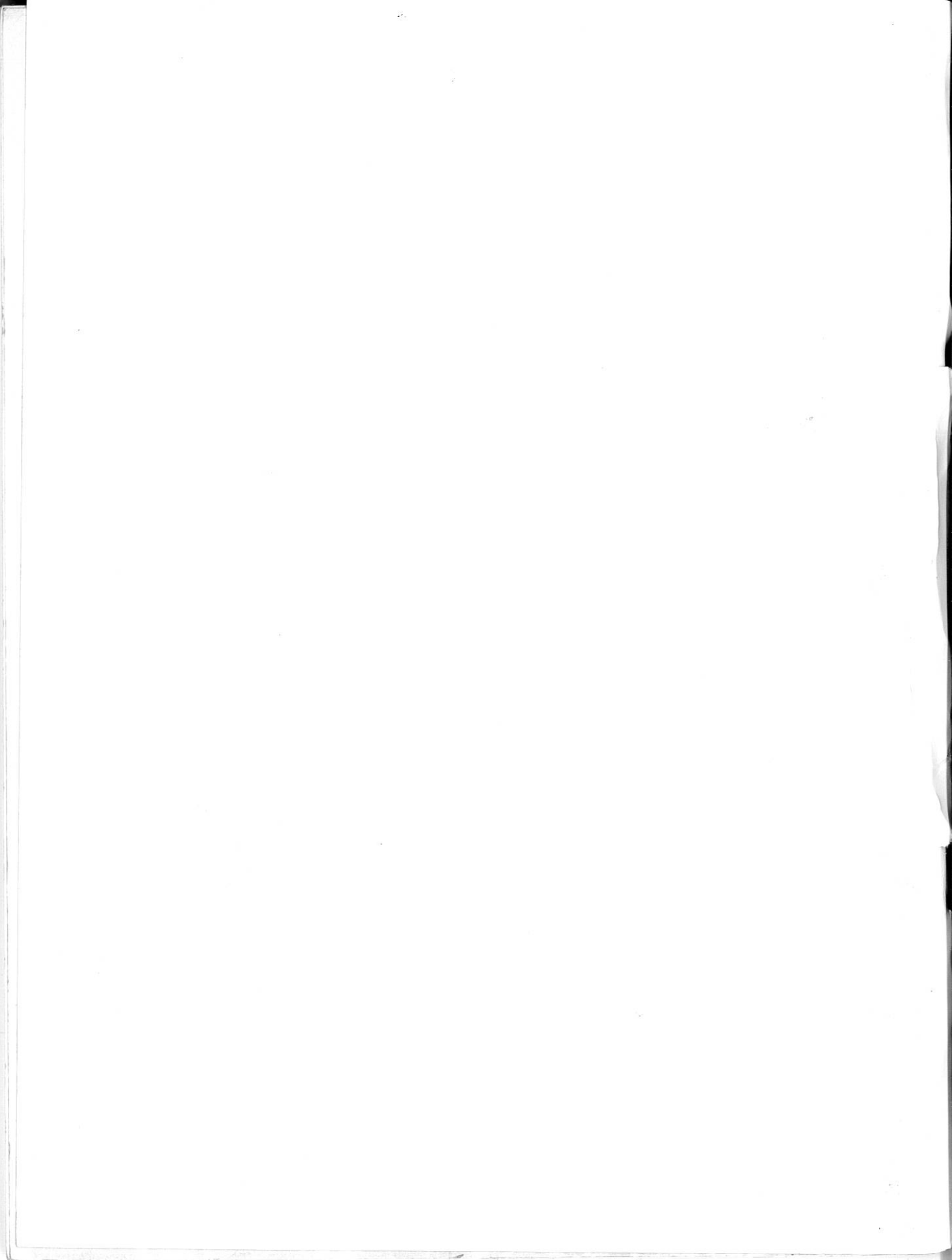


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**ANNUAL REPORT
2005**

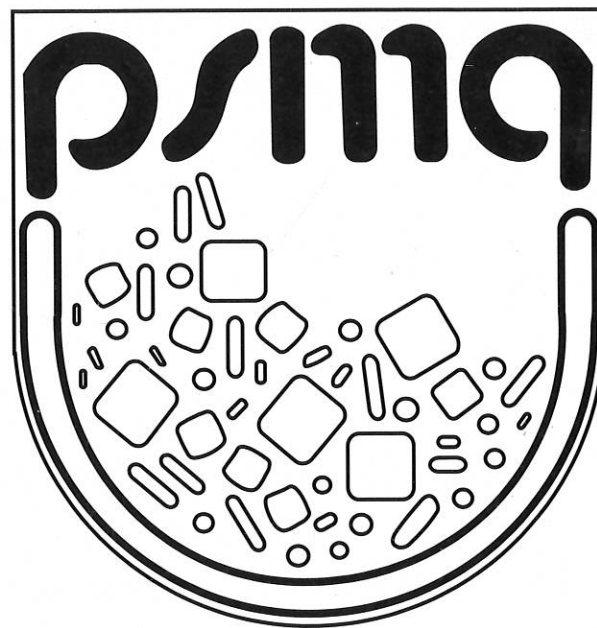


**PAKISTAN SUGAR MILLS ASSOCIATION
ISLAMABAD**

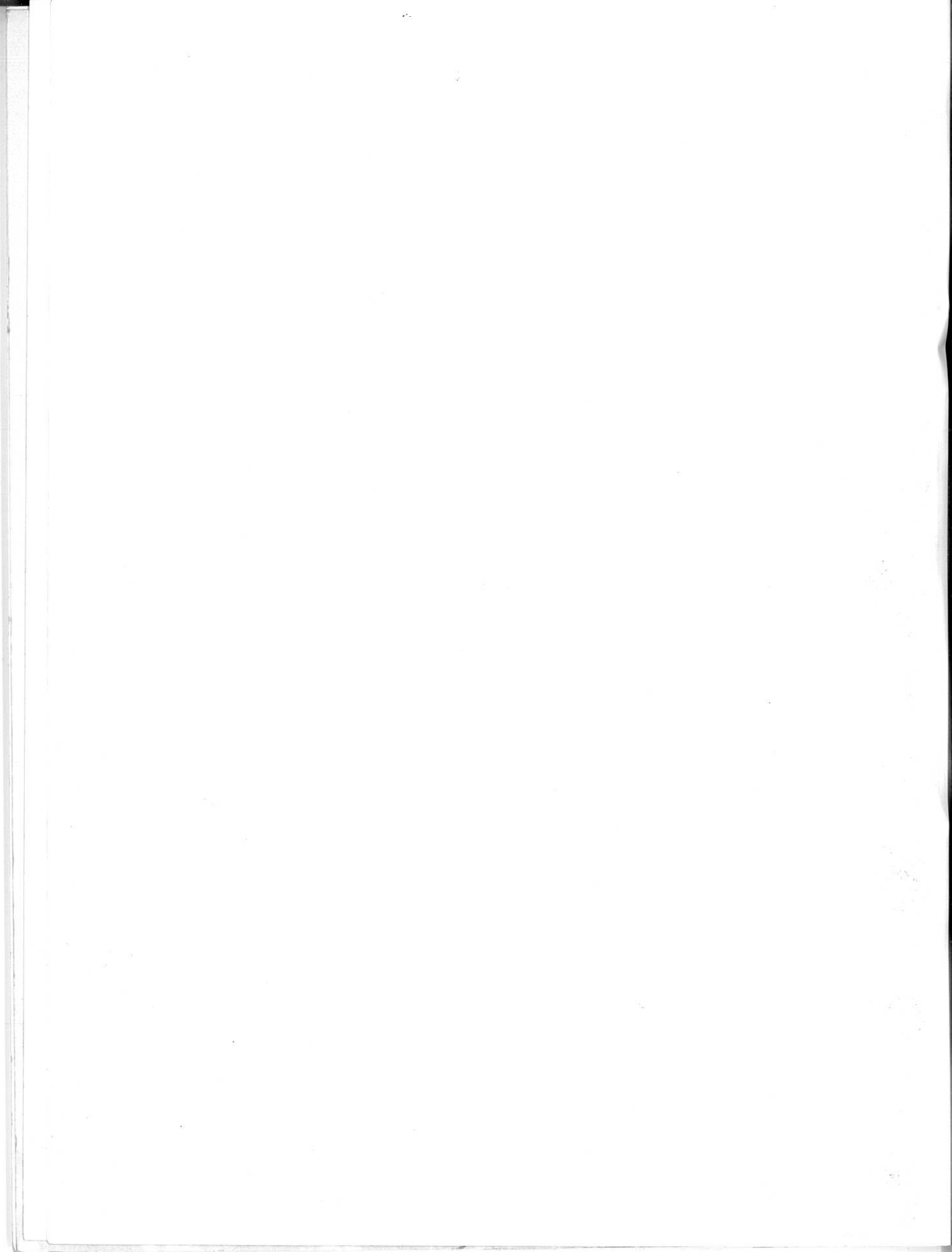


05

**ANNUAL REPORT
2005**



**PAKISTAN SUGAR MILLS ASSOCIATION
ISLAMABAD**



**MANAGEMENT OF
PAKISTAN SUGAR MILLS ASSOCIATION
FOR 2004-2006**

CENTRAL EXECUTIVE COMMITTEE

1.	Ch. M Zaka Ashraf	Chairman
2.	Mian Shahid Shafi	Vice Chairman
3.	Mr. Abdul Wajid	Vice Chairman
4.	Mr. Iskander M Khan	Vice Chairman
5.	Mr. Abdul Qadir Khattak	Member
6.	Mr. Imran A Habib	Member
7.	Ch. Yasir Javed	Member

SECRETARIAT

MR. K. ALI QAZILBASH
SECRETARY GENERAL

RASHID PLAZA, JINNAH AVENUE
ISLAMABAD

PHONES: 051- 2270525 & 2823971

FAX: 051- 2274153

E-mail: psma_Centre@hotmail.com

**ZONAL COMMITTEES
2004-2006**

ZONAL COMMITTEE PUNJAB

- | | | |
|----|---------------------|-----------------|
| 1. | Mian Shahid Shafi | Chairman |
| 2. | Mian Waqas Riaz | Member |
| 3. | Ch. Muhammad Waheed | Member |
| 1. | Mr. Anwar Wahla | Co-opted member |
| 2. | Ch. Bashir Ahmed | Co-opted member |

Zonal Secretariat

Col. (Retd.) Maqsood Cheema	Secretary
Unit No. 1, Happy Homes	Tel: 042-5710190
38-A, Main Gulberg, Lahore	Fax: 042-5752940

ZONAL COMMITTEE SINDH

- | | | |
|----|-------------------|----------|
| 1. | Mr. Abdul Wajid | Chairman |
| 2. | Mr. Omer H Said | Member |
| 3. | Mr. Mustafa Majid | Member |

Zonal Secretariat

Mr. Umer Latif	Secretary
1st, Floor, Modern Motors House	Tel: 021-5686526
Beaumont Road, Karachi	Fax: 021-5680344

ZONAL COMMITTEE N.W.F.P

- | | | |
|----|--------------------------|----------|
| 1. | Mr. Iskander M Khan | Chairman |
| 2. | Abdul Qadir Khattak | Member |
| 3. | Mr. Muhammad Tahir Iqbal | Member |

Zonal Secretariat

Premier Sugar Mills &	Tel: 0937-862051-52
Distillery Co. Ltd, Mardan	Fax: 0937-862989

Annual Review
40th Annual General Meeting
8th October' 2005

Distinguished Members,

I feel honoured in presenting you the annual review of the Pakistan Sugar Mills Association for the year ending 30th Sept'2005. The sugar year 2004-05 was a very significant year in the sense that after three consecutive rich harvests the sugarcane crop faced drought like conditions and the cane growers responding to the conditions switched over to the other crops demanding low water supply.

Sugarcane shortage was foreseen last year in this meeting which was estimated to about 9.0 million tonne lower than 2003-04 crop, a fall of almost 20%. Beside the shortage of the crop the sugar industry faced the pressure for the early start of crushing. The Mills in Sindh zone were being forced to start as early as the 1st week of Oct'04, while the sugarcane supply was no where in sight. Twice negotiated, the crushing date was finally set for the 1st of November'04. Ironically only few mills in Sindh zone could hardly continue beyond end February even with the intermittent stoppages, crushing almost 5.0 million tonne less sugarcane than the year 2003-04 i.e. 40% lower.

The anticipated shortfall in the sugarcane supply encouraged the sugarcane growers to demand higher price for their product. This trend immediately started to reflect in the price of sugar in the market.

The retail price of sugar had hardly moved out of its lowest ebb of three years in a row of depressed prices, when Government expressed its concern and in an effort to arrest the upward move announced import of Raw as well as the Refined Sugar. Simultaneous to this the International Sugar Prices started escalating due to a major crop failure in India for the

second year in a row. This encouraged the millers to procure sugarcane at almost double the sugarcane price to break the cartel formed by the sugarcane growers.

With the situation still slipping out of hand, Government allowed duty free import of refined and raw sugar. At the first announcement the import of raw sugar, which was blocked by few importers, was now released to the millers. This was done too late resulting in the most sugar mills who wanted to refine raw sugar decided not to import raw sugar as the crushing season was coming to an end.

To bring the sugar prices to a desirable level the ECC in its subsequent meetings took further steps including steady release of sugar from TCP stocks through Utility Stores and doing away with the withholding tax on the import of sugar. Further to the imports by traders TCP was directed to call for international tender and procure additional 200,000 tonne sugar to supplement the sugar already floated in the market by the importers. In an effort to attempt importing cheaper sugar the sugar import ban imposed on the Indian sugar was also relaxed despite PSMA's advise regarding its high sulphur content which could be hazardous for health.

Till the preparation of this report import of 622,040 tonne of refined sugar and (partly utilized) 282,200 tonne of raw sugar has taken place. Sugar retail price upward surge has subsided as shown in the following table.

Month	Av. Retail Price
Jan'2005	24.35
Feb'2005	27.00
Mar'2005	26.33
April'2005	26.27
May'2005	26.15
June'2005	26.60
July'2005	28.54
Aug'2005	27.85
Sept.'2005	26.65

Due to the seasonal effects and the shortage of the crop, the shortfall in the sugar production is a common and regular phenomenon. After every 2-3 years consecutive good harvests our crops falls under the low production cycle that remains effective for an year or two depending on the return of the heavy rains.

