus from the company. The announcement comes close on the heels of the company acquiring Brazil-based Equipav S.A. Acucar e Alcool (Equipav), one of the largest sugar and ethanol companies, from Group Equipav for Rs 1,530 crore.

***Sugar stocks turn bitter***

Sugar stocks have been one of the worst performers this week. Some stocks such as Bajaj Hindusthan and Balrampur Chini have dropped by over 10 per cent in the last three trading sessions. Since the beginning of the year, sugar stocks have underperformed the Sensex and the Nifty, dropping 20 per cent. The fall in these stocks shouldn't come as a surprise. It was expected, particularly in the background of sugar prices rising to over Rs 40 a kg without any fundamental reasons. When sugar prices began to gain, stocks of companies in the sector too began to rise. But as the prices dropped, the stocks have followed suit. In the domestic market, prices have been on the downswing since the third week of January and since February 1, the market has seen about 30 per cent fall in the prices. The global market too witnessed a similar fall during the period.

### ***A sugar-free portfolio may be your best bet***

Sugar Stocks Tumble On Higher Output, Unwinding Of Positions. The star performers of 2009 are now turning out to be a bitter pill for investors who bet their money on them. These shares have been falling for the past one month in line with declining international sugar prices, and analysts tracking the sector are asking clients to keep their portfolios 'sugar-free', expecting the downtrend to persist for some more time. They cite lack of any strong trigger to reverse the falling trend in sugar prices, continuing government interference to check rising sugar prices and increased production estimates, as the negatives for the sector. Frontline sugar stocks like Shree Renuka Sugar, Balrampur Chini and Bajaj Hindusthan have fallen over 30% from their peaks of 2010, while secondline shares like Rajshree Sugars, Sakthi Sugars and Dhampur Sugar are down between 38-47%.

### ***Shree Renuka completes Brazilian acquisition***

Shree Renuka Sugars on Monday said that it had completed the acquisition of Brazil based sugar and ethanol producing company. Pursuant to the above acquisition, Vale Do Ivai (VDI) has become a wholly owned subsidiary of Shree Renuka Sugars, the company said in a filing to the Bombay Stock Exchange.

### ***Shree Renuka concludes Brazilian Bay***

Shree Renuka Sugars Ltd has completed the acquisition of Vale Do Ivai S/A Acucar E Alcool (VDI) a Brazilian sugar and ethanol production company and VDI has become a wholly owned subsidiary. The acquisition includes two sugar and ethanol production facilities located in the Southern State of Parana with a combined crushing capacity of 3.1 million tonnes per annum. In November 2009, the company had entered into an agreement to acquire VDI, having an enterprise value of \$240 million. Shares of Shree Renuka Sugars closed at Rs 75.05, down 3.6 per cent on the BSE.

### ***Shree Renuka concludes Brazilian Bay***

Shree Renuka Sugars has completed the acquisition of Brazil based sugar and ethanol production company, Vale Do Ivai (VDI). With this, VDI has become a wholly owned subsidiary of the company. The acquisition includes two sugar and ethanol production facilities located in the state of Parana in southern Brazil with a combined crushing capacity of 3.1 million tonnes a year.

### ***Biz Briefs***

Shree Renuka Sugars on Monday said it has completed the buyout of Brazil based company vale Do Ivai. The firm thus becomes a wholly owned subsidiary of Shree Renuka Sugars.

### ***Jayshree Tea***

BK Birla Group Company Jayshree Tea & Industries Limited today said it would acquire a sugar mill in Bihar for Rs 112.50 crore. 'Jayshree is in the process of acquiring 100 per cent shares in MP Chini Industries, an unlisted sugar company located in Bihar', the company said in a filing to the BSE.

### ***Riga Sugar expects turnover of Rs 100 cr in 09-10***

Riga Sugar (RSCL), a Dhanuka Group company, is expecting to clock a turnover of Rs 100 crore in 2009-2010 even as it has been able to utilise less than 27% of its sugarcane crushing capacity this year. OP Dhanuka, chairman and managing director, said although the company has a crushing capacity of 75,000 tonne a year, for lack of sugarcane it would end the year crushing 20,000 tonne only.

### ***Riga Sugar to invest Rs 100 cr in power plant***

Riga Sugar, the flagship Dhanuka Group company, is planning to ramp up its power generation capacity by 25 MW for commercial sale. At present, it has an 8 MW co-generation power plant at Sitamarhi in Bihar. The company would start selling power by 2012-13, OP Dhanuka, chairman and managing director of the company told reporters on the sidelines of a press meet here today. The investment in the power plant would be close to Rs 100 crore. Riga Sugar had earlier undertaken an expansion-cum-diversification programme at its plant, raising capacity of the sugar unit to 5,000 tonnes crushed per day (tcd) from 3,500 tcd.

### ***Riga sugar set a big target***

Riga Sugar Company is targeting a turnover of Rs 100 crore in 2009-2010 (October-September). 'We expect the turnover to be about Rs 150 crore in 2010-11 as we will increase our production by 60 per cent, O.P Dhanuka, Chairman and Managing Director

of Riga Sugar, said here today. Riga Sugar, which has a crushing capacity of 75,000 tonnes annually, has crushed 20,000 tonnes of sugarcane in the current year.

## INDIAN SUGAR INDUSTRY

### ***Sugar prices may soar if monsoons fail***

Sugar prices may exceed a 29 year high and reach 'stratospheric' levels if a delayed or weak monsoon reduces the outlook for India's crop, an Australian commodity researcher said. Sugar futures have dropped 26% from the three decade high reached February 1 on speculation that rising output in Brazil, the largest exporter, will cause a deficit. The worst start to India's monsoon in eight decades last year caused a drought and forced record imports of food staples by the country.

### ***Sugar falls further***

Small sugar quality (S 30) shed Rs 100-105 a quintal to Rs 3,265 -3,320. Medium sugar quality (M30) also declined by Rs 90-100 a quintal to Rs 3,340-3,400.

