

## Sugar &Gur Domestic & International Fundamentals

### Recent Update:

**Steady tone was witnessed in Sugar physical markets today in India.** Sugar prices were higher in Delhi by 10-40 at Rs. 3130/q. Prices were lower in Kolhapur at Rs. 3000/q.

**Sugar mills clears cane dues of worth Rs 1.98 crore.** Uttar Pradesh sugar mill has cleared cane dues worth Rs 1.98 crore of the 680 sugarcane farmers associated with the mill. However, the sugar mill is yet to clear arrears worth Rs 31.95 crore to the cane farmers.

### Weather Forecast:

Thunderstorm with lightening, hail & gusty winds very likely in isolated places over Assam & Meghalaya and Nagaland, Manipur, Mizoram & Tripura with lightening and gusty winds at isolated places over Sub Himalayan West Bengal & Sikkim, Odisha, Andaman & Nicobar Islands, Kerala & Mahe, Lakshwadeep and Arunachal Pradesh and with lightening at isolated pockets very likely over Andaman & Nicobar Islands and Kerala & Mahe.

### Previous Updates:

**Sugarcane crushing season is likely to end in March'21.** Sugarcane crushing operations in Thailand are likely to end by March-end with the country expecting to complete crushing of around 66.5 million MT of sugarcane. The mills in the country had crushed 66.48 million MT sugarcane till March 22 this year which was down by 13% from the same period during the last year. Usually the cane crushing activities continues till April-May but due to the shortage of cane, the crushing is expected to end by March 31.

**Bilai sugar mill has recorded the highest recovery rate of more than 13 percent.** Bilai sugar mills from Madhya Pradesh have recorded the highest recovery rate of 13.25. In the current season, the sugar mills in the district have started cane crushing operations on time and that has helped in increasing the sugar recovery in the district.

**Sugar mills from Maharashtra have cleared 87 percent of the Fair and Remunerative price (FRP) to the cane farmers.** Sugar mills have cleared Rs. 15,836 crore which is around 86.91 percent of the total FRP for this season, the mills are expected to clear the remaining Rs. 2,385 crore dues in the coming weeks. Around 187 sugar mills have participated in the crushing operations this season and out of that 86 mills have cleared 100 percent of the FRP while 65 cleared 60-69 percent of FRP. Sugar mills in India have signed contracts to export 43 lakh tonnes of sugar which include contract of 20 lakh tonne from Maharashtra sugar mills.

**Maharashtra Sugar mills produces around 957.57 lakh quintals of sugar.** Sugar mills in Maharashtra have produced 957.57 lakh quintal sugars after crushing 920.23 lakh tonne sugarcane with a sugar recovery rate of 10.41 percent. The sugarcane crushing season is in the final phase and about 52 sugar mills have closed their crushing operations. 28 sugar mills are operating in Kolhapur division and 9 have stopped operations, where else in Solapur division out of 41 sugar mills, 31 mills have closed operations and 10 are operating. In Pune and Ahmednagar division, 3 each sugar mills have ended the operations whereas 2 each sugar mills in Aurangabad, Nanded, and Amravati division have shut their operations.

**About 76 percent of the sugarcane has been harvested till 19<sup>th</sup> March 21.** About 48.51 lakh hectares was the estimated total coverage under sugarcane in the rabi season of 2020-21 and around 76 percent

harvesting has been done till 19<sup>th</sup> March'21. In some parts of the country, the sugar mills have closed their crushing operations while some are at their final phase of crushing.

**About 4.3 million tonnes of export contracts have been signed in sugar season 2020-21.** According to Indian Sugar Mills Association, around 43 lakh tonnes of export contracts have been signed, these contracts have been signed in just 2 ½ months, since the date the export quotas were allocated by the Government on 31st December, 2020. The total sugar export quota is around 60 lakh for 2020-21 season. About 3.18 lakh tons of sugar had been exported in Oct. – Dec., 2020, against the Maximum Admissible Export Quota (MAEQ) of last season 2019-20 Season and another around 22 lakh tons of physical exports are expected between Jan. – March, 2021 against MAEQ of 2020-21 sugar season.

**India's Sugar production is up by 19.69 percent compared to previous year.** According to Indian Sugar Mills Association, around 258.68 lac tons of sugar have been produced till 15<sup>th</sup> March'21 against 216.13 lac tons produced last year by 15<sup>th</sup> March'20. About 171 mills have stopped cane crushing operation and 331 sugar mills are currently operating in the country against 319 mills operating previous year, till 15<sup>th</sup> march'20 around 138 sugar mills had stopped cane crushing operations.

**Bihar is set to become the first state in the country to have a dedicated ethanol policy.** With the central government approval for producing ethanol directly from sugarcane and broken rice, Bihar is planning to launch country's first ethanol policy. 20 investors have already applied for production units, Bihar produces 12,000 crore litres of ethanol each year and is expected to produce 50,000 crore litres each year after proposals of 20 new ethanol units were realized.