Unmoved by the rising sugarcane prices and sensitive to the rising sugar prices, the attitude of the Government representatives was aggressive and scornful towards the sugar industry. Ignoring the ground realities it was rather easy to blame the sugar industry for the price hike and the short production.

Ignoring the past data, the crop condition, the lack of research and development work and the seasonal effects on the crop, the Government officials stuck to their assumed high yields and the desired results. Even after the early end of the crushing the sugarcane production, estimates were inflated by the Agriculture Ministry and during meetings with PSMA the industry was blamed by design for the following deeds.

1. Sugar mills utilized a low percentage of sugarcane.
2. Sugar mills must have crushed more sugarcane, which is not on record.
3. Sugar prices were increased through cartel.

On the basis of the above assumptions the image of the sugar industry was regularly tarnished through media campaign, uncalled for threats were given through the media and cases were initiated against sugar mills. While reviewing 2004-05 we shall also discuss the facts on the above-mentioned accusations.

The year under review 2004-05:

As forecasted last year, the sugarcane & sugar production ended well below the projected domestic consumption and the milling capacity. As per data provided by the MINFAL sugarcane plantation Area was reduced to 966.6 Ha in 2004-05 against 1074.0 Ha. for 2003-04 crop.

Low Crop Yield & Causes

Beside a noticeable reduction of 10% in the crop area, weather conditions i.e. winter and monsoon rains, irrigation water supply, both have been below normal due to which a lower yield was expected. Though reports from the MINFAL claim the sugarcane yield for 2004-05 crop as high as 49.0 tonne / Ha, PSMA crop estimate does not indicate yield exceeding 45.0 tonne per ha. The exaggerated sugarcane production adjusted upwards after the crushing campaign caused a lot of controversies and misleading basis for the sugar production 2004-05.

Seasonal changes always had dynamic effects particularly on the sugarcane crop that has been observed in the past. On the contrary insufficient rains and low water supply had severe adverse effects on the crop. 1995-96, 1996-97, 1999-00, 2000-01 & 2004-05 fell under the low cycle of unfavourable weather conditions, which can be matched with the meteorological reports.

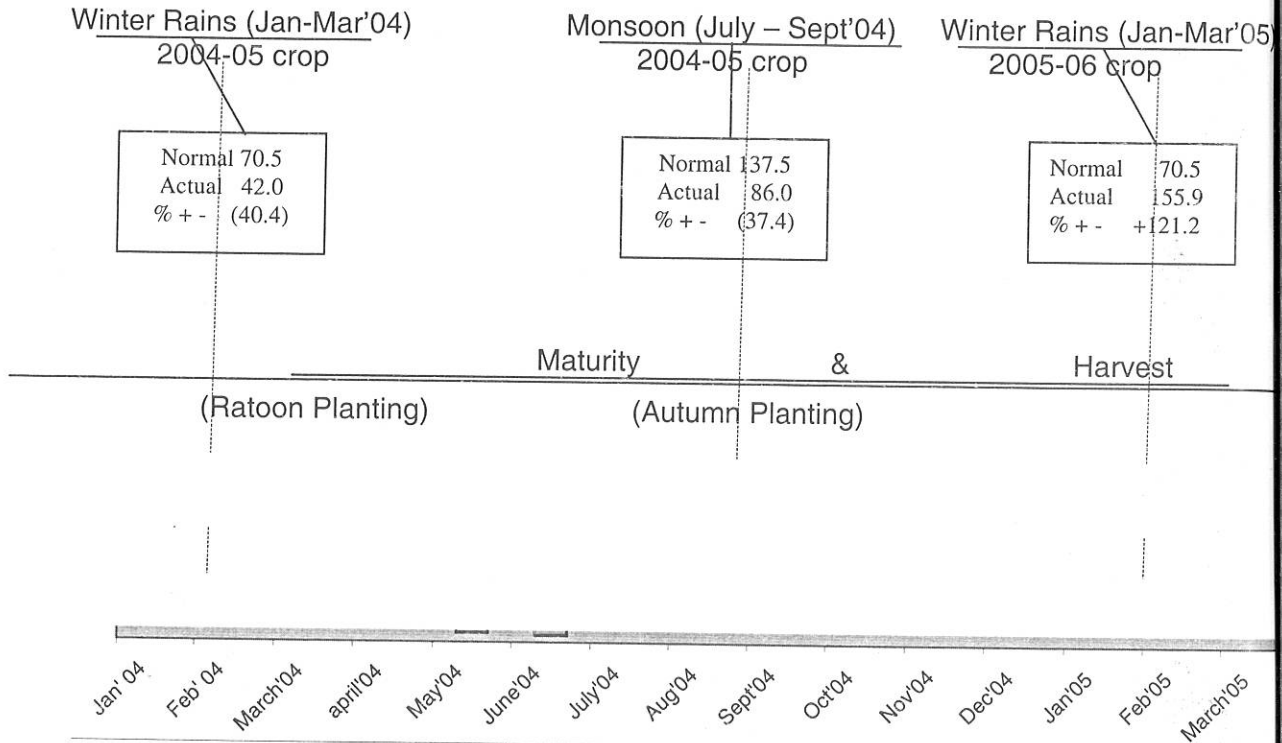
Sugarcane requires a huge quantity of water for its survival. It is cultivated on irrigated land and requires 60-80 acre-inches of water from plantation to maturity. Water shortage severely affects the quality of sugarcane crop. According to statistics provided by IRSA (Indus River Authority) the canal head withdrawals were decreased by 10.3% for Kharif and 26.7% for Rabi 2004-05. The short supply in the irrigation system shows acute shortage in Punjab and Sindh provinces. (Economic Survey of Pakistan 2004-05)

Pakistan has a well-known irrigation system that provides security to the cropping intensity and diversity. The system is dependent on rainfall, snow and reservoirs etc. Our monsoon and winter rains supplement the irrigation system and it contributes directly and indirectly by about 15 MAF annually. The sugarcane crop in Pakistan alone draws almost 10 million-acre foot of water, which is about 10% of the total water requirement for different crops in the country.

Sugarcane crop 2004-05 faced shortage of the irrigation water as well as the low rainfall. Based on the last 25 years data, the rainfall in winter and monsoon is established as Normal when the rainfall measures 70 mm in winter and 137 mm in monsoon as a benchmark.

Keeping this in mind let me inform you that the rains feeding 2004-05 sugarcane crop were as low as 42mm in the winter and 86mm in the monsoon season, this makes the total rainfall 38.5% lower than normal.

Rainfall Data 2004-05 sugarcane crop



With the above information along the low canal withdrawal report, no further reason is required to believe the fact for the low yield of sugarcane 2004-05 which is estimated by PSMA to as low as 45.0 tonne/ha.

Low Percentage of Utilization

The sugarcane production, yield & percentage of utilization by the mills during the above mentioned years are tabulated hereunder for a quick glance.

Low Sugar Production Years

Years	1995-96	1996-97	1999-00	2000-01	2004-05
Area Ha	963,100	964,500	1,009,800	960,000	966,600
Sugarcane Production	45,229,700	41,998,400	42,000,000	43,590,000	43,533,000
Sugarcane Yield	47.00	43.54	41.59	45.41	45.04
Cane utilized by Mills	28,151,434	27,352,918	28,982,711	29,408,880	32,101,739
% age of Utilization	62.24	65.13	69.00	67.47	73.74

You will observe that the plantation area during the above-mentioned years was not much different and the utilization of sugarcane by the mills during these low yield years ranged 62% to 68%. So assuming 80% utilization during 2004-05 is merely a wishful thinking.

You will also observe that during the low sugarcane production years the percentage (%) of other utilizations of sugarcane i.e. (seed, fodder, gur etc) remained high. The diversion towards Gur production has always been more attractive during the short supply of sugarcane. High prices of Gur with no sale tax have encouraged the production of Gur. Surprisingly the market Gur price remained 30% higher than the refined sugar.

Sugar Production:(2004-05)

Sugarcane plantation area decrease together with the low yield caused 25% reduction in sugar production in comparison to 2003-04, which was a record production of 4.0 million tonne.

Pakistan ranks 5th in the sugarcane plantation acreage and has 15th position in the sugar production because of the low yield and recovery percentage. The statistic reveal that after high production years a low production year is always bound to follow with a severe blow in the absence of a significant improvement activities in the irrigation system and research and development work. During this year 32.10 million tonne of sugarcane was utilized by the mills to produce 2.92 million tonne of cane sugar at the recovery rate of 9.10 % Beet sugar production was also down by 50% with a production of only 11,400 tonne. A limited quantity of raw sugar was utilized by the mills to supplement the sugar production by 182,300 tonne. Thus the total production stood at 3.12 million tonne, the availability of sugar raised to 4.55 million tonne with the inclusion of carryover stock and import of 622,000 tonnes of refined sugar resulting in a carryover stock of 577,650 Tonne.

The sugarcane supply to the mills in Punjab was down by about 6.0 million tonne resulting in 21.28 % less sugar than 2003-04. Sugar Mills in Sindh faced the severe impact of the sugarcane shortage inspite of record utilization of crop to 84.6%. the sugarcane utilization was down by 5.0 million tonne in comparison to 2003-04 and thus sugar production from cane was 38.2% lower than the previous year.

NWFP mills faced the traditional diversion to gur making. Though the cultivation area and the sugarcane production indicated minor improvement, the utilization by mills remained under 30%. The production of sugar was down by 31.33%. The overall zone-wise scenario is presented hereunder for a quick assessment.

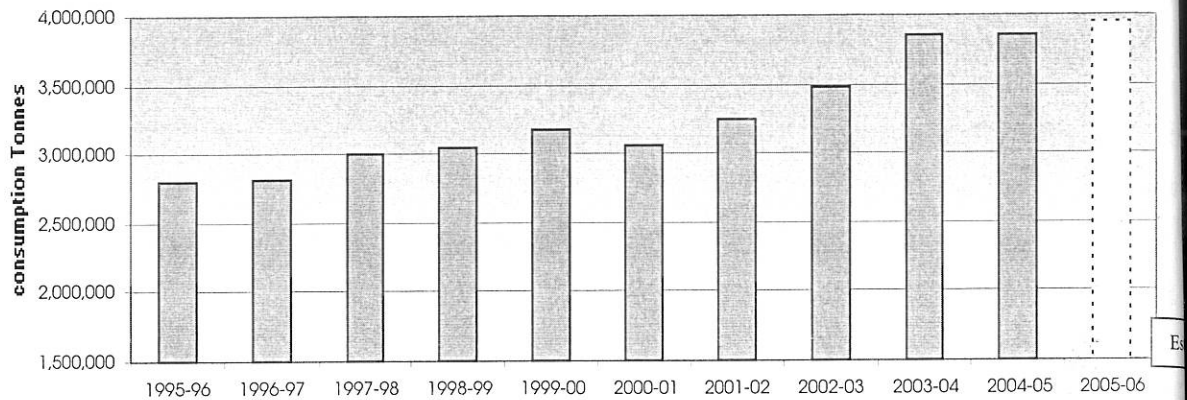
	2003-04	2004-05	
Punjab			
Cane Crushed	28,604,925	22,776,832	(20.37%)
Cane Sugar Prod	2,599,490	2,046,353	(21.28%)
Sindh			
Cane Crushed	12,990,824	7,915,416	(39.07%)
Cane Sugar Prod	1,221,268	754,458	(38.22%)
NWFP			
Cane Crushed	2,065,629	1,409,491	(31.76%)
Cane Sugar Prod	176,252	121,034	(31.33%)
Pakistan			
Cane Crushed	43,661,378	32,101,739	(26.48%)
Cane Sugar Prod	3,997,010	2,922,126	(26.90%)

Domestic Consumption

Domestic consumption as well as the per capita consumption has been on the rise during the past three years. Consumption that was once 10.70 KG per capita in 1987-88 has alarmingly increased to over 25kg per capita. Past two years consumption shows that at least 200,000 tonne of extra market supply was made over and above the projected estimates, part of it was accredited to the Afghan Refugees returning home. Based on the available

supply / sale data, the domestic consumption for the year 2005-06 would not be any less than 4.0 million tonne.

Domestic Sugar Consumption 1995-96 – 2004-05



Years	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	Est. 2005-06
Annual / Supply Consumption	2,797,541	2,812,125	3,004,913	3,039,327	3,172,059	3,055,122	3,252,165	3,483,854	3,850,242	3,941,513	4,000,000
Monthly Av. Consumption	233,100	234,300	250,400	253,300	264,300	254,600	271,000	290,321	320,853	328,459	333,000

The unexpected sudden increase in the consumption that made an obvious impact on the supply is one of the causes contributing the bullish trend in the sugar market.

Other Events of the Year

Ministry of Industries and Production on the directive of the President and the Prime Minister of Pakistan initiated to formulate policies to add value to the sugarcane by-products such as bagasse and molasses. PSMA was actively represented and presented the initial project summaries in the two separate committees constituted to prepare a project study for: -

- i) Formulation of National Policy on Indigenous Fuel Ethanol / Gasohol production & use programme in Pakistan.**
- ii) National Policy for Power co-generation by the sugar industry.**

Rigorous PSMA inputs and discussions were made during the separate meetings called for the above projects by the Ministry of Industries & Production during the past seven months.

Sugar industry was always blamed in the past for the lack of initiative on the use of the by-products as been practiced in the rest of the World. The industry having initiated nearly ten ethanol-manufacturing projects with huge investment was glad to see Government support on the use of ethanol. During several meetings on the formulation of blending ethanol with petrol and the required legislation for this affect, the sugar industry observed a very tough resistance from the oil companies whose vested interests were involved.

They took a strong plea on the basis of already surplus petrol available in the country. To derail the formulation of policy they went to the extent of a special presentation to the Prime Minister in the absence of the representatives of Ethanol Manufacturers. Efforts are now being made by the PSMA to put the project back on track.

In the mean-time due to high production and export of Ethanol from Pakistan, the European Union has levied high import duties and is considering Anti-Dumping Measures as well, against which the Government of Pakistan has been approached for prompt action.