### ***Wholesale sugar prices fall***

Sugar prices in India, the world's biggest user, fell to the lowest in more than two months after domestic sweetener production rose from a year earlier. Immediate delivery prices at Vashi in Mumbai, the country's largest wholesale market for the commodity, dropped 2.8% to Rs 3,289.15 per 100 kg on Wednesday. That's the lowest price since December 16

### ***Sugar production likely to exceed 16 mt***

Food and agriculture minister Sharad Pawar on Thursday said the country's sugar output in the current season could exceed 16 million tons (mt) on the back of improved yields in key growing states. However the output is still much short of India's annual demand of 23 mt.

### ***IT probe on raw sugar import sales***

The Income Tax Department has launched a nationwide probe to find if sugar makers fudged sales of raw sugar imports, particularly stocks at the Kandla and Mundra ports, leading to rise in prices of the sweetener in the market.

### ***IT probe on raw sugar import sales***

The Income Tax Department has launched a nationwide probe to find if sugar makers fudged sales of raw sugar imports, particularly stocks at the Kandla and Mundra ports, leading to rise in prices of the sweetener in the market. Sugar prices doubled to Rs 41 a kg in January from a year ago due to a fall in output and the situation was compounded by the ban on raw sugar movement in UP.

### ***Flop slow on sugar***

Prime Minister Manmohon Singh today admitted to the government's failure to control sugar prices and said ways would have to be found to ensure the crisis did not recur. Sugar prices have surged the most, reaching its peak at Rs 50 a kg, but coming off it to Rs 43.

### ***Sugar output rises in Uttar Pradesh***

Sugar output in UP stood at 4.1 million tons since the season began in October, slightly higher than 4.6 million tons produced a year ago, state government officials said. Higher output in UP will help India cut imports.

### ***Sugar prices drop to Rs 30 / kg level***

Sugar prices in parts of the country, especially Maharashtra, dropped to below Rs 3,000 a quintal (S-30 grade) on Monday. In the wholesale Vashi market, prices dropped to Rs 3,050-3,110 a quintal, a four-and-a-half month low. In places such as Uttar Pradesh, prices ranged around Rs 34 a kg in the wholesale market. While the measures taken by the Centre to curb rising prices are seen as a reason for the fall in the rates, a boycott of the daily auctions for sugar mills by traders in Mumbai also led to the fall.

### ***UP sugar mills keep sugar prices in tact***

Mills in UP are yet to implement on the ground their last month's decision to reduce cane prices by Rs 20 a quintal in the wake of declining sugar realizations.

### ***Sugarcane***

Rain received recently in East, North and Central region will keep crop healthy that is in mostly grand growth to harvesting stage. Sowing of spring cane continues smoothly

in West and Northern region. Harvesting continues smoothly in parts of MP, Karnataka and TN under dry and sunny weather.

### ***Sugar prices crash on higher yields***

The bitterness of rising prices has come down just a little bit as sugar prices have crashed over the past three weeks. Sugar prices have fallen to Rs 31 a kg at the factory gate from an earlier level of Rs 41 a kg. Higher sugar cane production compared to the last year has led to the fall. Meanwhile, the drop in sugar prices has seen shares of sugar mills drop up to five per cent on the exchange. In a note on the subject, brokerage house Morgan Stanley has sharply cut its price targets for sugar firms as it sees the carnage continuing.

### ***Spot sugar sheds 2%***

Indian spot sugar shed over 2% on Thursday as buyers held back hoping domestic prices will fall further chasing the slide in overseas markets, dealers said. New York raw sugar futures pared losses after tumbling more than 7% to a seven month low on Wednesday as washouts on cash deals drove the market to its eighth loss in 10 sessions. Trade was very thin.

### ***Outlook for sugar industry uncertain***

Falling sugar prices have unnerved investors. Ex-mill sugar prices in Uttar Pradesh (UP) have fallen from around Rs40 per kg in mid-January to Rs34. That's far from industry predictions of prices rising to Rs50 levels by September 2010. Reports of Indian importers backing out of contracts saw global prices crashing in the past few days. Sugar firm share prices are down, with Bajaj Hindusthan Ltd and Shree Renuka Sugars Ltd down from their 52-week high levels of January by 38% and 34%, respectively.

### ***Sugar crushing almost over in AP***

Almost all the sugar factories in Andhra Pradesh have closed crushing for the season at least six weeks ahead of the normal closure date. The factories crushed 54.45 lakh tonnes in the season as against 59.92 lakh tonnes in the previous year. The sugar production stood at 4.92 lakh tonnes (5.93 lakh tonnes). "Of the 35 sugar factories in the State, 28 factories have closed crushing for the season with an average recovery

rate of 9.03 per cent,” Dr K Lakshminarayana, Commissioner of Sugar, told Business Line.

### ***Sugar: Not so sweet anymore***

The sharp downswing in international and domestic sugar prices in the last couple of weeks has soured the performance of sugar stocks, and it may get worse as analysts call a probable down cycle for the commodity. With sugar production expected to rise globally and domestically, the price of refined sugar has dipped 20 per cent to around \$590 per tonne in the international market after touching a 25-year high of \$740 per tonne this year, propelled by a 10-million tonne (MT) demand-supply deficit. Additionally, analysts say that announcements of India and other importers like Egypt deferring purchases, even as an improving 2010-11 supply outlook will narrow the deficit considerably (subject to normal weather patterns), have also impacted prices.

### ***Spot sugar jumps 6.6%***

Indian spot sugar surged 6.6% on Monday, bolsters by market talk the government may lift some of the curbs imposed to control price rise, three dealers told Reuters. The government last week gave millers additional seven days to sell sugar. Now they have fortnight to sell weekly quota, said Ashok Jain, President of Bombay Sugar Merchants Association.