**41 Sugar mills in Maharashtra are likely to end their cane crushing operation.** The sugarcane crushing season is at the final phase in Maharashtra and till March 11, 41 sugar mills have ended cane crushing operations. Around 187 sugar mills had participated in the on-going cane crushing season and they have produced 918.55 lakh quintal sugars by crushing 886.52 lakh tonne sugarcane with a recovery of 10.36%. Till date, 29 sugar mills from Solapur have closed their operations followed by 7 mills from the Kolhapur division and from Pune, Aurangabad and Nanded division each sugar mill has stopped operations and two mills from the Amravati division have closed the cane crushing operations.

Commodity	USD (\$/Tonne)	Change
Thai Sugar FOB 45 Icumsa	440.50	-8.90

## International Sugar Futures ICE(US Cent/lb)

Daily Futures Price Listing Monday March 29th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
<a href="#">Mar-21</a>	210329	15.13	15.16	14.84	14.92	-0.27	61,562	357,183	-4,349
<a href="#">May-21</a>	210329	14.98	15.00	14.78	14.83	-0.19	33,835	244,738	+1,665
<a href="#">Jul-21</a>	210329	14.94	14.96	14.79	14.84	-0.13	20,978	157,926	+519
<a href="#">Oct-21</a>	210329	15.17	15.22	15.07	15.12	-0.10	11,680	107,115	+5,458
<a href="#">Mar-22</a>	210329	14.48	14.54	14.40	14.46	-0.07	2,473	56,102	+30
<a href="#">May-22</a>	210329	13.91	14.00	13.84	13.93	-0.03	2,300	54,019	+475
<a href="#">Jul-22</a>	210329	13.56	13.67	13.51	13.59	-0.01	1,312	39,339	+34
<a href="#">Oct-22</a>	210329	13.68	13.79	13.64	13.72	+0.01	582	16,270	+98
Total Volume and Open Interest							136,092	1,057,972	+4,604

Source: MRCI

## International Sugar Futures LIFFE(US \$/MT)

Daily Futures Price Listing Monday March 29th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
<a href="#">Mar-21</a>	210329	436.00	437.30	429.30	431.10	-6.00	5,917	31,440	-224
<a href="#">May-21</a>	210329	428.10	428.90	423.20	424.70	-3.90	3,085	32,085	+693
<a href="#">Aug-21</a>	210329	420.00	420.00	415.00	416.50	-3.20	957	12,839	+235
<a href="#">Oct-21</a>	210329	418.20	418.20	414.20	416.20	-1.70	141	4,794	+13
<a href="#">Dec-21</a>	210329	415.90	417.00	415.00	417.00	-0.10	65	3,139	-7
Total Volume and Open Interest							10,250	87,269	+760

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			30-Mar-21	27-Mar-21	
Delhi	Delhi	M-Grade	3150	3130	20
	Delhi	S-Grade	3130	3110	20
Uttar Pradesh	Khatauli	M-Grade	3055	3055	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3050	3050	Unch
	Dhampur	S-Grade Ex-Mill	3030	3030	Unch
	Dhampur	L-Grade Ex-Mill	3100	3100	Unch
Maharashtra	Mumbai	M-Grade	3302	3306	-4
	Mumbai	S-Grade	3206	3202	4
	Nagpur	M-Grade	3175	3175	Unch
	Nagpur	S-Grade	3125	3125	Unch
	Kolhapur	M-Grade	3050	3050	Unch
	Kolhapur	S-Grade	3000	3000	Unch
Assam	Guhawati	S-Grade	3309	3309	Unch
Meghalaya	Shillong	S-Grade	3320	3320	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3580	3600	-20
	Vijayawada	S-Grade (With Duty)	3580	3600	-20
West Bengal	Kolkata	M-Grade	3520	3520	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3450	3450	Unch
	Dindigul	M-Grade (DCA)	3540	3540	Unch
	Coimbatore	M-Grade (DCA)	3540	3540	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	NA	NA	-

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

\*DCA: Department of consumer affairs

Jaggery (Gur) Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Jaggery(Gur)			30-Mar-21	27-Mar-21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	Closed	2830	-

	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	Closed	3000	-
	Muzaffarnagar	Khurpa (Fresh)	Closed	2563	-
	Muzaffarnagar	Laddoo (Fresh)	Closed	2850	-
	Muzaffarnagar	Rascut (Fresh)	Closed	2313	-
	Hapur	Chaurasa	2500	2525	-25
	Hapur	Balti	2475	2450	25
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4350	NA	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3800	3770	30
	Mandya	Kurikatu (Medium)	3480	3480	Unch
	Mandya	Other (Medium)	3500	3500	Unch
	Mandya	Yellow (Medium)	3650	3510	140
	Shimoga/Shivamogga	Achhu (Average)	3450	NA	-

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