NEWS FLASH - 20th December, 2016

SUGAR

Karantaka: Govt asks farmers to stop burning sugarcane thrash

As part of its smoke-management strategy, the Karnataka government has issued a diktat to farmers: Stop burning sugarcane thrash in the fields.

The move comes in the backdrop of the recent Delhi smog which was fuelled by the burning of paddy straw in the neighbouring states of Punjab and Haryana. In fact, the soaring pollution levels and falling visibility levels in the National Capital Region had not only set alarm bells ringing a fortnight ago but also triggered a blame game between the Delhi government, the neighbouring states and the Centre.

The practice of burning sugarcane residue is rampant in at least ten districts across Karnataka.

Taking a cue from the Delhi episode, Karnataka has got into a prevention mode. Agriculture minister C Krishna Byregowda has commenced talks with farmers' groups. He has instructed the agriculture department's field units to stop farmers from burning crop residue.

Speaking to STOI, Byregowda said: "About 50 lakh tonnes of sugarcane residue (which comprises the leafy extraneous material and stalk tops after the cane is cut and transported to sugar factories) is burnt by farmers during the harvest season. The amount of smoke and ash from these fires is huge and the health hazards posed are difficult to fathom. Worst affected by the burning of crop will be the cities of Bengaluru, Mysuru and Belagavi as the major sugarcane-growing districts are Mandya, Belagavi and Bagalkot."

An acre of sugarcane produces around 4,000 tonnes of thrash. With sugarcane being grown on 12 lakh hectares in the state, the sugarcane residue is said to be around 50 lakh tonnes.

The agriculture department shot off a letter on December 12 to all chief executive officers of sugarcane-growing districts explaining the emergency. The missive stated: "Burning residue is not just a loss to agriculture but also pollutes environment and causes ailments and deaths. Air pollution in India causes more than 1,500 premature deaths per day; this is more than one death per minute. For 12 lakh acres of sugarcane in Karnataka, it amounts to burning 48 lakh tonnes of valuable organic matter. This will emit tens of thousands of toxic pollutants into the air."

The department wants sugarcane farmers to use technology and convert the waste into manure.

Byregowda said: "The cane residue is valuable organic matter that should be incorporated into the soil. It will increase cane yield and improve soil sustainability. We want our farmers to hire tractor-mounted cane thrash shredders which are available at reasonable rates from the Krishi Yantra Dhare Kendras (farm equipment rental centres), and convert thrash into organic manure."

Initially, the government contemplated imposing a blanket ban on burning sugarcane residue. "But before doing that we chose to create awareness and motivate farmers to stop burning, We want to stop pollution levels from soaring further." Byregowda said.

What is sugarcane thrash?

A sugarcane plant consists of 75-80% stalk, from which juice is extracted to make sugar. The remaining 20-25 per cent consists of leafy material and stalk tops; these are considered sugarcane residue or thrash or remnants.

(Source-http://sugarnews.in/karantaka-govt-asks-farmers-to-stop-burning-sugarcane-thrash/, published on 17th December, 2016)

Karnataka: Auction off sugar to clear dues'

The Sugarcane Growers' Association in Aland Taluk has demanded that the district administration auction the sugar stock seized from various factories for not paying fair and remunerative prices (FRP) for 2013-14.

Dharmraj Sahu, Aland taluk president of the association, addressing presspersons here on Saturday, said that the district administration in Bidar and Vijayapura had auctioned the seized sugar stock to clear the long-pending dues to the cane growers.

He urged Kalaburagi Deputy Commissioner Ujjwalkumar Ghosh to auction the seized sugar to pay growers.

The factory authorities ,by using different tactics, delayed the FRP payments of the growers for the cane crushed during 2013-14 and 2014-15.

Last year, the district administration has seized 1.80 lakh quintals of sugar, worth over Rs. 21 crore, stocked in the three sugar factories in the district for not clearing the dues of Rs. 100 crore to the cane farmers for the year 2013-14.