### ***Sugar mills do without cash payments to growers***

In the case of grains, market transactions (even involving Government procurement agencies) are in cash. But this is not so in sugar, where payments to cane growers take place through banks. Take Maharashtra, where mills are predominantly cooperatives, in which growers have shares. Moreover, each mill is attached to a cooperative bank, where growers hold accounts as well. Since every grower's account number is known, mills are, therefore, in a position to draw cheques in their individual names and credit the payments the very same day.

### ***Sugar tastes sweet again***

Sugar prices have started falling in retail markets, and the government expects cane production this year to be higher than projected earlier. Mill owners now want the

government to reimpose duty on the import of raw sugar as their profitability is taking a hit. Agriculture minister Sharad Pawar, however, has ruled out the possibility.

### ***Sugar sweetens a little***

Sugar prices, which just a few months ago were threatening to reach Rs 50 per kg in some cities, have eased considerably. In Delhi, sugar prices in the retail markets have moved down from a high of almost Rs 47 per kg to around Rs 36 per kg. So, what brought about this downturn in sugar prices, that too at a time when the common perception was that prices would push up further through the summer, when consumption demand from bulk buyers like soft drink and confectionary makers is at its peak? Well, we can thank strong improvement in the yields in UP and Maharashtra—the largest sugar growing states and government policies like stock limit on bulk consumers.

### ***Sugarcane***

Sowing of cane continues in integrated regions of West and Northern region. Rainfall occurred in Maharashtra will be helpful for the newly shown crop. Harvesting continues in MP, Karnataka and TN under dry weather. Global sugarcane production may fall due to excess rain in Brazil and bad monsoon in India.

### ***UP sugar output may go up 19% to 5 MT***

Sugar output in India's biggest cane producing state is expected at 5 million tons in the current season, government sources said on Monday. 19% more than an earlier estimate as mills pay more to farmers. Higher output in UP will help India, the world's biggest sugar consumer, produce more, putting further pressure on benchmark New York prices that have fallen sharply in the past few weeks.

### ***Spot Sugar dips***

Indian spot sugar fell on Tuesday as tumbling prices in overseas markets hurt sentiment and prompted buyers to postpone some purchases, dealers said. Market has become very volatile in last few days. Yesterday traders were buying and were expecting further improvement in demand. But overnight fall in global market changed sentiment, said a member of Bombay Sugar Merchants Association.

### ***Sugar output up 14% as late rains boost yields***

Sugar production in India, the world's largest consumer, increased 14% in the season that began October 1 as late rains improved cane yields in the biggest growing regions, a producers' group said. Output was 15 million tonne in the period from October 1 to March 15, compared with 13.2 million tonne a year earlier, Vinay Kumar, managing director of the National Federation of Cooperative Sugar Factories Ltd., said on Tuesday in a phone interview. Output in the year ending September 30 may exceed 17 million tonne, in line with government estimates, Kumar said.

### ***Get into reverse gear: sugar industry to govt***

Faced with falling profit margins due to a dramatic fall in prices, the sugar industry has sought immediate protection. In a letter to the Union agriculture ministry, the Indian Sugar Manufacturers' Association (Isma) has asked for tariffs on imports of raw or refined sugar, a reversal of stock and trade limit orders and other help to ensure viability in the next season. There are a number of such issues that need to be speedily addressed, says Isma president and Balrampur Chini's Managing Director, Vivek Saraogi. Early this year, the government had taken some steps to restrict the freedom of the industry, to keep sugar prices from rising. At the time, ex-mill sugar prices were Rs 42 a kg. They've since fallen to Rs 32 a kg.

### ***Sugarcane***

Amid rising mercury levels, moisture deficit in early stage of sugarcane may harm the growth. Sowing of spring crop continues in irrigated regions of west and northern region. Harvesting continues in MP, Karnataka and Tamil Nadu under dry weather. Global production may fall due to excess rain in Brazil.

### ***Maharashtra sugar output up 28%***

Sugar production in Maharashtra has risen by over 28 per cent to 5.74 million tonnes (m.t.) so far in the ongoing 2009-10 season, ending September. "Sugar output stands at 5.74 million tonnes as on March 22 in the current season, compared to 4.47 million tonnes in the same period last season," Maharashtra State Cooperative Sugar Factories Federation Managing Director Prakash Naiknavare said. Production has improved

mainly due to increase in cane availability on account of rise in yields following unexpected rains during November–December of 2009, he said.

### ***Co-op sugar mills want curbs on bulk consumers lifted***

The National Federation of Cooperative Sugar Factories Ltd (NFC SFL) has sought the removal of the existing 10-day stockholding limit imposed on bulk sugar consumers along with restoration of the earlier monthly (as opposed to weekly) sale and dispatch system. On August 22, the Centre had directed soft drink makers, biscuit manufacturers and other 'bulk consumers' - those using more than 10 quintals annually - not to store domestically producer sugar beyond 15 days' requirement in their godowns. Subsequently, on February 5, the 15-day requirement period was further reduced to 10 days, even as no such restrictions applied on imported sugar. The objective here was to encourage bulk consumers to fulfil their requirement to the extent possible through imports and buy less in the domestic market in view of soaring prices.

### ***Sugar prices set to drop further***

Sugar prices which softened from a high of Rs 40 per kg are expected to go down further following an increase in production. Currently prices at RS 36 per kg and could fall to Rs 33.5 per kg. This is bad news for investors in sugar stocks. Angel Securities says on the bourses sugar stocks have corrected as a reaction to the fall in prices and at current levels are trading at fair valuations.

### ***Sugar mills' dues to farmers pile up to Rs 1,000 crore***

Dues of sugar millers in Uttar Pradesh (UP) to farmers have piled up in excess of Rs 1,000 crore because of an extended crushing season, high cane prices and low realisation of yield. Top companies like Bajaj Hindusthan, Balrampur Chini and Triveni Engineering have their operations in the country's largest sugar producing state after Maharashtra. The companies claim the cost of production – at the existing rate of Rs 260 a quintal for cane and after selling 20 per cent of the produce to the government at a subsidised Rs 1,300-1,400 per quintal – is Rs 3,600 a quintal. "But, the mills are realising only Rs 3,150-3,200 a quintal for sugar."