Similarly a number of meetings took place at the Ministry of Industries for the formulation of National Policy for power co-generation by the sugar Industry. In this case representatives of WAPDA, NEPRA, Sui Northern and Sui Southern participated. For a regular supply of Electricity the basic requisite of Power Co-generation by sugar mills was the supply of gas during the period when the mills are non-operative. The representatives of the gas companies came-up with their own problems of shortage of gas. After detailed deliberations during the meetings chaired by the Minister for Industries certain condition and criterion were laid out for the initial start of the setup for power co-generation by the mills. The basic criteria for consideration included the crushing capacity, self-sufficiency in bagasse, the financial performance of the mill and the most important, the location of the mills in relation to the access distance from the main gas supply line.

The recommendations were to be forwarded to the Inter-ministerial Committee for evaluation purposes.

During March'2005 PSMA delegation held meetings with the Chairman CBR and discussed the various issues of sales tax, further sales tax, audit procedures and other problems in documentation. CBR also explained the general complains they had regarding the low sales tax collection in 2003-04 which was due to the low sugar prices and elimination of additional sales tax. The chairman CBR was informed that low collection of sales tax was not due to tax evasion as been stated in the print media referring to the CBR reports.

Production 2005-06

Initial reports indicate a further decrease in the plantation area for the sugarcane. Against 967,000 Ha last year the plantation is reduced by 7% to 900,000 Ha. PSMA estimates slightly higher cultivation as the farmers are being encouraged by the high price of the sugarcane. Water supply has been in abundance and is likely to continue during the maturity season of sugarcane. High winter rains snow and moderate monsoon has assured an above normal irrigation supply for the rest of the year which may result a higher yield of 50-51 tonne per Hectare.

Sugar production 2005-06 is not foreseen any better than the last year though diversion for fodder consumption may be at its lowest. Sugar production is foreseen at 3.0 million tonne, against the estimated consumption of 4.0 million tonne. Carry forward stocks at mills including TCP's reserved stock stands at 577,650 tonne while the import is still in progress for utilization in the month of October and November.

With the balance stock of 577,650 tonne on 30th Sept'05, the estimated production 2005-06, the availability of sugar would be around 3.6 million tonne, which needs to be supplemented with the in-time import and refining of raw sugar to a considerable quantity.

Research and Development

The soaring sugar prices in the domestic and global market with expanding demand is a wakeup call for the industry and the Government. There is fresh warning and demand for research, development and innovation today more than ever, unless the country is let to future consumer market. It is high time to develop and extend the applied research services to the growers and the mills for the enhancement of sustainable production of sugarcane and its products.

Comprehensive and extensively involved sugarcane varietal research with specific targets are urgently required with special emphasis on the sugarcane varieties of less water dependency.

To increase the per acre yield there is also need to adopt new means and methods for water conservancy and controlled irrigation system like drip and sprinkle irrigation. The proposal for implementation and extensive use of drip irrigation system was put up in the meetings with the Ministry of Food in the presence of scientists & irrigation experts called in on the occasion.

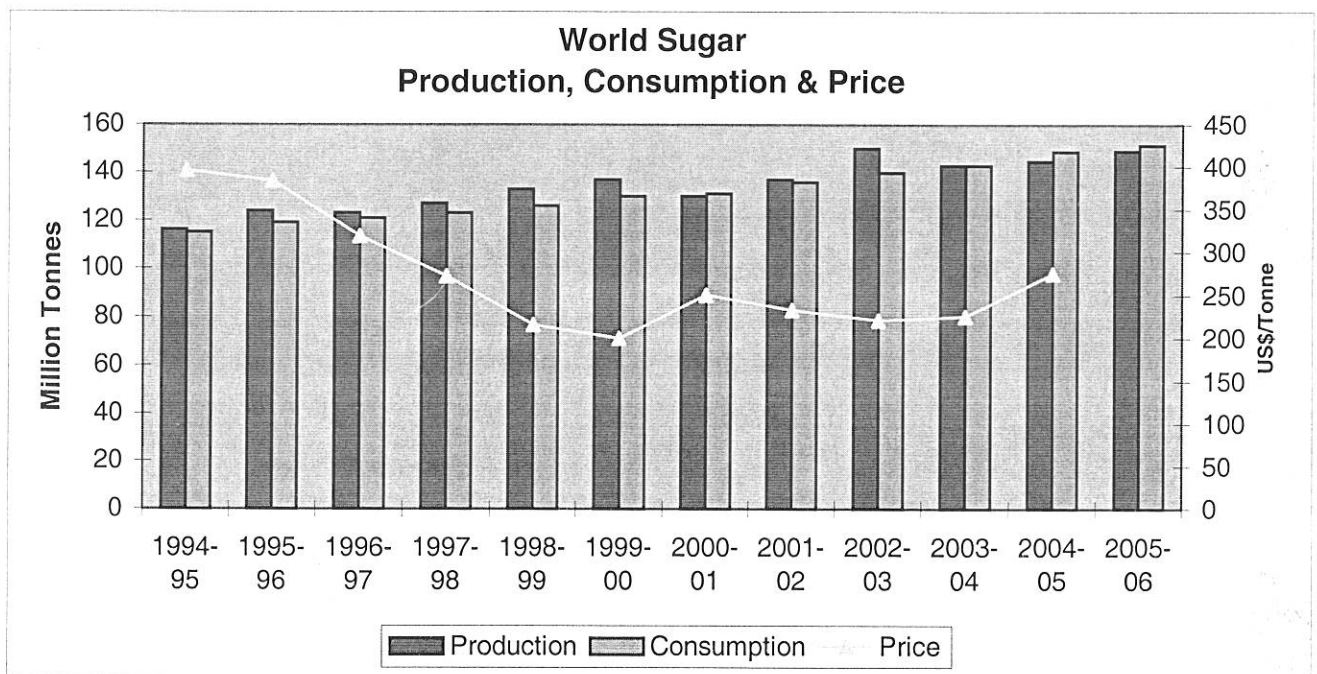
As indicated earlier the per hectare sugar production in Pakistan is 4.5 tonne, where as in our neighbourhood India has achieved 50% higher production i.e. 6.5 tonne, Thailand at 6 tonne, Egypt at 12.5, Brazil at 10 and above all Australia at 14 tonne are the examples in front of us that we need to follow to achieve at-least self sufficiency based on the economic growth of the farmers and the millers both.

Continued depressed prices of sugarcane and sugar will never lead to any growth vital for an agro-based industry. Economic survival of the growers and the millers should never be forced to depend on the short supply of the commodities. Whenever interest of the growers and the miller is sacrificed to offer favour to the consumer the option is short lived and the commodity ultimately suffers.

International Scenario

Sugar production 2005-06 is indicated as deficit for over 2.0 million tonne. The world consumption is projected to 151.3 million tonne against the production estimated of 149.1 million tonne. Though various agencies have minor difference for the shortfall forecast has alerted the international market with visible activity.

The annual growth in consumption is catching up with the production and nearly half the deficit is due to low production forecast in Pakistan.



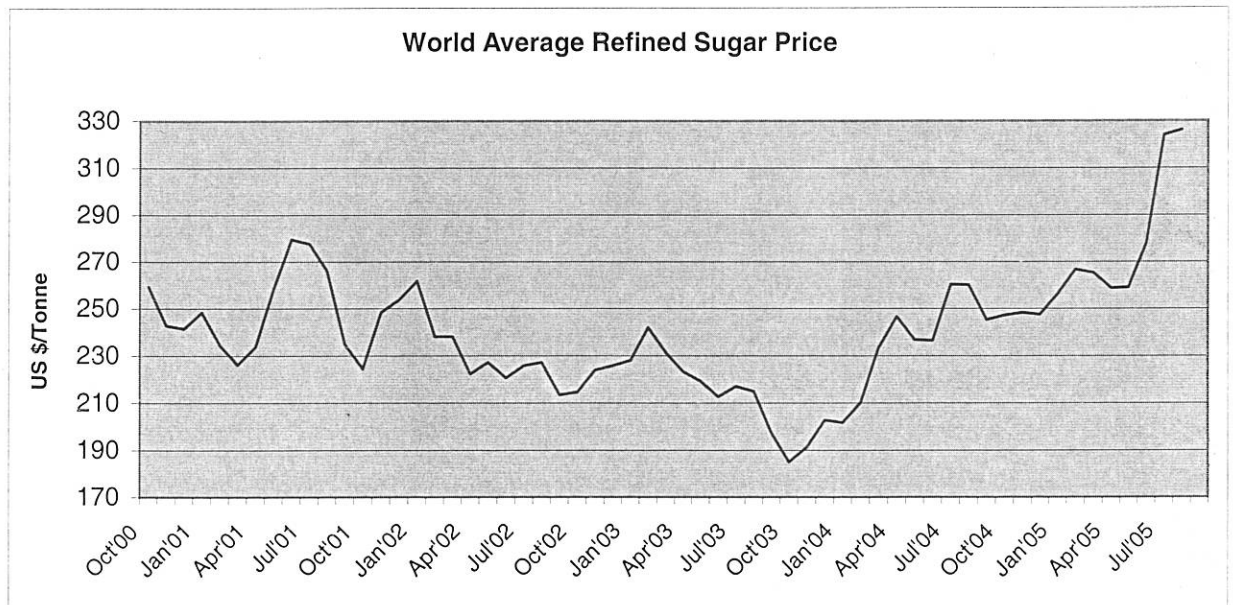
Brazil's sugarcane and sugar continues playing a leading, roll in the world. It is expecting a jump of 35% in the sugarcane production in the next five years from 420 million tonne to 565 million tonne. The ethanol production is also expected to move along from 16.7 billion liters to 26.5 billion liters for which 50 new ethanol and sugar refineries are

under construction. Brazil will continue dominating the sugar exports in the world as the sugar production in 2005-06 is indicated 6% higher than 2004-05.

Brazil has another credit of reaching 63% of the light vehicles market share using flexi fuel and pure ethanol cars besides exporting ethanol to many countries. India alone buys around 1.0 billion liters of ethanol from Brazil.

China is expecting increase in the demand as per capita sugar consumption is moving to 8.0 kg from 7.0 kg few years back. With its sugar production expected to 9.6 million tonne China will be looking for import of over 1.0 million tonne.

Sugar reforms proposed to the European Union, which were formally presented by the European Commission in July, demands 39% cut over guaranteed sugar prices in two years. This could bring significant reduction in the domestic production and export availability of sugar.



CONCLUSIONS

- After three consecutive high sugarcane production years 2004-05 was a low production year with a shortfall of at-least 10.0 million tonne in comparison to 2003-04.
- Sugar production was low by 1.0 million tonne in comparison to 4.0 million tonne produced in 2003-04
- The shortfall was well with in the PSMA estimate discussed in this meeting last year. Reduction in sugarcane plantation and low yield due to the below normal rains & water supply resulted in high sugarcane prices, high sugar production cost and consequently a bullish trend in the sugar market beyond expectation further encouraged by the climbing international prices.
- Mishandling of the sugarcane crises by the Government triggered further rise in the sugar prices. By over stating the magnitude of the crises market players were taking advantage.
- As suggested by PSMA an import of 500,000 tonne of raw sugar should have been allowed to supplement the shortfall and at the same time keep the sugarcane prices down to an affordable limit.
- It is observed that misleading data, subsequent ECC decisions for unlimited imports and zero rated duty did not bring the desirable results as the reports on the increase in the sugarcane prices was totally neglected which was the major factors for the start of the sugar crises.

- The decisions at higher level are always made adversely to the data & advice conveyed by PSMA during the sugar crises, both, in the case of surplus and in shortfall. Instead of taking corrective measures the industry faces a punitive tune and threatening decisions.
- Due to shrinkage in the plantation area the 2005-06 crop is expected around 45.0 million tonne and the sugar production may also remain under 3.0 million tonne.
- The consumption of sugar has dramatically increased with in the last two years and thus the consumption in 2005-06 could be more or less 4.0 million tonne.
- To fill the gap, import of at-least 700,000 tonne raw sugar is unavoidable which should be made at the early stages to supplement the sugar demand and keep the sugarcane prices at a level to promote the sugarcane crop meet the future demand.
- In addition to the delay in the legislation for blending of ethanol in petrol the distilleries are faced with the loss of their preferential access to the European Union alcohol market. Import duty plus Anti-Dumping Measures by the European Union is seen as a serious threat to the ethanol manufacturers in Pakistan. The High P.O.L. prices can only be countered by introducing Alternate / Renewable source of energy.
- The Government of Pakistan should immediately announce its policy on co-generation using bagasse as fuel.
- Dedicated zones must be announced to give incentives to the sugar mills to develop good varieties of cane increasing the growers yield and the mills sugar recovery.

- The price of sugarcane must be linked with the quality of sugarcane by giving incentives to the growers to grow high yielding and high recovery cane. Similarly growers growing the low yielding and recovery cane must be penalized by the cane pricing system.
- Government should take up extensive research and development work with participation of PSMA to achieve higher yield, recovery and development of less water dependent varieties. All out efforts be made to make this valuable crop viable.

To conclude I would like to thank the Zonal Chairmen and the Members of the Central & Zonal Committees for their help and co-operation. I shall be looking forward for their valuable views, guidance and support so that the Industry moves forward together to meet the future challenges.

Thank you

8th Oct. '2005

Ch. M Zaka Ashraf
Chairman PSMA

**WELCOME TO THE CHIEF GUEST
DR. SALMAN SHAH, FINANCIAL ADVISOR
TO THE PRIME MINISTER OF PAKISTAN
ADDRESSED BY
CH. M. ZAKA ASHRAF, CHAIRMAN
PAKISTAN SUGAR MILLS ASSOCIATION
AT THE ANNUAL FUNCTION
LAHORE OCT' 08, 2005**

Distinguished guests and my colleagues from the sugar industry, I am pleased to welcome amongst us this evening, Dr. Salman Shah, Financial Advisor to the Prime Minister of Pakistan who is recently back from his visit abroad where he represented Pakistan on the World Bank Group Board of Governors at their annual meeting in Washington.