About 45,000 quintals of sugar was seized from NSL Sugars Ltd in Bhusnur at Aland taluk; 90,000 quintals from Renuka Sugar Factory at Ghattaraga village in Afzalpur taluk: and 45,000 quintals from the Core green factory in Yadgir district.

Renuka Sugars and NSL Sugars Ltd. have to pay around Rs.10 crore and Rs.6 crore respectively, whereas the Core Green Sugars has to clear Rs. 5 crore for the last two years he added.

(Source-http://sugarnews.in/karnataka-auction-off-sugar-to-clear-dues/, published on 18th December, 2016)

India's sugar production rises 11% in season 2016-17 till December 15: ISMA

Sugar production in India for 2016-17 rose 11.18 percent to 53.29 lakh tonnes between October 1 and December 15 this year in comparison to the corresponding period last year, despite an estimate earlier that the world's biggest sugar consuming country would post a fall in production for the second straight year, according to an update by the Indian Sugar Mills Association (ISMA).

The production in sugar season (SS) 2015-16 was 47.93 lakh tonnes. The sugar season begins in October in India and ends in September.

India is the second-largest producer of the commodity in the world and production estimate for 2016-17 sugar season is 234 lakh (23.4 million) tonnes, down from 251 lakh (25 million) tonnes in the sugar season 2015-16, according to ISMA.

Listed Indian sugar companies include Dwarikesh Sugar Industries, Shree Renuka Sugars, EID Parry (India), Balrampur Chini Mills, Bannari Amman Sugars, DCM Shriram Industries, Bajaj Hindusthan, Simbaoli Sugars, Khaitan India and Mawana Sugars.

"In Maharashtra, 144 sugar mills are in operation and they produced 17.25 lakh tonnes of sugar till 15th December, 2016. In 2015-16 SS, there were 164 sugar mills in operation as on 15th December, 2015 and they had produced 22.50 lac tonnes.

"In Uttar Pradesh, as on 15th December, 2016, 115 sugar mills have produced 17.66 lakh tonnes of sugar, double to last season's production of 8.52 lakh tonnes when 105 sugar factories were operating as on 15th December, 2015.

"60 sugar mills in Karnataka, have produced 11 lakh tonnes of sugar till 15th December, 2016. This is about 0.71 lakh tonnes higher than the sugar production in 2015-16 SS as on 15th December, 2015. During the current 2016-17 SS, 60 sugar mills are in operation as on 15th December, as compared to 61 which operated on the corresponding date of 2015," ISMA said in its statement on Friday.

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Some of the top sugar producing countries of the world include Brazil, Thailand and China, in addition to India.

(Source-http://sugarnews.in/indias-sugar-production-rises-11-in-season-2016-17-till-december-15-isma/, published on 16th December, 2016)

An Unkind Cut In The Cane

Twenty-odd people, who have come from Limtok, near Hingoli in Maharashtra, to work as sugarcane-cutting labourers, are busy loading the tractor that would carry tonnes of sugarcane to the nearby sugar mill at Jaysingpur, in Kolhapur district. It is hot, the sun is in the eyes and the brown drying field jabs at the naked feet. Wrapping up for the day, they sit in the shade of fence shrubs for a few minutes before heading to the next field. During one such break earlier in the day, Pranita and her mother tried to buy a plastic pot for Rs 100 from a vendor on a bicycle. Their contractor had parted with a precious Rs 2,000 note so the labourers could buy essentials. However, the vendor said he didn't have change and left. There is no market nearby and, in any case, the debt-ridden workers are not allowed to take long breaks.

In and around the sugar belt, cane cutting, crushing and related activities have gathered

momentum as November-December is the peak season. Sugarcane production has been lower than normal this year and farmers were expecting a good rate to compensate for the fall in output. However, post demonetisation, the entire chain of stakeholders is shaken for various

"We take money for the season in advance and usually end up finishing most of it even before we come here," says Pranita, who was pulled out of school after class nine to pay for the loan taken for her elder sister's marriage. "Once we are here, we sell the sugarcane waste as cattle fodder to sustain ourselves. If we don't complete sugarcane-cutting as per the contract, we carry the debt into the next season." She is here with her parents. Now she has to work until she pays back the previous loans and manages to get a fresh one for her wedding. Usually, they are paid Rs 50,000 per couple for the season that lasts around four months. The ones who bring their own bullocks to transport the cane are paid Rs 1 lakh. Even as the women gather to share their experiences, the frowning vehicle owner tries to hurry them up. "Sometimes, we can't even buy tea," says Ramesh, another worker. "Even our contractors are struggling. One told us they will be fined by the banks if they go to get cash exchanged for us."