### ***Sugar price control steps won't be rolled back soon***

Amid all the demand for rollback of measures implemented over a period of the last one year to control sugar prices, official sources have clearly indicated that the steps initiated to bring down prices over a period of time won't be withdrawn in haste. "Yes, there is a demand for rollback of the steps to control sugar prices by the industry and millers following the sharp fall in rates, but nothing will be done immediately," sources in the food ministry said.

### ***Sugar firms expect steep fall in cane prices next season***

Sugar industry analysts predict a steep fall in prices of benchmark cane to Rs 20 a quintal in the next sugar season, starting October 2010, due to an "excessive" expansion in area under cultivation after two years of good returns. The current year started with a price of Rs 190 a quintal, on fears of a fall in output, way above the 'fair and remunerative price' of Rs 130 a quintal fixed by the central government and the 'state advised price' (SAP) of Rs 165 a quintal fixed by state governments. As the season progressed, cane prices jumped to Rs 260-265 a quintal in Uttar Pradesh and to Rs 280-310 a quintal in Maharashtra, the country's second-largest and largest producers, respectively.

### ***Sugar reserves declining trend***

Sugar climbed for the first time in three sessions as demand revived following a slump in prices. Raw sugar for may delivery rose 0.38 cent or 2.2 per cent, to 17.38 cents a pound at 9.42 a.m. on ICE Futures US. Prices more than doubled last year as adverse weather reduced crops in Brazil and India, the biggest producers. Before Monday, sugar plunged 37 per cent this quarter.

### ***1.8 million tonne non-levy sugar released for April***

India has made available 1.8 million tonne of non-levy sugar for April and has asked millers to sell their allocated quantity on a weekly basis, the government said in a statement on Tuesday. Non-levy, or free-sale sugar, is sold by millers in the open market, but the quantity each mill can sell is fixed by the government has released 1.28 million tonne as normal non-levy sugar quota and allowed mills to sell 100,000 tonne of imported white sugar.

### ***Re-imposition of import duty on sugar sought***

With sugar output expected to be higher this year at 175 lakh tonnes against 150 lakh tonnes last year, the industry is lobbying with the government for a re-imposition of the 60 per cent import levy that the commodity enjoyed two years ago. It also advocated a decontrol of the sugar industry to ensure its orderly development. Addressing a press conference here on Tuesday, O. P. Dhanuka, a past-president of the Indian Sugar Mills Association and a present ISMA committee member, said that the import duty on white and raw sugar should be re-imposed so that with adequate sugar availability in the coming season, the price of sugar can be maintained and consequently farmers can be paid remunerative prices.

## **INTERNATIONAL SUGAR INDUSTRY**

### ***Australia Raw Sugar Exports May Rise to at Least 3 Million Tons***

March 3 (Bloomberg) -- Australian raw sugar exports in 2010-2011 may increase to 3 million to 3.1 million metric tons from 2.9 million tons in the current year, Queensland Sugar Ltd. Chairman Alan Winney said in an interview.

### ***Sugar company revises Tully takeover offer***

Maryborough Sugar Factory has changed tack in its bid to merge with Far North Queensland miller Tully Sugar.

### ***CSR Sugar changes its name***

CSR Sugar has announced it will now be known as Sucrogen and its products will be re-branded.

### ***The human cost of 'super-clean' sugar ethanol***

Brazil is hailed as a biofuels success story - producing and using ethanol from high yielding crops within the country. But those indigenous families who have been displaced by sugar cane cultivation see things differently

***Judge to hear arguments for and against planting RR sugar beets***

U.S. District Judge Jeffrey White is scheduled to consider arguments for and against planting Roundup Ready sugar beets at a hearing scheduled for Friday in San Francisco.

***Sugar beet case could loom large***

A federal judge in San Francisco could decide Friday to order a halt to the planting of any genetically modified or "Roundup Ready" sugar beets in the nation.

***Suit seeks to bar genetically modified sugar beets***

Philomath, Ore. Organic farmers fear this year's spring breezes will be carrying pollen from genetically altered sugar beets, which they say could render their crops worthless, and they hope to persuade a federal judge this week to halt the plantings nationwide.

***Clean transport calls for sustainable sugar***

Mechanisation, innovation and land limitation drive efficiency in ethanol from sugar cane

***Bright set to sweeten bid for CSR's sugar***

China's Bright Food Group will sweeten its offer to buy CSR Ltd's sugar business and hopes to complete the deal by the end of the year, the China Daily reported today Thursday, citing a top company official.

***Sugar price could go either way, says CSR***

SUPPLY and demand in the global raw sugar market will be finely balanced through 2010, and any shock to production -- particularly in major producers Brazil or India -- will push prices higher, according to Ian Glasson, chief executive of CSR sugar unit Sucrogen

***Bright Food still interested in Aussie sugar deal***

Ge Junjie, vice president of Bright Food Group Co, said they were in talks with Australia-based CSR Ltd to purchase its sugar unit and the deal may be completed this year

#### ***Maryborough sugar coats offer***

Maryborough Sugar Factory has been forced to sweeten its takeover terms for fellow Queensland producer Tully Sugar, offering a cash component to its bid lodged almost seven months ago.

#### ***Sugar beet case to be heard by federal judge***

Philomath, Ore. (AP) Organic farmers fear this year's spring breezes will be carrying pollen from genetically altered sugar beets, which they say could render their crops worthless, and they hope to persuade a federal judge this week to halt the plantings nationwide.

#### ***Mozambique: Pungue River Floods Beira-Zimbabwe Road***

Maputo The Pungue river burst its banks on Thursday and flooded a stretch of the Beira-Zimbabwe road, between Mutua and Tica, in the central Mozambican province of Sofala.