Dr. Sahib, we have been closely watching you advocating the key elements for the enhancement of development, education and objective policies towards reduction of poverty and we all commend your efforts particularly on the subject voice and participation of the developing and transition countries.

On your return you are here tonight to grace the annual function of the Pakistan Sugar Mills Association. Our size humbles us, but our sweetness and warmth is no less than the meetings you had abroad. We welcome and thank you once again.

We need not introduce the sugar industry to you, which is very well known to you. The sugar industry of Pakistan which comprises 78 sugar Mills has a replacement value of about Rs.100.0 billion with the crushing capacity of over 55 million tonne of sugarcane, is capable of producing over 5.0 million tonne of sugar per year. Depending on the size of the crop generates revenue to the sugarcane growers to the tune of Rs. 40-50 billion with further revenue of Rs. 6 billion to the transporters & carriage contractors. It provides employment to about 1.5 million workers directly and indirectly and particularly in the rural areas of Pakistan and contributes at-least Rs. 12-14 billion to the exchequer.

You are very well aware of the fact that the sugar industry is the second largest agro-based industry in Pakistan and therefore needs to put on the right track with the cooperation of the Government.

During the past year, due to the low plantation area and water supply the sugarcane crop was not enough to meet the domestic sugar demand. Sugarcane price that was stalled for the past few years showed immediate reaction and the growers pushed the prices of sugarcane to nearly double, which triggered the rise in the sugar prices. With the successive government decisions the prices in the national and international market picked momentum. With the short time ups and downs in the sugar retail price, the year's average ended up at Rs. 25/31 per kg.

Sugarcane & sugar production is always subject to the weather conditions and therefore needs a regular and rational interaction between the Government and the industry. In our case unfortunately, we have noted that the concerned ministries always react adversely to the advice of the sugar industry in the case of surplus as well as the shortfall. The industry normally is faced with punitive threats till the time the statistics prove that the suggestions given to them were correct and in time.

To improve the sugar & sugarcane situation we need a serious consideration for the research & development of the sugarcane crop. Though we hold a position in the sugar producing countries, we are amongst the countries having the lowest yield & recovery. With the domestic ever-increasing demand and the crop management horizontal expansion is no more possible. We are therefore left with an all out effort to increase our production through yield and recovery.

We have been hearing and talking about this for more than a decade. We have seen formation of Sugar Development Boards and have seen them shelved. We have been

attending meetings on the formulation of linkage of sugarcane price with the recovery and formation of developing zones attached to the sugar mills to provide technical aid and incentives to the growers, but did not move any further. Took part in meetings for the short term and long term visions for the industry which is all forgotten now, instead we have witnessed improvement in the sugarcane yield and recovery restricted to paper work.

The Government must therefore consider and act for the radical modernization in cultivation as well as integration of diversification of the sugar industry. To achieve such a course the support price system and obsolete documents like "Sugar Factory Control Act" in the free market economy system are least helpful and should be done away with.

Speaking of the diversification may we update you Sir, that Pakistan Sugar Mills Association was actively involved in the recent meetings at the Ministry of Industries initiative to explore alternate renewable energy sources. Throughout the world mobility raises as the economics expand and the output grows. There is fast and increasing demand of energy in the developing countries. Realizing this fact the Government has rightly taken a step tapping development of alternate energy sources and reduce the dependency on oil, the soaring prices of which have already given the world a wakeup call.

The initiative taken up by the Ministry of Industry included two projects concerning the sugar industry.

- a) **Blending of fuel Ethanol with petrol.**
- b) **Power Co-Generation by the sugar industry using bagasse**

These projects were initiated on the directives of the President and the Prime Minister of Pakistan. The sugar industry has already installed additional ten refineries, now capable of utilizing the molasses in the country producing about 400,000 tonnes of ethanol.

Fuel ethanol is being fast developing as the most sought renewable energy source. Pakistan facing heavy oil import bill is in ideal position to adopt mandatory blending of 5-10% ethanol with petrol, which is being established throughout the world with the support of the respective Governments.

At present the oil companies protecting their vested interests are all out opposing the well-established and well-tested use of the ethanol blended fuel. In fact the oil companies in many parts of the world proudly advertise the sale of ethanol-blended fuel as an environmental friendly fuel.

Pakistan, we hope will soon be able to legislate for the use of ethanol blended fuel and follow the massive global demand which beside offering a better fuel option to the country, provides opportunity to the sugar industry to broaden its revenue base and financial viability.

Sugar Industry was already involved supplying the surplus power generated by the mills during its crushing period. Because of no incentives only few mills so far could do so.

Massive realization of the need for power supply to keep the economic activity move forward the potential of the sugar mills is being explored with the combination of use of gas replacing bagasse when the mills are not operative.

As a pilot project, considerations are underway for the initial project of producing 500-700 MW electricity to the national grid round the year. The project has been subject to the availability of gas, which we hope will be sorted out soon.

Dr. Sahib, we know that you always advocated for free trade, deregulation and smooth functioning of the economy even before joining the Government. I am admirer of your

positive and constructive approach toward solving the problems being faced by the industry, commerce and the trade.

The Government of Pakistan believes that the sugarcane procurement (raw material) should be under the free market mechanism. We do not deny this fact, but at the same time demand that the end product i.e. "sugar" should also be left to the free market mechanism.

The sugar industry for its problems has to run to three different Ministries. For speedy decisions and better understanding we need to have a single ministry to deal with all sugar related problems.

Conclusion

- i). Dedicated cane zones be initiated around the sugar mills for developing new varieties with higher yield and recovery.
- ii) Linkage of sugarcane price to the recovery be established.
- iii) Minimum sugarcane price to be linked with the market sugar price.
- iv) TCP to carry a minimum buffer stock of 500,000 tonne. Buying from the mills should take place during the surplus sugar production and release of stock should take place during the sugar shortages. This will help to stabilize the sugar price in the market.
- v) Minimum 10% ethanol blended petrol should be legislated immediately.
- vi) Flex fuel cars with an option to use blended gasoline or pure ethanol should be introduced in Pakistan.
- vii) The policy of cogeneration by the sugar mills using bagasse and natural gas as fuel should immediately be announced.

Dr. Sahib, I don't want to stand between you and our members any more. At the end, I must stress that the sugar industry is a viable industry that needs exploration and your support to meet the future challenges.

Thank you.

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TABLE 1
SUGARCANE CRUSHING, SUGAR PRODUCTION
& RECOVERY % 1990-91 TO 2004-2005

PAKISTAN

YEAR	NO. OF MILLS	CANE CRUSHED TONNES	SUGAR MADE TONNES	RECOVERY %
1990-91	51	22,603,696	1,908,838	8.44
1991-92	53	24,795,815	2,296,698	9.25
1992-93	61	27,274,806	2,375,289	8.71
1993-94	63	34,181,899	2,900,523	8.49
1994-95	66	34,193,290	2,983,101	8.72
1995-96	66	28,151,434	2,449,598	8.70
1996-97	68	27,152,918	2,378,751	8.76
1997-98	71	41,062,268	3,548,953	8.64
1998-99	71	42,994,911	3,530,931	8.21
1999-00	69	28,982,711	2,414,746	8.33
2000-01	65	29,408,879	2,466,788	8.39
2001-02	69	36,708,638	3,197,745	8.71
2002-03	71	41,786,689	3,652,745	8.74
2003-04	71	43,661,378	3,997,010	9.15
2004-05	71	32,101,739	2,922,126	9.10

PUNJAB

1990-91	24	12,094,630	933,721	7.72
1991-92	25	11,745,224	1,012,297	8.62
1992-93	32	13,433,045	1,103,531	8.22
1993-94	34	20,066,265	1,634,154	8.14
1994-95	36	20,975,836	1,771,084	8.44
1995-96	37	16,992,633	1,375,789	8.10
1996-97	37	16,293,237	1,292,912	7.94
1997-98	39	25,905,541	2,065,886	7.97
1998-99	39	26,081,066	2,033,356	7.80
1999-00	37	16,829,610	1,315,637	7.82
2000-01	35	18,068,437	1,437,450	7.96
2001-02	37	25,252,609	2,152,175	8.52
2002-03	38	27,583,062	2,351,102	8.52
2003-04	38	28,604,925	2,599,490	9.09
2004-05	38	22,776,832	2,046,633	8.99

SINDH

YEAR	NO. OF MILLS	CANE CRUSHED TONNES	SUGAR MADE TONNES	RECOVERY %
1990-91	22	9,597,884	902,311	9.40
1991-92	22	11,956,718	1,187,576	9.93
1992-93	24	12,723,563	1,175,195	9.24
1993-94	24	13,031,888	1,172,507	9.00
1994-95	24	12,037,995	1,107,880	9.20
1995-96	24	10,341,372	1,008,127	9.75
1996-97	27	10,314,835	1,028,169	9.97
1997-98	27	13,853,107	1,374,477	9.92
1998-99	29	15,095,412	1,353,012	8.96
1999-00	25	10,856,757	996,317	9.18
2000-01	25	10,493,428	968,175	9.23
2001-02	27	10,162,607	940,959	9.26
2002-03	28	12,415,817	1,158,674	9.33
2003-04	28	12,990,824	1,221,268	9.40
2004-05	28	7,915,416	754,458	9.53

N.W.F.P.

1990-91	05	911,182	72,806	7.99
1991-92	05	1,093,873	96,824	8.85
1992-93	05	1,118,197	96,562	8.64
1993-94	06	1,083,745	93,861	8.66
1994-95	06	1,179,458	104,136	8.83
1995-96	05	817,429	65,682	8.19
1996-97	04	744,845	57,669	7.74
1997-98	05	1,303,619	108,589	8.33
1998-99	05	1,818,433	144,563	7.95
1999-00	05	1,296,344	102,792	7.93
2000-01	05	847,015	61,163	7.22
2001-02	05	1,293,422	104,611	8.09
2002-03	05	1,787,810	144,917	8.11
2003-04	05	2,065,629	176,252	8.53
2004-05	05	1,409,491	121,034	8.59

TABLE 2
BEET SUGAR PRODUCTION, BEET SLICED,
SUGAR MADE & RECOVERY BY NWFP SUGAR MILLS

YEAR	NO. OF MILLS	BEET SLICED TONNES	SUGAR MADE TONNES	REC. %	MOLASSES MADE TONNES
1990-91	03	282,103	23,312	8.26	8,636
1991-92	03	314,758	29,009	9.21	12,840
1992-93	03	214,950	18,916	8.80	8,649
1993-94	04	242,482	21,933	9.05	9,392
1994-95	04	193,595	18,371	9.49	7,412
1995-96	03	211,670	20,435	9.65	7,738
1996-97	03	166,875	14,610	8.76	6,115
1997-98	02	81,794	6,267	7.66	3,127
1998-99	03	126,123	10,831	8.59	5,069
1999-00	03	187,478	14,618	7.80	7,750
2000-01	03	226,252	17,276	7.64	8,684
2001-02	03	316,041	29,127	9.23	13,376
2002-03	03	222,063	22,066	9.94	8,490
2003-04	03	250,171	23,797	9.51	8,684
2004-05	02	120,903	11,373	9.41	4,287

TABLE 3
CONSOLIDATED SUGAR PRODUCTION IN PAKISTAN
FROM CANE, BEET & RAW (IN TONNES)

YEAR	SUGARCANE	BEET	RAW	TOTAL
1990-91	1,908,838	23,312		1,932,150
1991-92	2,296,698	29,009		2,325,707
1992-93	2,375,289	18,916		2,394,205
1993-94	2,900,524	21,933		2,922,457
1994-95	2,983,104	18,370		3,001,472
1995-96	2,449,598	20,435		2,470,034
1996-97	2,378,751	14,610		2,393,361
1997-98	3,548,953	06,267		3,555,220
1998-99	3,530,931	10,831		3,541,763
1999-00	2,414,746	14,618		2,429,364
2000-01	2,466,788	17,276	531,930	3,015,994
2001-02	3,197,745	29,172	22,111	3,249,029
2002-03	3,652,748	22,066	1,945	3,676,759
2003-04	3,997,010	23,797		4,020,806
2004-05	2,922,126	11,373	182,302	3,115,801

TABLE 4
MOLASSES PRODUCTION IN PAKISTAN
FROM CANE, RAW & BEET (IN TONNES)

YEAR	PUNJAB	SINDH	NWFP	PAKISTAN
1990-91	611,033	473,432	35,513	1,119,978
1991-92	545,125	581,683	41,350	1,168,158
1992-93	632,055	652,789	45,575	1,330,419
1993-94	972,827	676,790	45,235	1,694,852
1994-95	1,010,890	592,067	47,994	1,650,952
1995-96	821,298	503,692	36,481	1,361,471
1996-97	798,448	482,636	32,661	1,319,860
1997-98	1,237,940	684,823	56,038	1,978,801
1998-99	1,276,391	760,533	76,670	2,113,595
1999-00	800,536	534,003	62,838	1,397,378
2000-01	901,732	550,605	40,480	1,501,501
2001-02	1,224,905	522,939	75,115	1,822,959
2002-03	1,304,284	656,520	87,313	2,048,117
2003-04	1,351,728	667,160	103,211	2,122,099
2004-05	1,039,937	393,287	64,171	1,497,395