At Sanjay Chaughule's farm, too, the scene is no different. The workers are from arid Beed, one of the poorest districts in Maharashtra and the stronghold of late Union rural development and panchayati raj minister Gopinath Munde's family. Rohini and Krishna Dhanve travelled overnight in a tempo that brought them here along with their pair of bulls. Here for the first time, she says, "We have no choice but to depend on the contractor for the smallest of requirements."

There are an estimated 1.5 lakh-plus migrant workers in the sugar belt in a season, employed in over 100 sugar mills. This season, the contractors (locally called mukadams) and the farmers, who mostly own one to five acres, are unable to pay their workers because most of their money is stuck in their accounts with cash-strapped cooperative banks.

"We hope things improve soon," says Chaughule. "Wages arean issue, but we are coping with it." What you hear about demonetisation depends on who you speak with. Talk to a farmer trying to sow a rabi crop, who needs to make multiple payments, and you hear that demonetisation is synonymous with high stress. But if it is someone in the middle of cane-cutting, who does not intend to go in for an intermediate crop, it comes across as not that bad barring, of course, pending payments through District Central Cooperative Banks (DCCBs). "I planted sugarcane in the first week of November and had set aside Rs 15,000-20,000 for fertilisers, pesticides, workers' wages and other expenses," says Dilip Mangawe, who is worried about his freshly planted sugarcane on 1.5 acres of land near Hasur village in Kolhapur district. "After November 8, I deposited my money in the cooperative bank. But they are able to give us only Rs 2,000 in a week, that too if you are lucky. How long can we run on credit?" Rabi farmers who want to plant chick peas are holding on to see if money will be released in the near future. The government has allowed seed and fertiliser to be procured on credit, but most farmers are unsure about the day-long trips to persuade the authorities. If, however, you are a vegetable grower, life is tougher. The anxiety is palpable at the Shahu Market Yard, Kolhapur, where wholesale deals are struck early, at 6.30-7 am. Truckloads of vegetables such as tomatoes, cauliflower, cabbage, brinjals, leafy vegetables and green peas are up for sale. The commission agents are busy keeping a record of unpaid bills—from the traders to the farmers via their agencies. Except for a few buyers, who are able to pay by cheques and perhaps benefit from the falling prices, everyone is worried.

(Source-http://sugarnews.in/an-unkind-cut-in-the-cane/, published on 16th December, 2016)

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Cash crunch dampens India's sugar demand – industry body

India's sugar consumption in 2016/17 is likely to remain steady while the government's move to scrap high-value currency notes has affected demand, a leading industry body said on Friday.

The country's sugar consumption in the new season, which started on Oct. 1, is estimated to be between 24.5 million tonnes and 25 million tonnes, compared with 24.8 million tonnes a year ago.

The industry body had earlier expected consumption to rise to 25.5 million tonnes during the year. India is the world's biggest sugar consumer and second-biggest producer.

"Market sources suggest that sugar sales in the first fortnight of December 2016 have been badly affected and the depressed demand may continue till January 2017," the Indian Sugar Mills Association said.

Last month, Prime Minister Narendra Modi scrapped 500 and 1,000 rupee banknotes, or 86 percent of the value of cash in circulation, as part of a crackdown on corruption, tax evasion and financing militants.

Indian sugar mills produced 5.33 million tonnes of the sweetener between Oct. 1 and Dec. 15, over 11 percent higher than a year ago, as mills in the northern state of Uttar Pradesh started crushing earlier, it said.

The country is likely to produce 23.4 million tonnes of sugar in 2016/17, down about 7 percent from a year ago as back-to-back droughts ravaged the cane crop in top-producing state of Maharashtra.