#### ***Kenya: Sugar Firms Bank On Global Deficit to Check Imports***

Local millers will be banking on a sustained global sugar deficit to cushion them from a fresh onslaught of competition after the country ushers in a new window of larger duty-free imports from the Common Market for Eastern and Southern Africa (Comesa).

#### ***Consultant questions viability of US Sugar deal***

WEST PALM BEACH, Fla. -- A state financial consultant is questioning whether Florida's multimillion-dollar plan to buy land from U.S. Sugar Corp. for Everglades restoration remains affordable.

#### ***Oregon dispute over sugar beets***

Organic farmers fear that this year's spring breezes will be carrying pollen from genetically altered sugar beets, which they say could render their crops worthless, and they hope to persuade a federal judge this week to halt the plantings nationwide.

***Sugar-beet farmers await judge's decision***

U.S. sugar- beet farmers are "on pins and needles" as a federal judge weighs whether to block planting of crops engineered to be resistant to Monsanto Co.'s Roundup herbicide, lawyers for growers said Friday

***Soaring sugar prices leave a bitter taste***

DOHA: Soaring sugar prices are leaving a bitter taste for the common consumer. Retail prices of this basic commodity of daily use have almost doubled in less than a year and are now ruling at an incredible QR4.50 per kg. Indications are that the price curve might maintain the upward momentum.

***Thai Sugar Harvest to Advance to Record, Millers Say***

March 8 (Bloomberg) -- Thailand may harvest a record sugar crop next year after farmers boosted planting, enabling them to benefit from global prices set to advance to an all-time high, according to the Thai Sugar Millers Corp.

***Rising sugar prices deal bitter blow to sugar-based goods exporters***

As global sugar prices have more than doubled in the past year and recently hit 29-year highs due to a worldwide sugar shortage, Turkish sugar-rich foods exporters are facing a much deeper problem, trying to deal with both record prices and extra freight charges to remain competitive in world markets.

***Egypt awaits sugar price fall to resume buying***

Egypt wants to see a further fall in global sugar prices before resuming its raw sugar purchases, an official at the state-owned Sugar and Integrated Industries Company (SIIC) told Reuters today.

### ***Fiji interim PM promises revival of sugar industry***

Fiji's interim Prime Minister is reported to have promised the sugar industry will be revived and sustainable by 2014.

### ***Sugar buyers unwilling to buy***

Sugar buyers are scared to make purchases after prices collapsed, broker and researcher Jonathan Kingsman said. Buyers will wait for prices to stabilize before the buy. Mr. Kingsman, Managing Director of Kingsman SA in Lausanne, Switzerland said by phone 'white or refined, sugar prices on Wednesday fell to a seven month low, dropping for a third day. It feels as if the market has sold out temporarily but we can never rule out another wave of liquidation by investment funds' he said.

### ***Sugar prices slide on low demand***

Raw sugar futures fell on Thursday as the market waited for clear signs of renewed demand from physical buyers after the sharp slide in prices during the last few days. ICE may raw sugar futures fell 2.6 per cent or 0.52 cent to 19.17 cents by 13087 GMT. Prices tumbled to a seven month low for the benchmark front month of 18.82 cents a lb on Wednesday.

### ***Kenya: Millers Cry Foul over Foreign Sugar***

Nairobi Sugar being smuggled in from neighbouring Uganda is hurting local players, a sugar miller has complained.

### ***Business Watch: Spoonful of sugar helps as property loses appeal***

A few years ago, when the sugar price was in the doldrums and the property market was ablaze, Tongaat Hulett, with its successful strategy of turning cane land into swanky property developments, was considered a far more interesting bet than stodgy old Illovo with its sugar cane farms.

### ***Social project makes sugar mean sweet***

The sugar cane industry defines socio-economic conditions in Aracoibaba. It hasn't always made life sweet for local workers, but things are looking up

### ***Sweet dreams are made of EU sugar reforms***

South African sugar producers Illovo Sugar and Tongaat Hulett have been hard at work to take advantage of sugar reforms in the EU, but Illovo is likely to do better than its rival, says Kagiso Asset Management equity analyst Rubin Renecke.

***Sugar profiteering won't be tolerated***

LAHORE - Provincial Minister for Food Malik Nadeem Kamran has said that provision of sugar to the masses at reasonable rates is the priority of the Punjab government. The government will deal illegal profiteering with iron hands, he added.

***Water managers debate U.S. Sugar-Everglades restoration deal***

Water managers were expected Wednesday to begin debating the future of Gov. Charlie Crist's controversial land deal with the U.S. Sugar Corp. A vote to extend one expiring deadline in the contract, which opens the door to potentially kill the \$536 million Everglades restoration purchase, is planned for Thursday.

***Venezuelan officials take control of 2 sugar mills***

Caracas, Venezuela Venezuela's government seized control of two sugar mills Tuesday and threatened to expropriate them, accusing managers of hoarding a basic good and violating the labor rights of employees.

***LA cops seek man who robbed Florida sugar baron***

Los Angeles a well-dressed man who talked his way into a Florida sugar baron's hotel room and stole tens of thousands of dollars worth of jewelry may be the same person who pulled similar scams on a Mexican soccer team, a salsa band and an Israeli basketball team when they visited Los Angeles, police said Tuesday.

***Key vote nears on Crist's Everglades restoration purchase of U.S. Sugar land***

It's hard to overestimate how personally important Gov. Charlie Crist considers the half-billion-dollar land deal he brokered with U.S. Sugar Corp. in the name of Everglades restoration.

### ***Kan. lawmaker supports tax on sugar in soda***

TOPEKA - Kansas would impose a new tax on soda - a penny for every teaspoon of sugar - under a proposal that a key legislator outlined Tuesday while lawmakers considered raising taxes to erase a projected budget shortfall.