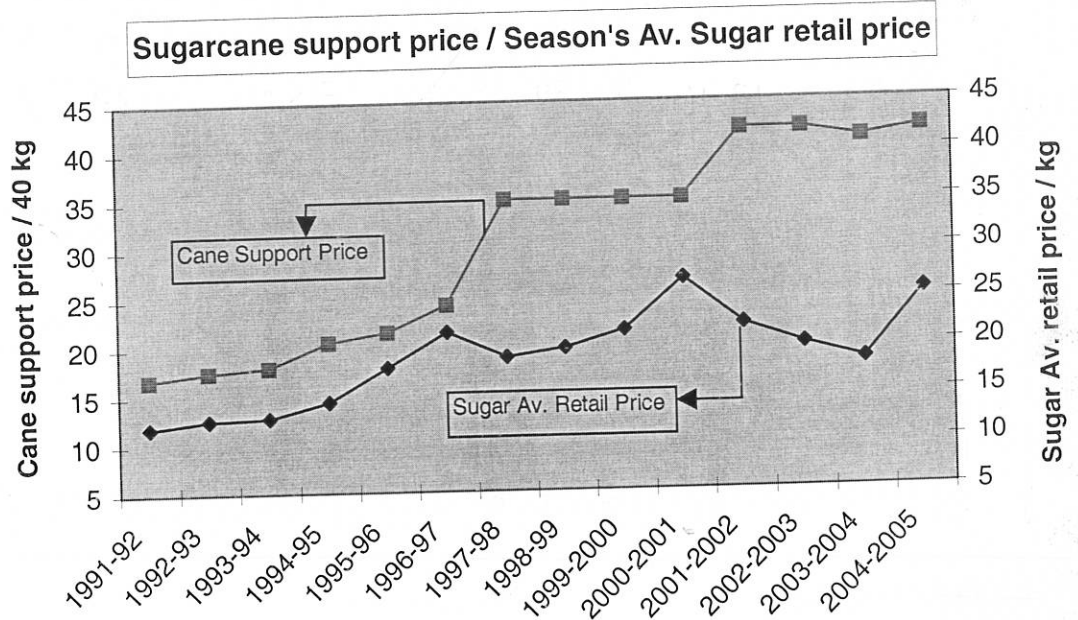
TABLE 5 (1)
SUGARCANE SUPPORT PRICE
MILL-GATE DELIVERY (Per 40 Kg)

YEAR	PUNJAB	SINDH	N.W.F.P	QUALITY PREMIUM
1990-91	15.25	15.75	15.25	0.19
1991-92	16.75	17.00	16.75	0.22
1992-93	17.50	17.75	17.50	0.22
1993-94	18.00	18.25	18.00	0.22
1994-95	20.50	20.75	20.50	0.27
1995-96	21.50	21.75	21.50	0.27
1996-97	24.25	24.50	24.25	0.27
1997-98	35.00	36.00	35.00	0.32
1998-99	35.00	36.00	35.00	0.50
1999-00	35.00	36.00	35.00	0.50
2000-01	35.00	36.00	35.00	0.50
2001-02	42.00	43.00	42.00	0.50 (Indicative price)
2002-03	40.00	43.00	40.00	0.50
2003-04	40.00	41.00	40.00	0.50
2004-05	40.00	43.00	40.00	0.50
2005-06				

TABLE 5(2)
SUGARCANE SUPPORT PRICE IN COMPARISON
WITH SEASON'S AVERAGE RETAIL PRICE

YEAR	PUNJAB	SINDH	NWFP	AV. SUGAR PRICE/KG
1990-91	15.25	15.75	15.25	11.04
1991-92	16.75	17.00	16.75	11.85
1992-93	17.50	17.75	17.50	12.62
1993-94	18.00	18.25	18.00	12.80
1994-95	20.50	20.75	20.50	14.36
1995-96	21.50	21.75	21.50	17.86
1996-97	24.25	24.50	24.25	21.46
1997-98	35.00	36.00	35.00	18.75
1998-99	35.00	36.00	35.00	19.63
1999-00	35.00	36.00	35.00	22.85
2000-01	35.00	36.00	35.00	26.73
2001-02	42.00	43.00	42.00	22.00
2002-03	40.00	43.00	40.00	19.83
2003-04	40.00	41.00	40.00	19.26
2004-05	40.00	43.00	40.00	25.31

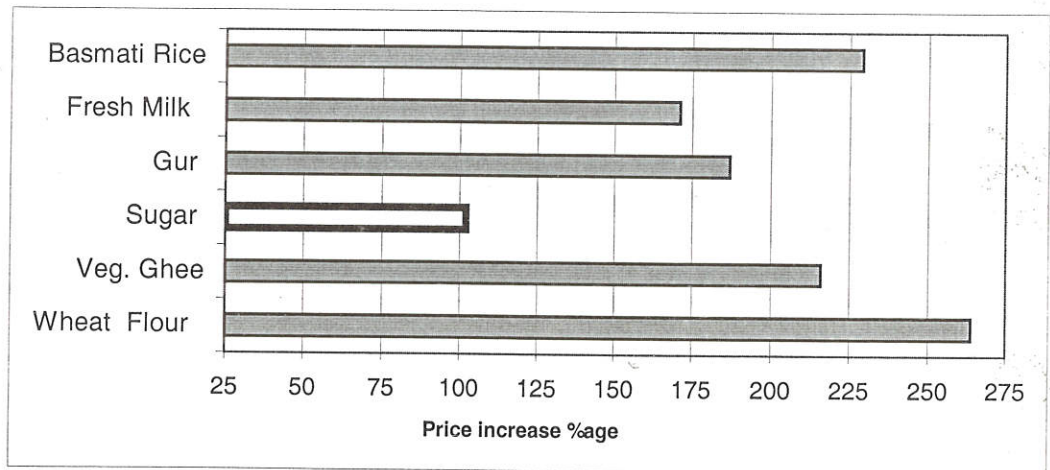
Sugarcane support price is per 40 Kg , Retail Price is Season's Average
Source: MINFAL



Essential Commodities
Retail prices 1990-91 to 2004-05
In Comparison to sugar &
Graph showing % age of price increase in 15 years

Years	Wheat Flour Kg	Veg. Ghee	Sugar	Gur	Fresh Milk	Basmati Rice
1990-91	3.66	19.00	11.26	8.24	7.71	6.10
1991-92	4.20	20.53	11.62	8.67	8.82	6.97
1992-93	4.44	24.08	12.29	10.03	9.90	8.06
1993-94	4.93	29.09	12.91	10.49	11.07	8.77
1994-95	5.78	38.99	13.74	11.07	12.18	9.09
1995-96	5.90	39.38	16.76	14.54	13.67	11.27
1996-97	7.32	42.76	21.26	18.67	15.12	12.85
1997-98	8.64	45.78	19.54	18.91	16.27	13.40
1998-99	8.35	54.00	19.09	17.19	17.71	14.50
1999-00	8.92	49.14	21.11	19.81	17.91	15.71
2000-01	9.80	44.82	27.11	26.31	18.23	15.35
2001-02	9.67	49.20	22.87	23.12	17.92	15.49
2002-03	10.14	55.25	20.77	20.45	18.35	18.07
2003-04	11.53	59.23	18.99	19.85	18.99	19.00
2004-05	13.32	59.98	22.73	23.65	20.91	20.08
% age	264.00	216.00	102.00	187.00	171.00	229.00

2005-06 13.11 58.89 30.26 35.00 23.63 20.14.
Price increase percentage



Source :- Economic Survey 2004-05

TABLE 6 (1)
MILLWISE SUGARCANE CRUSHING, RAW UTILIZATION
SUGAR PRODUCTION, RECOVERY % AND
MOLASSES PRODUCTION FOR SEASON 2004-2005

	PUNJAB	NO.O FDAY	CANE CRUSHED	PROD. TONNES	REC. %	Raw Sugar Processed	Refined Sugar Prod.	Mol. Prod
1	ABDULLAH	130	496,423	42,392	8.52			23,011
2	ADAM	134	314,941	25,025	7.95			13,637
3	ASHRAF	122	499,804	47,176	9.44			24,722
4	BABA FARID	143	400,844	32,510	8.11			17,460
5	BROTHERS	148	715,193	60,039	8.40			33,100
6	CHANAR	141	545,897	47,591	8.72			26,480
7	CHAUDHRY	123	690,950	60,573	8.76			30,324
8	CRESCENT	146	290,214	23,210	8.00			13,200
9	FATIMA	160	808,488	69,060	8.54	36,231	33,695	37,690
10	FAUJI	153	398,842	33,555	8.38			18,803
11	PECTO	126	580,283	46,630	8.03			25,530
12	G.SAMMUNDRI	146	286,520	22,070	7.73			14,050
13	HAMZA	142	1,475,001	152,085	10.31	19,785	18,400	65,186
14	H.WAQAS	130	564,054	49,285	8.74			25,157
15	Hunza (Q.G)	133	376,115	34,013	9.03			17,365
16	HUSEIN	135	554,113	49,955	9.01			25,118
17	INDUS	128	573,968	57,521	10.02			25,668
18	ITTEFAQ	141	517,487	46,358	8.95			23,622
19	J.D.W	143	1,296,893	135,490	10.44			54,155
20	KAMALIA	145	594,309	59,532	10.02			25,465
21	KASHMIR	144	623,919	58,894	9.45			28,161
22	KOHINOOR	134	444,411	39,864	8.97			18,588
23	LAYYAH	142	637,035	59,440	9.33			29,433
24	NATIONAL	158	563,698	47,835	8.48			25,422
25	NOON	126	357,966	32,479	9.04			16,168
26	PAHRIANWALI	145	484,418	41,389	8.54			25,230
27	PATTOKI	149	540,560	45,960	8.50			23,507
28	C.S.K (PHALIA)	124	470,928	41,200	8.75	12,742	11,850	23,500
29	PUNJAB	151	483,839	44,649	9.23	2,028	1,886	21,154
30	RAMZAN	125	773,064	67,502	8.73			33,190

Punjab Contd.....

Punjab Contd.....

	PUNJAB	NO.O FDAY	CANE CRUSHED	PROD. TONNES	REC. %	Raw Sugar Processed	Refined Sugar Prod.	Mol. Pro
31	SHAHTAJ	129	739,094	68,152	9.22			33,69
32	SHAKARGANJ	145	1,324,510	114,358	8.63	67,930	63,321	66,19
33	SHEIKHOO	156	929,024	74,978	8.07			43,53
34	TANDLIANWALA	159	806,244	70,356	8.72	7,038	6,545	39,81
35	UNITED	133	611,895	57,948	9.47			26,94
36	YOUSAF	151	586,778	51,310	8.72			26,32
	Non- Members							
37	CHISHTIA	134	340,000	30,000	8.80			15,50
38	MAKKAH	149	79,110	6,249	7.90			3,84
TOTAL 2004-2005			22,776,832	2,046,633	8.99	145,754	135,697	1,039,93
TOTAL 2003-2004			28,604,925	2,599,490	9.09			1,351,72

TABLE 6 (2)

**MILLWISE SUGARCANE CRUSHING
SUGAR PRODUCTION, RECOVERY AND
MOLASSES PRODUCTION FOR SEASON 2004-2005**

S.No.	N.W.F.P	No. of Days	Cane Crushing	Sugar Production	Rec. %	Molasses Production
1	BANNU		182,857	14,535	8.00	7,300
2	CHASHMA	130	695,884	55,888	8.03	32,088
3	FRONTIER	120	82,999	8,137	9.86	2,755
4	KHAZANA	109	238,006	23,250	9.75	10,781
5	PREMIER	114	209,745	19,225	9.20	6,960
TOTAL 2003-2004		NWFP	1,409,491	121,034	8.59	59,884
TOTAL 2002-2003			2,065,629	176,252	8.53	94,527

TABLE 6 (3)
MILLWISE SUGARCANE CRUSHING, RAW UTILIZATION
SUGAR PRODUCTION, RECOVERY % AND
MOLASSES PRODUCTION FOR SEASON 2004-2005

SINDH		No. of Days	Cane Crushed	Prod. Tonnes	REC. %	Raw Sugar Process.	Refined Sugar Prod.	Mol. Prod.
1	AL-ABBAS	118	343,742	34,732	10.10	2,789	2,652	17,890
2	AL-ASIF	76	125,588	11,877	9.41			6,169
3	AL-NOOR	158	538,064	49,004	9.11	6,464	6,141	27,159
4	ANSARI	123	378,689	37,782	9.98			19,032
5	ARMYWELFARE	124	237,339	23,307	9.82			11,135
6	BAWANY	123	308,688	28,711	9.27	834	768	14,716
7	DEWAN	129	418,812	41,125	9.82	3,988	3,800	20,783
8	DEWAN- KHOSKI	117	250,562	23,105	9.22			12,730
9	DIGRI	114	269,363	27,224	10.12			13,715
10	FARAN	114	480,072	46,240	9.65	7,681	7,275	23,199
11	HABIB	121	496,026	45,794	9.23	19,037	18,176	24,434
12	KHAIRPUR	134	334,872	29,119	8.69			15,934
13	LARR	124	212,346	20,681	9.74			10,490
14	MATIARI	108	317,343	30,720	9.68			15,300
15	MEHRAN	106	341,738	32,021	9.38	8,201	7,486	17,006
16	MIRPURKHAS	119	317,931	32,913	10.35			15,353
17	MIRZA	94	145,189	13,427	9.30			7,238
18	NAUDERO	91	61,148	5,283	8.64			3,177
19	PANGRIO	125	176,249	17,313	9.82			8,625
20	RANIPUR	129	261,596	23,739	9.08			12,200
21	SAKRAND	121	297,681	27,045	9.08			14,820
22	SANGHAR	103	330,744	30,024	9.15			17,351
23	SERI	113	205,459	20,260	9.85			12,050
24	SHAHMURAD	123	335,100	33,306	9.90	328	308	17,000
25	SINDABADGAR	101	237,131	23,054	9.72			11,220
26	T.M.K	120	142,868	13,375	9.42			6,952
	Non Member							
27	NAJMA	138	167,176	15,362	9.12			8,648
28	THARPARKAR	100	183,899	17,919	9.77			8,961
TOTAL 2004-2005			7,915,416	754,458	9.53	49,322	46,605	393,287
TOTAL 2003-2004			12,990,824	1,221,268	9.40			667,160

TABLE 6 (4)

**MILL-WISE BEET SLICING,
SUGAR PRODUCTION, RECOVERY AND
MOLASSES PRODUCTION FOR SEASON 2004-2005**

	NWFP	No. of Days	Beet sliced	Production Tonnes	Rec. %	Total Mol. Production
1	FRONTIER	Non-operating				
2	KHAZANA	23	52,158	5,325	10.25	1,953
3	PREMIER	27	68,745	6,048	8.50	2,334
TOTAL 2004-2005		NWFP	120,903	11,373	9.41	4,287
TOTAL 2003-2004			250,171	23,797	9.51	8,684

**TABLE 6(5)
PROVINCE-WISE TOTAL PRODUCTION OF PAKISTAN
SUMMARY 2004-2005**

	CANE CRUSHED	RAW UTILIZED	BEET SLICED	SUGAR PRODUCTION			TOTAL SUGAR	MOL. C+B+R
				(Cane)	(Raw)	(Beet)		
PUNJAB	22,776,832	145,754	NIL	2,046,633	135,697	NIL	2,182,330	1,039,9
SINDH	7,915,416	49,322	NIL	754,458	46,605	NIL	801,063	393,2
NWFP	1,409,491	NIL	120,903	121,034	NIL	11,373	132,407	64,17
Total 2004-2005	32,101,739	195,076	120,903	2,922,126	182,302	11,373	3,115,801	1,497,39
Total 2003-2004	43,661,378	NIL	250,171	3,997,010	NIL	23,797	4,020,806	2,122,09

TABLE 7(1)
ESTIMATED GUR EQUIVALENT PRODUCTION
FROM SUGARCANE NOT MILLED AFTER 15% DEDUCTION
FOR SEED, FODDER AND WASTAGE ETC.