(Source-http://sugarnews.in/cash-crunch-dampens-indias-sugar-demand-industry-body/, published on 16th December, 2016)

Cane crushing begins at Perambalur Sugar Mills

5,288 farmers have registered with the mill for the current season

The cane crushing season for 2016-17 began at the public-sector Perambalur Sugar Mills at Eraiyur in the district on Friday.

About 5,288 farmers have registered about 11,455 acres of sugarcane with the mill for the current season.

About 3.50 lakh tonnes of sugarcane is expected during the season.

Cane exchange programme

Of this 2.75 lakh tonnes would be crushed at the Eraiyur factory, 50,000 tonnes would be sent to the National Cooperative Sugar Mill, Alanganallur, and 25,000 tonnes to M. R. Krishnamurthy Cooperative Sugar Mill, Sethiathope under the cane exchange programme.

The crushing season will go on till May 16, 2017, said an official press release.

Earlier, M. Sankaranarayanan, Chief Executive, Perambalur Sugar Mills, inaugurated the crushing season in the presence of senior officials and representatives of various farmers associations, the release added.

(http://www.thehindu.com/news/cities/Tiruchirapalli/Cane-crushing-begins-at-Perambalur-Sugar-Mills/article16895278.ece)

Cash crunch hits sugar sales, ex-mill prices drop

The prevailing currency crunch has hit the sugar offtake in the first fortnight of December and the depressed demand scenario is expected to continue till January 2017, said the Indian Sugar Mills Association, the apex body of sweetener makers in the country on Friday.

As a result, the ex-factory prices have dropped by ₹ 150-200 per quintal on account of poor demand from bulk consumers including the sweet makers due to the cash crunch, ISMA said in a statement.

Sluggish trend

"Market sources suggest that sugar sales in the first fortnight of December have been badly affected and that the depressed demand may continue till January 2017. It is expected that sugar sales in the October-December quarter this year would be less as compared to the corresponding quarter of last season," ISMA said in a statement.

Sugar despatches during October were down 2.3 lakh tonnes (It) over corresponding period last year, while the sales were flat in November. Considering the current trend in despatches, ISMA has revised marginally downwards its projections for sugar season 2016-17 ending September at between 245 and 250 It against the earlier projection of 255 It. Sugar despatches by mills stood at 248 It in 2015-16 sugar season.

"Seeing the current trend of sales/despatches and considering that sugar sales in summer months may increase slightly, it is possible that sales in 2016-17 could remain on a lower level of 245-250 lt. This would mean that the expected closing stock at the end of the season that is September, 2017 would go up by another 5-6 lt to 60-61 lt, equivalent to three months domestic consumption," ISMA said.

Output up

In the ongoing season, about 440 mills were in operations as on December 15 and have produced 53.29 lt sugar, about 11 per cent higher than corresponding last year.

In Maharashtra, production is lower at 17.25 It till mid-December against 22.5 It in corresponding last year.

This is mainly on account of cane shortage in the State and only 144 mills were in operation this year as against 164 in corresponding last year. However, in UP, the sugar output has been doubled to 17.66 It and the number of mills crushing cane in the State was higher at 115 (105 last year).

Similarly, in Karnataka, 60 sugar mills have produced 11 lt of sugar till mid-December.

Jaggery units hit

ISMA further said that jaggery/gur buying — including production in major States such as Uttar Pradesh, Andhra Pradesh and Tamil Nadu — have been affected and its production in 2016-17 sugar season is likely to see a significant drop as compared to previous year. This could give extra sugarcane for sugar production resulting in a little more of sugar availability at the cost of gur production.

The expectation, according to market reports, that India will need to import has subsided and almost all the experts now seem to be convinced that India will have enough sugar and there will be no need to import any sugar into the country, ISMA said.

(Source-http://sugarnews.in/cash-crunch-hits-sugar-sales-ex-mill-prices-drop/, published on 17th December, 2016)

Quote of the day

'Adopting the right attitude can convert a negative stress into a positive one.'-Hans Selye