### ***Sugar revival***

FORTY-TWO landowners in Tavua received assistance through the sugar farming assistance program but their land remains idle with no investment seen on their farms.

### ***Sugar baron robbed of jewellery worth millions***

Mr Fanjul and his wife, Emilia, who were in the city for the Oscars celebrations, were reportedly robbed by a man posing as a technician at the Beverly Hills Four Seasons Hotel.

### ***Still no ruling on GM sugar beets***

A federal court judge has yet to reach a decision about whether the cultivation of genetically modified (GM) sugar beets should be blocked until an Environmental Impact Statement has been completed.

### ***Sugar suffers as India raises output estimate***

Sugar prices endured another pounding on Tuesday after estimates for India's production this season were revised higher.

### ***Farmer fury at Greencore malting unit sale***

GREENCORE shareholders have voted to sell the company's malt business, enraging barley farmers and effectively ending the former state-owned company's manufacturing links with Ireland.

### ***Sugar battles start with bid for Tully mill***

Tully Sugar has moved to stymie Maryborough Sugar's hostile takeover by revealing plans to list on the Australian Securities Exchange and buy the North Queensland milling assets of Bundaberg Sugar, signalling the start of a long-awaited industry consolidation.

### ***Sugar project verging on collapse***

ABOUT 80 jobs are at risk in northern NSW's sugar belt as a \$220 million clean-power project nears collapse due to problems surrounding the Rudd government's 20 per cent renewable energy target.

#### ***Demand for sugar seen rising in Egypt***

Demand for sugar may be reviving in the Egyptian commodities market, said dealers who noted signs for the coming week.

#### ***Sugar and ethanol boost Sao Paulo jobs market***

The early start to this year's sugarcane harvest made a significant contribution to the creation of new jobs in So Paulo last month, according to data from local Industries Federation, Fiesp.

#### ***Tanzania: Sumbawanga Faces Acute Sugar Shortage***

Dar Es Salaam SUMBAWANGA Municipality in Rukwa region is facing an acute shortage of sugar that has prompted an increase of retail prices.

#### ***Sugar beet case to be heard by federal judge***

Philomath, Ore. (AP) Organic farmers fear this year's spring breezes will be carrying pollen from genetically altered sugar beets, which they say could render their crops worthless, and they hope to persuade a federal judge this week to halt the plantings nationwide.

#### ***Ag industry drops 12 percent***

Louisianas agricultural economy dropped to \$8.3 billion in 2009, its lowest level since 2002 and down from \$9.5 billion in 2008, according to the latest figures compiled by the LSU Agricultural Center in its annual Ag Summary.

#### ***Buy U.S. Sugar land***

The U.S. Sugar deal is a bargain. The stars aligned so we could get hold of this land and have the chance to put the Everglades back together again. Pass on this deal, and we'll surely have a desert where the Everglades used to be. But take it and we might just get a second chance to make it right.

### ***Power deal sweet for Mackay Sugar***

It is official the \$120 million power plant at the Mackay Sugar Mill has been secured this morning with Ergon Energy signing on the dotted line.

### ***Drought could lower Thailand's 2011 sugar output***

Severe drought could cause Thailand's 2010/11 sugarcane crop to be 10% lower than previously forecast at 71m to 72m tonnes and lead to a drop in sugar production in 2011.

### ***Fire in Ctg sugar mills***

Equipment and raw sugar worth Tk 1.20 crore were damaged in a fire at S Alam Refining Sugar Mill in the port city of Chittagong yesterday.

### ***Shell and Cosan Joint Venture To Strengthen Brazils Leading Position in the Global Bioethanol Mar***

The joint venture (JV) between the Netherlands-based Shell International Petroleum Company Limited (Shell) and Cosan S.A. (Cosan) will invest around \$12 billion in the Brazilian bioethanol industry. According to the memorandum of understanding (MoU), both companies will contribute their existing Brazilian assets to the JV. Shell will contribute \$1.6 billion in cash, paid over a period of two years. The joint venture will produce ethanol, sugar and power, and will supply and distribute its ethanol produce through its retail outlets.

### ***Raw Sugar touches 8 months low***

Raw sugar futures on ICE said more than 2 per cent on Wednesday to an 8 month low and whites dropped to a 6 month through on investor liquidation, discouraged by a lack of consumer buying. ICE raw sugar futures have plunged 42 per cent since their 29 year pick of 30.4 cents a lb on Feb 1 - just six weeks ago. ICE may raw sugar fell over 2 per cent to an eight month low of 17.66 cents a lb and then clawed back a little ground to stand at 17.86 cents, down to 0.38 cent or 2.1 percent at 11:12 GMT.

### ***Woes for cops at sugar factory***

A mobile police post has been set up on the compound of the Sugar Manufacturing Company in Ste Madeleine, where eight officers were stationed to guard vehicles seized to be used as evidence in court cases.

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***Tully Sugar again says no to takeover offer***

A Far North Queensland sugar miller is recommending its shareholders reject a revised takeover offer from another milling company.

***Thailand, Indonesia sign sugar MoU***

Indonesia stands ready to import more sugar from Thailand following yesterday's signing of a memorandum of understanding with Thai Sugar Millers Corp (TSMC).

***Nationwide price control for sugar soon***

The Commerce Ministry will soon introduce a price-control system for sugar across the country to ensure fair treatment for consumers after finding abnormally high retail prices and a supply shortage in 42 provinces.

***Sugar leaders prefer Trebol as SRA head***

Two sugar leaders yesterday said they prefer Bernard Trebol to be appointed Sugar Regulatory Administrator in place of Rafael Coscolluela.

***Smuggling hits sugar industry anew***

SUGAR smuggling has once again reared its ugly head in the country amid the softening of world sugar prices, said a stakeholder in Negros Occidental.

***Saudi Arabia to be part of global sugar body***

(MENAFN - Arab News) Following detailed discussions on a report presented by its Committee on Economic Affairs, the Shoura Council approved on Monday the Kingdom's accession to the International Sugar Organization.