YEAR	GUR EQUIVALENT	
1990-91	853,800	Tonnes
1991-92	600,100	Tonnes
1992-93	688,000	Tonnes
1993-94	653,400	Tonnes
1994-95	827,100	Tonnes
1995-96	875,000	Tonnes
1996-97	709,400	Tonnes
1997-98	346,485	Tonnes
1998-99	332,990	Tonnes
1999-00	511,470	Tonnes
2000-01	649,623	Tonnes
2001-02	354,341	Tonnes
2002-03	208,672	Tonnes
2003-04	175,833	Tonnes
2004-05	416,611	Tonnes

Note: * Gur equivalent is based on 8.5% recovery.
 * These are not Gur production figures.
 * (Recovery rate of Gur is 13.5-14.5%)

TABLE 7(2)
SWEETENER CONSUMPTION IN PAKISTAN
SUGAR + GUR EQUIVALENT

Sugar Year	Population Millions	SUGAR CONSUMPTION M.T		Gur Equivalent	Total Sweetener	Sweetener kg per capita
		Year's	Kg Per Capita			
1995-96	125.87	2.797	22.22	0.875	3.672	29.17
1996-97	126.90	2.812	22.16	0.709	3.521	27.75
1997-98	129.97	3.004	23.11	0.346	3.350	25.78
1998-99	133.01	3.039	22.85	0.333	3.372	25.35
1999-00	135.90	3.172	23.34	0.511	3.683	27.10
2000-01	140.36	3.055	21.77	0.649	3.704	26.39
2001-02	143.17	3.252	22.71	0.354	3.606	25.19
2002-03	145.95	3.483	23.86	0.208	3.691	25.29
2003-04	148.72	3.855	25.92	0.174	4.029	27.09
2004-05	152.53	3.941	25.83	0.416	4.357	28.56

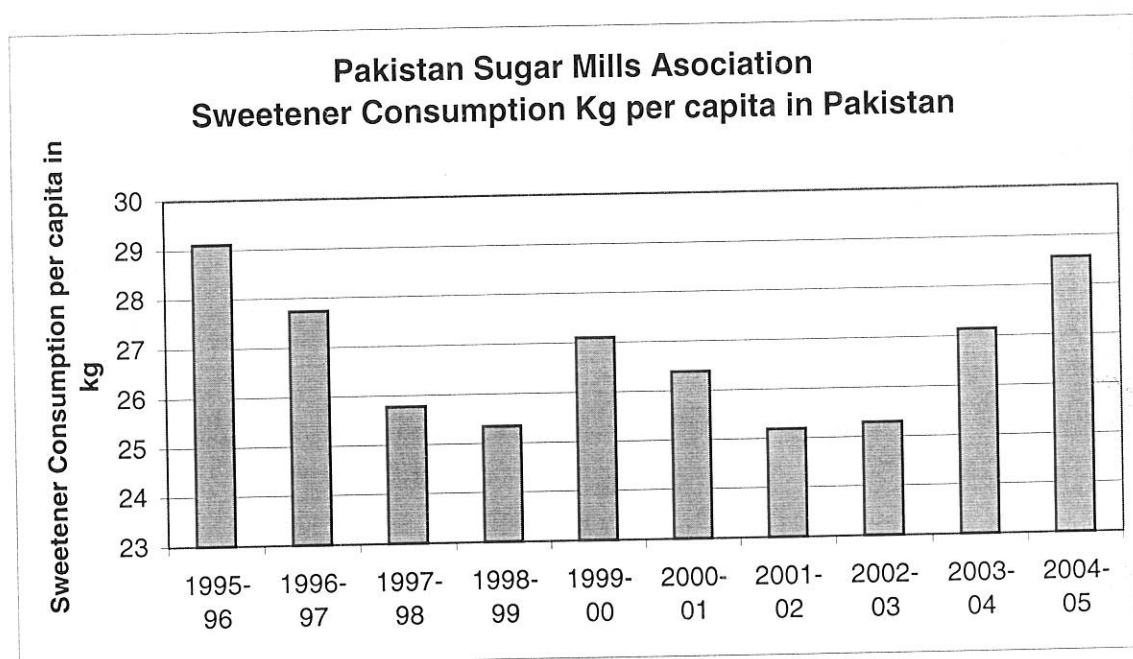


TABLE 8
SUGARCANE PLANTATION AREA, PRODUCTION, YIELD
AND UTILIZATION OF SUGARCANE BY SUGAR MILLS

PAKISTAN

YEAR	AREA HECTARES	PRODUCTION TONNES	YIELD PER HECTARE	UTILIZATION % BY SUGAR MILLS
1990-91	883,800	35,988,700	40.72	62.80
1991-92	879,800	38,870,000	44.18	72.49
1992-93	884,600	38,058,900	43.02	71.66
1993-94	962,800	44,427,000	46.14	76.93
1994-95	1,009,000	47,168,400	46.75	72.49
1995-96	963,100	45,229,700	47.00	62.24
1996-97	964,500	41,998,400	43.54	65.13
1997-98	1,056,200	53,104,200	50.28	77.32
1998-99	1,155,100	55,191,100	47.78	77.90
1999-00	1,009,800	42,000,000	41.59	69.00
2000-01	960,000	43,620,000	45.41	67.47
2001-02	999,700	48,041,000	48.06	76.33
2002-03	1,099,700	52,049,000	47.33	80.28
2003-04	1,074,700	53,800,000	50.00	81.19
2004-05	966,600	43,533,000	45.04	73.74

PUNJAB

1990-91	525,600	19,633,400	37.35	61.60
1991-92	516,900	20,030,000	38.75	63.21
1992-93	536,100	20,044,800	37.39	67.02
1993-94	596,200	24,510,000	41.11	81.87
1994-95	656,700	28,268,000	43.00	74.20
1995-96	605,600	26,880,000	44.40	63.22
1996-97	604,200	24,010,200	39.74	67.86
1997-98	685,300	32,110,600	46.86	80.67
1998-99	780,300	33,382,800	42.78	78.12
1999-00	672,100	25,000,000	37.20	67.32
2000-01	615,000	26,740,000	43.48	67.57
2001-02	657,000	31,803,000	48.40	79.40
2002-03	735,000	33,169,000	45.12	83.15
2003-04	709,000	34,419,000	49.00	83.10
2004-05	645,000	29,332,000	45.476	77.65

SINDH

YEAR	AREA HECTARES	PRODUCTION TONNES	YIELD PER HECTARE	UTILIZATION % BY SUGAR MILLS
1990-91	253,099	12,511,135	49.43	76.71
1991-92	255,280	14,240,476	55.78	83.00
1992-93	248,000	13,556,800	54.66	93.85
1993-94	265,800	15,420,000	58.01	84.51
1994-95	249,700	14,310,300	57.30	84.12
1995-96	254,400	13,737,200	54.00	75.28
1996-97	251,200	13,110,600	52.19	78.68
1997-98	261,600	15,990,600	61.16	86.58
1998-99	270,800	17,050,700	62.96	88.53
1999-00	230,600	12,100,000	51.27	83.99
2000-01	239,000	12,050,000	50.42	87.08
2001-02	241,000	11,416,000	47.37	89.90
2002-03	259,000	13,798,000	53.27	89.98
2003-04	260,000	14,612,000	56.00	88.90
2004-05	215,000	9,357,000	43.52	84.59

N.W.F.P

1990-91	104,600	4,516,100	43.17	20.18
1991-92	107,000	4,563,200	42.64	23.97
1992-93	99,900	4,428,400	44.33	25.25
1993-94	100,300	4,470,000	44.57	24.25
1994-95	102,100	4,562,200	44.70	25.86
1995-96	102,500	4,583,000	44.70	17.84
1996-97	108,400	4,841,600	44.66	15.38
1997-98	108,600	4,956,500	45.64	26.30
1998-99	103,300	4,719,500	45.68	38.53
1999-00	106,300	4,900,000	46.10	26.40
2000-01	106,000	4,800,000	45.28	17.64
2001-02	101,000	4,787,000	47.40	26.94
2002-03	105,000	5,049,000	48.08	35.40
2003-04	105,000	4,745,000	45.00	43.53
2004-05	106,000	4,816,000	45.43	29.26

BALUCHISTAN

1990-91	500	23,600	47.20	-
1991-92	600	26,300	43.83	-
1992-93	600	28,900	48.17	-
1993-94	500	25,000	50.00	-
1994-95	500	27,900	55.80	-
1995-96	600	29,500	49.20	-
1996-97	700	36,000	51.43	-
1997-98	700	37,500	53.57	-
1998-99	700	38,100	54.40	-
1999-00	800	43,400	54.20	-
2000-01	600	30,000	50.00	-
2001-02	700	35,000	50.00	-
2002-03	700	33,000	47.14	-
2003-04	700	34,000	48.57	-
2004-05	600	27,960	46.60	-

SOURCE: Federal Bureau of Statistics.
MINFAL

TABLE 9
IMPORT OF REFINED SUGAR

YEAR	QUANTITY TONNES	VALUE IN "000" RS.	AVERAGE PRICE RS. PER TONNE.
1990-91	433,320	3,583,000	8,269
1991-92	116,741	914,117	7,830
1992-93	75,156	552,000	7,345
1993-94	47,669	444,105	9,316
1994-95	5,188	68,761	13,254
1995-96	3,214	50,239	15,631
1996-97	681,083	9,861,825	14,480
1997-98	10,990	1,685,859	15,189
1998-99	10,097	152,591	15,113
1999-00	66,627	769,179	11,545
2000-01	930,142	14,488,243	15,576
2001-02	85,037	1,472,326	17,314
2002-03	8,315	152,746	18,370
2003-04	11,398	188,509	16,539
2004-05	266,707	5,288,976	19,606

TABLE 10
EXPORT OF SUGAR

YEAR	QUANTITY TONNES	VALUE IN RS. "000"	AVERAGE PRICE RS. PER TONNE.
1993-94	121,565	1,204,964	9,912
1994-95	315,886	3,770,558	11,936
1995-96	29,134	350,066	12,016
1996-97	-	-	-
1997-98	210,632	2,897,750	13,757
1998-99	906,602	11,549,170	12,739
1999-00	-	-	-
2000-01	-	-	-
2001-02	-	-	-
2002-03	45,669	627,949	13,750
2003-04	116,175	1,589,210	13,679
2004-05	54,771	1,028,710	18,782

Data in Table 9 and 10 are shown for fiscal year
Source: Federal Bureau of Statistics.

TABLE 11

EXPORT OF MOLASSES

YEAR	QUANTITY TONNES	VALUE IN RS. "000"	AVERAGE PRICE RS. PER TONNE.
1990-91	776,071	823,636	1,061.29
1991-92	947,000	1,351,762	1,427.41
1992-93	892,618	1,396,111	1,564.06
1993-94	703,450	993,627	1,412.50
1994-95	769,636	1,213,545	1,576.78
1995-96	806,399	1,852,514	2,297.26
1996-97	1,056,134	2,021,755	1,914.30
1997-98	1,359,328	2,542,504	1,870.41
1998-99	1,688,505	1,802,899	1,067.75
1999-00	1,748,000	2,200,000	1,258.58
2000-01	1,190,012	2,456,573	2,064.32
2001-02	1,607,380	3,898,800	2,425.56
2002-03	1,272,630	2,652,975	2,084.63
2003-04	1,457,283	2,698,964	1,852.05
2004-05	1,151,431	4,297,617	3,732.00

Data in table 11 is for Fiscal Year
Source: Federal Bureau of Statistics

TABLE 12

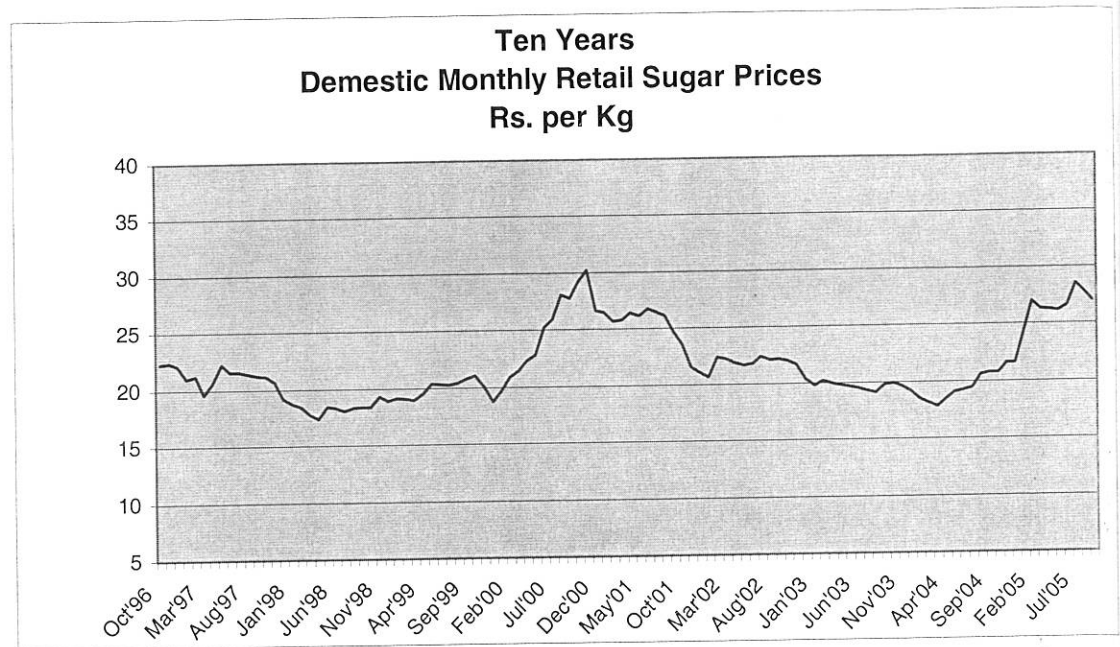
EXPORT OF FERMENTATION ETHYL ALCOHOL
(NOT DENATURED)

YEAR	QUANTITY LTRS.	VALUE RS."000"	AVERAGE PRICE PER LTR.
1990-91	8,229,448	61,090	07.42
1991-92	7,636,000	55,332	07.25
1992-93	8,660,900	90,213	10.42
1993-94	13,206,697	125,866	09.54
1994-95	6,050,200	68,137	11.26
1995-96	1,166,000	16,856	14.45
1996-97	1,232,145	18,273	14.83
1997-98	4,107,000	69,646	16.96
1998-99	6,722,000	115,788	17.22
1999-00	7,608,000	136,364	17.92
2000-01	10,061,000	208,082	20.68
2001-02	14,594,000	341,438	23.39
2002-03	16,341,575	342,658	20.96
2003-04	35,921,065	692,840	19.29
2004-05	36,669,688	1,067,445	29.00

Data is for Fiscal Year.