***Zimbabwe: Billy Rautenbach Fingered in Escalation of Violence in Manicaland***

Billy Rautenbach, the 51 year old multimillionaire businessman with close links to ZANU PF, has been accused by the MDC of hounding and intimidating its activists in Manicaland as political tension builds ahead of the constitution making programme.

***Pepsi To Pull Full-Sugar Soft Drinks From Schools Globally***

PepsiCo Inc. (PEP) will pull full-sugar soft drinks from primary and secondary schools globally by 2012, answering calls from consumer and nutritional advocates for help in curbing obesity in children.

***Pittsburgh Considers Tax On Sugar Drinks***

Now, Pittsburgh Mayor Luke Ravenstahl has shown an interest in the idea of adding a tax to these drinks.

***Calif. judge allows genetically engineered beet harvest; amounts to half nation's sugar supply***

San Francisco (AP) A federal judge on Tuesday said farmers can harvest their genetically engineered sugar beets this year, ruling the economic impact too great and that environmental groups waited too long to request that the crop be yanked from the ground and otherwise barred from the market.

***British Sugar signs 4m CHEP deal***

British Sugar has signed a five-year deal worth 800,000 per year with CHEP, which will involve the conversion of its dedicated internal yellow pallet pool to CHEP pallets.

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***Zambia: Sugar's Sievu is New Chief Musokotwane***

THE long succession dispute over the throne of Chief Musokotwane of the Toka-Leya people of Kazungula District has come to an end with the appointment of Zambia Sugar corporate affairs manager Lovemore Sievu as the new chief.

***Zambia: DC Nullifies Sievu's Election As Chief***

Kazungula District Commissioner Mary Mukwiza has nullified the election of Zambia Sugar Company corporate affairs manager Lovemore Sievu as Chief Musokotwane.

***Genetically engineered sugar seed approved for 2010 season***

Western Sugar Cooperative officials and Colorado sugar beet growers are happy with a decision by a judge in San Francisco who ruled the use of genetically engineered sugar beet seeds can be used until an environmental review of the seeds can be completed.

***Australian Sugar Output May Rise by Up to 10%, CBA Says***

March 19 (Bloomberg) -- Australian sugar production may increase by as much as 10 percent in the coming season, Commonwealth Bank of Australia said in a report today.

***Crist's Everglades sugar deal bogs down in fiscal swamp***

With odds of borrowing a half-billion bucks growing dicey, water managers are exploring new ways to finance Gov. Charlie Crist's deal with the U.S. Sugar Corp. a controversial land buy he stood firmly behind Thursday during a South Florida visit.

***NFU and British Sugar to unveil efficiency study findings***

NFU and British Sugar are holding a series of meeting next week to inform beet growers and hauliers on the findings of a sugar beet transport efficiency study conducted during 2009.

### ***Guatemala sugar exports rise 135 pct in February***

Guatemala exported 115,798 tonnes of sugar in February, up 135 percent from the same month last year, the country's sugar producers association ASAZGUA said on Thursday.

### ***Sugar Cane Growers Cooperative of Florida: Challenging Crop Finishes on Schedule***

Despite freeze impacts and stepping through un-seasonably heavy rain events, the 2009-10 Sugar Cane Growers Cooperative of Florida harvest produced respectable results. The Cooperative mill set new records including most sugarcane hauled in one crop day (26,562 tons) and the highest quality raw sugar (99.14% sucrose).

### ***K'taka sugar output set to rise 26% this year***

Sugar production in Karnataka is likely to increase 26.4 per cent to 2.1 million tonnes (mt) in the present sugar season (October 2009 to September 2010) compared with 1.66 million tonnes produced during the previous season. Cane crushing for the present year is nearing completion and 10 of the 54 mills have already shut their operations.

### ***Sugar output to rise, no duty on imports for now***

The government on Thursday said sugar production in India may cross 17 million tonne (mt) in 2009-10 season, 2-3 mt higher than the earlier estimate, but ruled out imposing duty to discourage imports. Initially, sugar production was estimated at 14-15 mt this season.

### ***Sugar Output in Australia to Rise on Good Weather, Growers Say***

Sugar production in Australia, the third-largest exporter, may increase by 5 to 7 percent from last season because of favorable weather, a growers group said.

***Tunisia buys 14,000 T of Algerian sugar - source***

Tunisia has bought 14,000 tonnes of Algerian white sugar for delivery in May, an official source told Reuters on Thursday.

***Sugar Cane Damage Substantial in Cyclone-Hit Area***

Sugar cane damage in part of Australia's Queensland state may be substantial after Tropical Cyclone Ului flattened some crops in the world's third-largest exporter of the sweetener, a growers group said

***Queensland Cyclone Weakens After Damaging Homes, Cane***

Cyclone Ului weakened to a depression after slamming northern Queensland with winds gusting to 200 kilometers (124 miles) an hour yesterday, damaging houses and sugar cane plantations and triggering power blackouts.

***Sugar Cane Damage Substantial in Cyclone-Hit Area***

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***Biotechnology focus for sugar conference***

Bundaberg will host some of the top international sugar industry experts at a major industry conference on May 11-14.

***Project gives boost to sugar-cane yields***

Sugar-cane farmers must consider whether the way to have 10-times higher income is by increasing investment by a factor of four or five or leaving their faith in the environment.

***Kenya: Cash Woes Bury Outgrower Firm***

Nairobi Mumias Outgrowers Company Ltd has formally closed shop weighed down by debts.

***Australian cane crop hit by cyclone***

Sugar cane damage in part of Australia's Queensland state may be substantial after Tropical Cyclone Ului flattened some crops in the world's third-largest exporter of the sweetener, a growers' group said. "We expect the damage to be substantial but I won't say at this stage it is catastrophic or devastating," Canegrowers Chief Executive Officer Ian Ballantyne said by phone today from Brisbane. The affected region represented a small percentage of the total crop, he said.