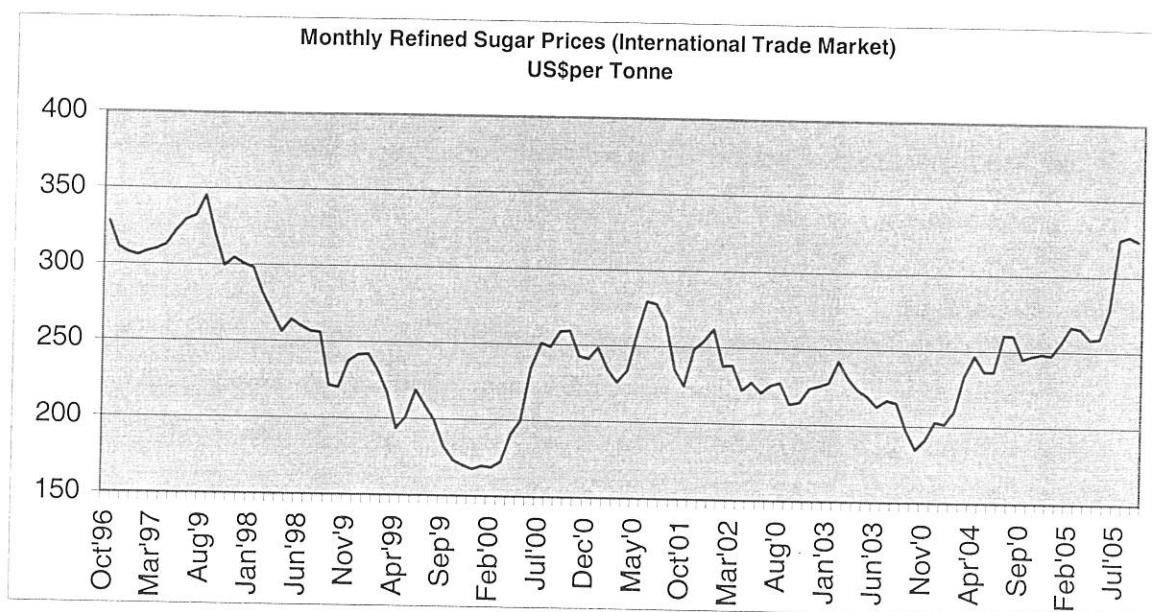
Source : Federal Bureau of Statistics

**OTHER NATIONAL & INTERNATIONAL
DATA & GRAPHS**



Source :- Federal Bureau & MINFAL

Months	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
October	22.31	21.17	18.41	21.06	29.19	23.60	22.04	19.93	20.78	26.71
November	22.39	20.67	19.30	20.12	30.24	21.58	21.70	19.67	21.62	29.50
December	22.11	19.19	18.90	18.76	26.68	21.05	20.39	19.17	21.63	
January	21.01	18.73	19.13	19.66	26.51	20.68	19.83	18.53	24.35	
February	21.22	18.44	19.10	20.91	25.70	22.41	20.20	18.16	27.00	
March	19.58	17.77	18.96	21.48	25.80	22.22	19.97	17.85	26.33	
April	20.69	17.41	19.55	22.31	26.41	21.91	19.83	18.52	26.27	
May	22.23	18.43	20.40	22.82	26.16	21.70	19.71	19.10	26.15	
June	21.55	18.36	20.34	25.26	26.75	21.78	19.52	19.27	26.60	
July	21.59	18.05	20.26	25.93	26.51	22.44	19.29	19.49	28.54	
August	21.37	18.36	20.41	28.05	26.17	22.14	19.14	20.62	27.85	
September	21.20	18.40	20.79	27.81	24.67	22.17	19.80	20.75	26.64	
Average	21.44	18.75	19.63	22.85	26.73	21.97	20.12	19.26	25.31	



Months	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
October	220.45	173.05	259.25	224.63	214.76	184.95	247.18	311.84
November	237.65	170.41	242.94	248.45	224.00	191.43	248.43	
December	241.83	167.76	241.39	253.96	225.95	203.00	247.46	
January	242.27	169.75	248.45	261.89	228.00	201.87	256.42	
February	231.47	169.09	234.78	238.09	242.00	210.28	266.65	
March	217.14	172.61	226.18	238.31	231.42	233.54	265.23	
April	193.78	190.91	233.89	222.43	223.56	246.64	258.71	
May	201.27	199.73	258.15	227.28	219.37	236.76	259.02	
June	218.91	234.34	279.53	220.77	212.82	236.50	277.90	
July	208.77	250.87	277.77	225.81	217.03	260.50	324.10	
August	199.29	248.89	266.30	227.31	215.06	260.16	326.25	
September	182.53	258.81	234.99	213.52	197.50	245.21	323.25	

Av. Retail

Price 216.28 200.52 250.30 233.54 220.96 225.90 275.05

Source: "LIFFE London / ISO

Pakistan Sugar Mills Association					
Consolidated Month-wise Refined Sugar Supply / Marketing					
For Sugar Year 2000-01 to 2004-05					
Years	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
Carry forward Stock 30 Sept.	27,274	620,791	637,149	759,103	809,357
31 Oct.	176,378	265,345	219,879	268,058	247,200
30 Nov.	240,201	209,643	253,413	240,255	235,438
31 Dec.	232,828	358,456	310,617	410,691	328,240
31 Jan.	395,367	349,558	381,861	373,246	335,759
28 Feb.	278,193	221,151	270,649	291,806	345,487
31 Mar.	360,169	291,409	346,980	423,372	341,819
30 Apr.	255,638	312,463	277,006	339,504	349,739
31 May.	253,131	280,883	395,130	270,270	359,473
30 Jun.	272,985	227,451	275,334	297,867	324,608
31 Jul.	191,816	272,230	285,080	313,171	331,428
31 Aug.	200,439	255,379	235,893	323,922	259,957
30 Sep.	197,977	214,436	231,092	298,080	482,365
Total Supply / consumption	3,055,122	3,258,404	3,482,934	3,850,242	3,941,513
Average Per Month	254,600	271,534	290,245	320,854	328,459

Note: * The above month-wise domestic supplies include (sale from mills + from Imports (-) Export) for breakup refer to page

**PAKISTAN SUGAR MILLS ASSOCIATION
MONTHLY MARKETING OF SUGAR
(FROM IMPORT + MILLS SALE - EXPORT)**

Years	Import		Mill Sale		Export	
	2002-2003	2003-2004	2004-2005	2005-06		
31 Oct.	164 219,780 65	995 278,001 10,938	435 255,711 8,946	22,246 190,030 315		
30 Nov.	186 253,273 46	96 242,683 2,524	- 235,753 315	24,135 141,203		
31 Dec.	485 310,178 46	468 417,072 6,849	330,175 1,935			
31 Jan.	487 381,425 51	1,211 382,877 10,842	343,865 8,106			
28 Feb.	831 270,348 530	748 302,526 11,468	347,672 2,185			
31 Mar.	693 347,307 1,020	1,590 432,393 10,611	60,000 282,059 240			
30 Apr.	1,004 276,242 240	1,548 347,677 9,721	50,000 300,732 993			
31 May.	1,721 393,989 580	965 281,030 11,725	36,887 323,280 694			
30 Jun.	1,108 303,631 29,405	1,404 328,862 32,399	29,098 296,239 730			
31 Jul.	1,616 295,964 12,500	1,299 323,561 11,689	70,219 261,709 500			
31 Aug.	268 258,973 23,348	728 332,381 9,187	86,070 176,835 2,948			
30 Sep.	489 243,692 13,089	645 301,491 4,056	196,436 286,369 440			
From Import	9,052	11,697	529,145	46,381		
Mills Sale	3,554,802	3,970,554	3,440,399	331,233		
Export	80,920	132,009	28,031	315		
Supply /Market	3,482,934	3,850,242	3,941,513	377,299		

**Monthwise Sugar Stock Position
At the Sugar Mills + TCP Godowns
Season 2001-2002 _ 2004-05**

Period As On	2001-2002	2002-2003	2003-2004	2004-05	* 2005-06
Opening Stock 30-09	620,791	637,149	759,103	809,350	577,653
31-10	378,890	417,369	481,102	533,645	446,332
30-11	269,206	298,975	284,023	588,717	451,151
31-12	458,479	587,582	727,652	1,062,268	
31-01	1,023,763	1,059,943	1,366,884	1,544,800	
28/29-02	1,522,206	1,581,999	2,011,508	1,797,190	
31-03	1,854,295	2,118,720	2,450,473	1,975,390	
15-04			2,501,230		
30-04	1,860,167	2,241,221	2,352,060	1,735,908	
31-05	1,576,751	1,859,419	2,079,550	1,453,476	
30-06	1,376,873	1,567,037	1,766,364	1,185,800	
31-07	1,105,281	1,271,073	1,443,228	924,688	
31-08	851,316	1,012,100	1,110,848	790,914	
30-09 End Stock	637,149	759,103	809,357	577,653	

Export	4,047	80,920	125,502	28,032	315
Refined sugar import during	29,777	9,052	10,324	622,040	92,358

Stock Figures:

- * Includes stocks at sugar mills
- * Does not include stocks in market and in the pipe line
- * Includes TCP reserve Stock at Mills & imported stock at TCP Godowns
- * 2005-06 figures are provisional

**FORMER CHAIRMEN OF
PAKISTAN SUGAR MILLS ASSOCIATION**

1965-1966	Dr. S.M. Momen
1966-1967	Colonel Muzaffar Khan
1967-1968	Mr. M Hussain
1968-1969	Nawabzada M. Munir Khan
1969-1970	Mr. Hussain
1970-1971	Mr. Khaliq Dar Noon
1971-1972	Mr. Ahmed Ibrahim
1972-1973	Mr. Taj Muhammad Khanzada
1973-1974	Ch. Bashir Ahmed
1974-1975	Mr. M. Akram
1975-1976	Mr. Taj Muhammad Khanzada
1976-1977	Mr. Mian Bashir Ellahi
1977-1978	Mr. M. Akram
1978-1979	Mr. Taj Muhammad Khanzada
1979-1980	Malik Manzoor Hayat Noon
1980-1982	Mr. M. Akram
1982-1983	Mr. Taj Muhammad Khanzada
1983-1984	Mr. Altaf M. Saleem
1984-1985	Mr. M. Akram
1985-1986	Mr. Taj Muhammad Khanzada
1986-1987	Mr. Altaf M. Saleem
1988-1990	Mr. M. Akram
1990-1992	Syed Abbas Shah
1992-1994	Mr. Altaf M. Saleem
1994-1996	Mr. Ismail Zakaria
1996-1998	Mr. Abbas Sarfaraz Khan
1998-2000	Mr. S. M. Tahir
2000-2002	Mr. Ashraf W. Tabani
2002-2004	Mr. Iskander M Khan
2004-2006	Ch. M Zaka Ashraf

**ZONEWISE LIST OF SUGAR MILLS
LOCATION AND DISTRICT**

Mills Name & Address	PUNJAB ZONE Tel & Fax	Mills Location/ Dist.
Abdullah Sugar Mills Ltd., 103/B-1, M.M. Alam Road, Lahore	(042)-5713969 (042)-5714074-5 Fx. (042)-5758467	Depalpur Okara
Adam Sugar Mills Ltd., 345-A/1, Gulberg-III Opp: Wyeth Laboratories, Lahore	(042)-575216 (021)-2417812-7 Fx. (021)-2427560 (042)-5757216	Chistian Bahawalnagar
Ashraf Sugar Mills Ltd., 128 Tufail Road, Lahore Cantt.	(042)-6655002-3 Fx. (042)-6653515	Ashrafabad Bahawalpur
Baba Farid Sugar Mills Ltd., 1 st Floor Nawa-I- Waqt Building 4- Shabrae Fatima Jinnah, Lahore	(042)-6368671 Fx. (042)-6306747	Okara Okara
Brother Sugar Mills Ltd., 135-Upper Mall, Lahore	(042)-5757013-6 Fx. (042)-5710417	Chunian Kasur
Chanar Sugar Mills Ltd., 40 -A, Lawrence Road Lahore	(042)-111-777-123 (042)-6302118-9 Fx. (042)-6362054-5	Faisalabad
Chaudhry Sugar Mills Ltd., 80-A, Abu Bakar Block, New Garden Town, Lahore	(042)-5858135 -6 Fx. (042)-5858477	Gojra Toba Tek Singh
Crescent Sugar Mills Ltd., New Lahore Road, Nishatabad, Faisalabad	(041)-8750363 Fx. (041)-8750366	Nishtabad Faisalabad
CSK (Phalia) Sugar Mills Ltd., 182- Abubakar Block New Garden Town, Lahore	(042) 111-666-647 Fx. (042)-5845525	Phalia Mandi Bahauddi