***Kenya: Repay Sh2.6 Billion, Mumias Tells Firm***

Nairobi Mumias Outgrowers Company (Moco), a farmers-owned logistics firm, owes Kenya's largest sugar miller more than Sh2.6 billion despite claims that it is the creditor.

***Zimbabwe: Hippo Valley in Drive to Increase Cane Yields***

Harare HIPPO Valley Estates Limited says they have embarked on a recovery programme focused on increasing cane yields and re-establishment of outgrower cane lands to restore the industry's production capacity.

***Rwanda: Madhvani Production Still Low- PM***

Kigali Despite the government allocating a huge chunk of land to Madhvani Group, the proprietor of Kabuye Sugar Works, it is still not producing enough sugar, Prime Minister, Bernard Makuza, has said.

***Mozambique: Investors Sought for Gaza Mega-Projects***

Maputo Mozambican Prime Minister Aires Aly has pledged that gigantic mining and agricultural projects in the southern province of Gaza, currently on hold, will be resumed once new investors can be found.

### ***Time to renegotiate with U.S. Sugar***

The country's largest subtropical wilderness appears certain to die without a major effort to restore it.

### ***State facing sugar shortage***

Bhubaneswar: Even as the sugar price in the open market continues to be robust, the State is facing an average shortfall of about 4,000 tonnes of levy sugar every month.

### ***Sweet British Sugar deal all going to plan***

Emergency planning chiefs on the Wilton International site are celebrating after landing a national consultancy deal.

### ***Get into reverse gear: sugar industry to govt***

Faced with falling profit margins due to a dramatic fall in prices, the sugar industry has sought immediate protection. In a letter to the Union agriculture ministry, the Indian Sugar Manufacturers Association (Isma) has asked for tariffs on imports of raw or refined sugar, a reversal of stock and trade limit orders and other help to ensure viability in the next season.

### ***MoU between AEDB, Chinese firms ratified: tariff determination for sugar industry co-generation projects approved***

The Cabinet on Wednesday approved determination of upfront tariff for co-generation projects by sugar industry and gave ex post facto approval to the Memorandum of Understanding between Alternative Energy Development Board (AEDB) and two Chinese solar energy companies.

### ***British Sugar bids to boost transport efficiency***

Radical changes to the transport of sugar beet have been proposed by British Sugar and the NFU in a bid to cut costs and improve efficiency.

### ***Shell and biofuels enterprise Virent Energy Systems begin production at world's first sugar-to-gasoline plant***

Production of the world's first demonstration plant converting plant sugars into gasoline, rather than the traditional conversion to ethanol, has been started by energy

giant Royal Dutch Shell and advanced biofuels technology enterprise Virent Energy System...

***UPDATE 1-Czarnikow trims 2009/10 sugar deficit forecast***

Merchant and consultancy Czarnikow on Wednesday trimmed its forecast for the global sugar deficit in 2009/10 to 12.6 million tonnes, from a previous forecast of 14.8 million issued last month.

***Haitian rum maker rebuilds business after quake***

At Haiti's famous Barbancourt rum factory, patches of grass and shrubs around the warehouses are burned black from where the aging golden liquor spilled from oak casks split by the January 12 earthquake.

***Concerns over sugar shortage***

Consumers have expressed concerns over the lack of sugar in supermarkets, or the limited supply they are being allowed.

***Kenya: All Set for New Sugar Factory***

Nairobi The Kwale International Sugar Company Ltd will next month invite bids for the construction of their factory. The construction is expected to start in September.

***Zimbabwe Independent (Harare) Zimbabwe: Hippo Records Positive Growth***

HIPPO Valley Estate Ltd made a revenue of US\$59 million during the financial year ending December 31 2009 after it had re-established cane supply and milling capacity utilisation due to the dollarisation of the economy.

***Kenya: Buffaloes for Mumias***

Nairobi Mumias area, which has been synonymous with football for ages, comes awake on May 1 when rugby makes its grand maiden entry with a Bamburi Rugby Super Series duel at the Mumias Sugar Sports Complex.

***Find money for sugar deal: Projects may have to wait; taxes may have to rise***

Buying U.S. Sugar's land is more important to Everglades restoration than lesser projects under way. The South Florida Water Management District Governing Board must scrutinize the agency's budget and determine what to sacrifice to deliver the greater long-term benefit.

***Thai-Australian sugar dialogue kicks off***

The Three Sugar Millers Associations and Australian sugar-mill suppliers attending the 6th Thai-Australian Sugar Industry Dialogue will further examine the operating environment and explore opportunities.

***Brussels to lift sugar exports amid shortfall***

The European Commission plans to allow European farmers to export an additional 500,000 tonnes of sugar before the end of July to ease a worldwide supply shortage that has driven prices to their highest levels for almost 30 years.

***Havana hopes foreign cash will rescue sugar industry***

Havana: Cuba may open sugar production to foreign investors for the first time since the 1959 revolution as it seeks to reverse the once proud industry's relentless decline, business sources said last week.

***Lantic Sugar helps thwart N.B. refinery***

Lantic Sugar helped kill a potential deal this year to restart a Saint John sugar refinery, according to court documents

***Cosan and So Martinho sign agreement for transport of sugar***

Rumo Logstica, logistics company for sugar and grains controlled by Cosan, has signed an agreement with So Martinho for the transport of sugar via rail.

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***Sugar rises on supply fears***

Sugar rose for a third day in London on speculation users will have to compete for limited supplies before the new crop in Brazil, the world's largest producer. They may futures contract that ends trading on April 15 is \$ 26.60 a tonne more expensive than the August contract, indicating reduced supplies or more demand. White, or refined, sugar for May delivery increased \$ 12, or 2.4 per cent, to \$ 515 a tonne at 11:16 a.m. local time on the LIFFE exchange.

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