Mills Name & Address	Tel & Fax	Mills Location / Dist.
Fatima Sugar Mills Ltd., 2 nd Floor, Trust Plaza, Opp. Telephone Exchang LMQ Road, Multan.	(061)-4546318 (061)-4546218 Fx. (061)- 4511677	Kot Addu Muzafargarh
Fauji Sugar Mills Ltd., (Sangla Hills) Fauji Foundation (Sugar Division), Head Office Tippu Road, Chaklala	(051)-5951721-40 Fx. (051)-5951742	Sangla Hill Sheikhupura
Fecto Sugar Mills Ltd., Room # 101 & 102, 1 st Floor Panorama Centre, Raja Ghazanfar Ali Road Karachi	(021)-5682178 Fx. (021)- 5684709	Darya Khan Bhakkhar
Gojra Samundri Sugar Mills Ltd., Monnoo House,3 Montgomery Road, Lahore	(042)-6312978-9 Fx. (042)-6312982	Gojra Faisalabad
Hamza Sugar Mills Ltd., A/22, S.I. T. E. Maripur Road Karachi	(021)-2564594 Fx. (021)-2561873	Jetha Bhutta Rahimyar Khan
Haseeb Waqas Sugar Mills Ltd., 103/ B-1, M. M Alam Road Gulberg III Lahore	(042)-5713969/57 Fx. (042)-5758467	Nankana Sahib Sheikhpura
Hunza (Qand Ghar) Sugar Mills 31/7-A, Abubakar Block, Garden Town Lahore.	042-7533135 042-111-161-161 FX. 042-7533137	Shahkot Faisalabad
Husein Sugar Mills Ltd., 30-A/E-1, old FCC Gulberg III, Back to Gaddafi Stadium, Lahore	(042)-5762089-90 Fx. (042)-5712680	Jaranwala Faisalabad
Indus Sugar Mills 93-B, New Muslim Town, Lahore	(042)-5882801-2 Fx. (042)-5835180	Kot Bahadur Rajan Pur

Pakistan Sugar Mills Association

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Mills Name & Address	Tel & Fax	Mills Location / Dist.
Ittefaq Sugar Mills Ltd., 40-B 11, Gulberg III, Lahore	Fx. (042)-5765021-6 (042)-5759546	Pakpattan Pakpattan
JDW Sugar Mills Ltd., 32-N, Gulberg- II Industrial Area, Lahore	Fx. (042)-5761542-3 (042)-5761544	Mouza Shirin Rahimyar Khan
Kamalia Sugar Mills Ltd., Askari Villas No. 2, Sarwar Road, Near Garrison Cinema, Lahore	Fx. (042)-6674345 (042)-6668092	Kamalia Toba Tek Singh
Kashmir Sugar Mills Ltd., 40-B, 11 Gulberg III, Lahore	Fx. (042)-5765021-6 (042)-5759546	Shorkot Jhang
Kohinoor Sugar Mills Ltd., 29-G, Gulberg II, Lahore	Fx. (042)-5750174 (042)-5710972	Jauharabad Khushab
Layyah Sugar Mills Ltd., 17- G, Gulberg III, Lahore	Fx. (042)-6688783 (042) 5883220 (042)5883219	Layyah Layyah
National Sugar Mills Ltd., 146 M, Gulberg III Lahore	(042)-5835517 / 5838480 Fx. (042)-5838400	Bhalwal Sargodha
Noon Sugar Mills Ltd., 6 th Floor, EFU Building Jail Road Lahore	Fx. (042)-5715845-8 (042)-5715698	Bhalwal Sargodha
Pahrianwali Sugar Mills Ltd., F- 1/14, Canal Cottage New Muslim Town, Lahore	Fx. (042)-5861370 (042)-5868780 (042)-5868547	Lalian Jhang
Pattoki Sugar Mills Ltd., T-09 , 3 rd Floor, Hafeez Centre, 75-E /1, Gulberg III Lahore	Fx (042)-5711061-5 (042) 5711068.	Pattoki Kasur

Mills Name & Address	Tel & Fax	Mills Location / Dist.
Punjab Sugar Mills Ltd., 20- E -I (C) Gulberg – III Lahore	Fx. (042)-5712487-8 (042)-5710879	Mian Channu Khanewal
Ramzan Sugar Mills Ltd., 7- A New Muslim Town Lahore	Fx. (042)-5857234-5 (042)-5857232	Chiniot Jhang
Shahtaj Sugar Mills Ltd., 72/C-1, Gulberg III Lahore	Fx. (042)-5710482-4 (042) 5711904	Mandi Bahauddin Gujrat
Shakarganj Mills Ltd., Management House Toba Tek Singh Road, Jhang.	Fx. (047)-7614971-3 (047)-7620272	Jhang Jhang
Sheikhoo Sugar Mills Ltd., 11-Commercial Area, L.C.C.H.S, Lahore , Cantt	Fx. (042)-5728904-6 (042)-5728904	Kot Adu Muzafargarh
Tandlianwala Sugar Mills Ltd., 32-N, Gulberg-II Industrial Area, Lahore	Fx. (042)-5715081-6 (042)-5710605 / 02	Kanjwani Faisalabad
United Sugar Mills Ltd., 173/L, Model Town Extension, Lahore.	Fx. (042)-5164929 5176913 (042)-5165912	Sadiqabad Rahim Yar Khan
Yousaf Sugar Mills Ltd., 103-/B-1, M.M. Alam Road, Lahore	Fx. (042)-5713969 (042)-5758467	Shahpur Sargodha

Nonmember Sugar Mills

Chishtia Sugar Mills Ltd., 88 - A, Canal Park, Gulberg – II, Lahore.	Fx. (042)-5755175-6 (042)-5752124-6 (042)-5760329	Sillanwali Sargodha
Gunj Buksh(Pasrur) Sugar Mills Ltd., 21/69-F.C.C. Green Villas, Gulberg-II, Lahore.	FX. 042-5752123 (042)-5760329	Pasrur Sailkot

SINDH ZONE

Mills Name & Address	Tel & Fax	Mills Location / Dist.
Al-Abbas Sugar Mills Ltd., Pardeis House, Survey # 2/1, R.Y – 16, Old Queen Road, Karachi	Fx. 021-2470220-29 021-2470090, 96	Mirwah Gorchani Mirpurkhas
Al-Asif Sugar Mills Ltd., 4 th Floor, Bank House No.2 Habib Square, M.A. Jinnah Road, Karachi	Fx. 021-2427216/2410885 021-2427216 021- 2429092	Garho Thatta
Al-Noor Sugar Mills Ltd., 96-A, Sindhi Muslim Society, Karachi	Fx. 021-4550161-63 021-4551990 / 4559863 021-4556675	Taluka Moro Nawabshah
Ansari Sugar Mills Ltd., 41-K, Block 6, P.E.C.H.S, Karachi-75400	Fx. 111-484-848 021-4531105 / 4531642 021-4546456, 4535374	Matli Hyderabad
Army Welfare Sugar Mills Badin	Fx. (0227) 61205, 61970 (0227) 61733	Badin
Bawany Sugar Mills Ltd., 4 th Floor, Bank House # 2, Habib Square, M.A. Jinnah Road, Karachi	Fx. 021-2427216, 2427073 021-2429092	Talhar Badin
Dewan Sugar Mills Ltd., 7 th Floor, Block –A, Finance & Trade Centre, Shahrah-e- Faisal, Karachi	Fx. 021-5204604 021- 5205244 021-5630814-21	Budho Talpur Thatta
Dewan Khoski Sugar Mills 7 th Floor, Block –A, Finance & Trade Centre Shahrah-e- Faisal, Karachi	Fx. 021-5204604 021- 5205244 021-5630814-21	Khoski Badin
Digri Sugar Mills Ltd., 48 J /1 Block 6, P.E.C.H.S. Karachi	Fx. 021-4541195-8 021- 4534501	Digri Mirpurkhas

Mills Name & Address	Tel & Fax	Mills Location
Faran Sugar Mills Ltd., 3 rd Floor, Bank House # 1, Habib Square, M.A. Jinnah Road, Karachi	Fx. 021-2418050-4 021-2421010	Sheikh Bhirkio Hyderabad
Habib Sugar Mills Ltd., 4 th Floor, Imperial Courts, Dr. Ziauddin Ahmed Road, Karachi	Fx. (021)- 5680036-9 (021)- 5684086	Nawabshah
Khairpur Sugar Mills Ltd., ST.- 10, D/14, Jumani Arcade Main University Road, Karachi	Fx. (021)- 4931021-4 (021)- 4933313	Naroo Dhoro Khairpur
Larr Sugar Mills Ltd., 16-E, Block 6, Rashid Minhas Street, P.E.C.H.S Karachi.	Fx. (021)- 4545591-4 (021)-4537720	Deh Kinjhar – Sajawal Thatta
Matiari Sugar Mills Ltd., C-48, KDA Scheme No.1 Karachi. 75350	Fx. (021)-4521382, 4529698 (021)- 4541734	Matiari Hyderabad
Mehran Sugar Mills Ltd., 8 th Floor, Adamjee House, I.I. Chundrigar Road, Karachi.	Fx. (021)-2417131-4 (021)- 2416477	Tando Allah Yar Hyderabad
Mirpurkhas Sugar Mills Ltd., 2 nd Floor, Modern Motors House, Beaumont Road, Karachi.	Fx. (021)-5682565-9 (021)-5682839	Mirpurkhas Mirpurkhas
Mirza Sugar Mills Ltd., 10 th Floor, Lakson Square, Building No. 1, Sarwar Shaheed Road, Karachi	Fx. (021)-5680151 (021)- 5680183	Deh Charo Tappo Badin
Najma (Thar) Sugar Mills Ltd., F-58, Park Lane Block –5 Clifton, Karachi	Fx. (021)5831082/5860234 (021) – 5831069	Jhuddo Mirpurkhas

Mills Name & Address	Tel & Fax	Mills Location / Dist.
Naudero (Larkana) Sugar Mills Ltd., 2 nd Floor Block -4, Hockey Club Of Pakistan Stadium, Karachi-75350	(021) 5655131-4 (021) 5680533	Naudero Larkana
Pangrio Sugar Mills Ltd., 10 th Floor Lakson Square, Building No. 1 Sarwar Shaheed Road, Karachi	(021)- 5680151 (021)-5680183	Deh Rajauri-2 Badin
Ranipur Sugar Mills Ltd., 1308 Chapal Plaza, Hasrat Mohani Road, Off. I.I. Chundrigar Road, Karachi	(021)-2411368-9 (021)-2413547	Ranipur Khairpur
Sakrand Sugar Mills Ltd., 41-K Block 6 , P.E.C.H.S., Karachi	111-484-848 (021)- 4531642, 4531105 (021)- 4535374, 4546456	Qazi Ahmed Nawabshah
Sanghar Sugar Mills Ltd., 101- Ocean Centre, Talpur Road, Karachi	(021)-2427171-2 (021)- 2410700	Sindhri Sanghar
Seri Sugar Mills Ltd., 1 st Floor, Hassan Ali Centre, Opp. M.W. Tower, M.A. Jinnah Road, Karachi.	(021)-2418389-90/2439630 (021)-2437828 (021)-2413600	Deh Norai Jagi Hyderabad
Shahmurad Sugar Mills, Ltd., 96-A, Sindhi Muslim Society, Karachi	(021)-4550161-3 / 4550031 (021)-4556675	Jhok Sharif Thatta
Sindh Abadgar's Sugar Mills Ltd., 112- 1 st Floor, Progressive Plaza, Beaumont Road, Karachi	(021)-5651781/ 5656381 (021)-5651784	Deenpur Hyderabad
TMK Sugar Mills Ltd., 1 st Floor, Hassan Ali Centre, Opp. M.W. Tower, M.A. Jinnah Road, Karachi.	(021)-2418389-90/2439630 (021)-2437828 (021)-2413600	TMK Hyderabad

Non Member Sugar Mills

Bachani Sugar Mills Ltd., 2 nd Floor Europa Centre, Hasrat Mohani Road, Off. I.I. Chundrigar Road, Karachi	(021)-2627607 Fx. (021)-2638459	Tando Allah Yar Hyderabad
Dadu Sugar Mills Ltd., Under Privatization commission of Sindh	(021)- 9202077	Piarogoth Dadu
Kiran Sugar Mills Ltd., 40-D, East Avenue, Phase-1, Defense Housing Authority, Karachi.		Duber Road Sukkur
Tharparkar Sugar Mills Ltd., C-27, Beverly Estate Ploat No. F-24, Block -9 Kehkashan Clifton, Karachi	(021)-5863730-1 Fx. (021)-5863729	Tharparkar Mirpurkhas
Thatta Sugar Mills Ltd., Under Privatization Commission of Sindh		Deh Bijora Thatta

N.W.F.P ZONE

Mills Name & Address	Tel & Fax	Mills Location
Bannu Sugar Mills Ltd., Serai Naurang, Bannu	(09261) 352444, 350111 (09261) 350112	Serai Naurang Bannu
Chashma sugar Mills Ltd., Dera Ismail Khan	(0966)750090-91 Fx. (0966)750092	D.I. Khan
Frontier Sugar Mills Ltd., Distillery Limited, Takht-I-Bhai, Mardan.	(0937) 551041, 51 Fx (0937) 552878	Takht-I- Bhai Mardan
Khazana Sugar Mills Ltd., Khazana, Peshawar	091-2041694 091-2045732 Fx. 091-2040550	Peshawar

Mills Name & Address	Tel & Fax	Mills Location
Premier Sugar Mills Ltd., Mardan N.W.F.P.	0937-862051-2 Fx. 0937-862989	Mardan

Non Member Sugar Mills

Saleem Sugar Mills Ltd., 65 Amin Building, The Mall, Lahore.	042-7321043 Fx. 042-7122378	Charsadda
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AZAD KASHMIR

Mian Mohammad Sugar Mills Ltd.,	Not available	Mirpur Azad Kashmir
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Pakistan Sugar Mills Association
Sugar Production, Demand & Stock Situation
Season 2004-2005 FINAL as on 30th Sept.'2005

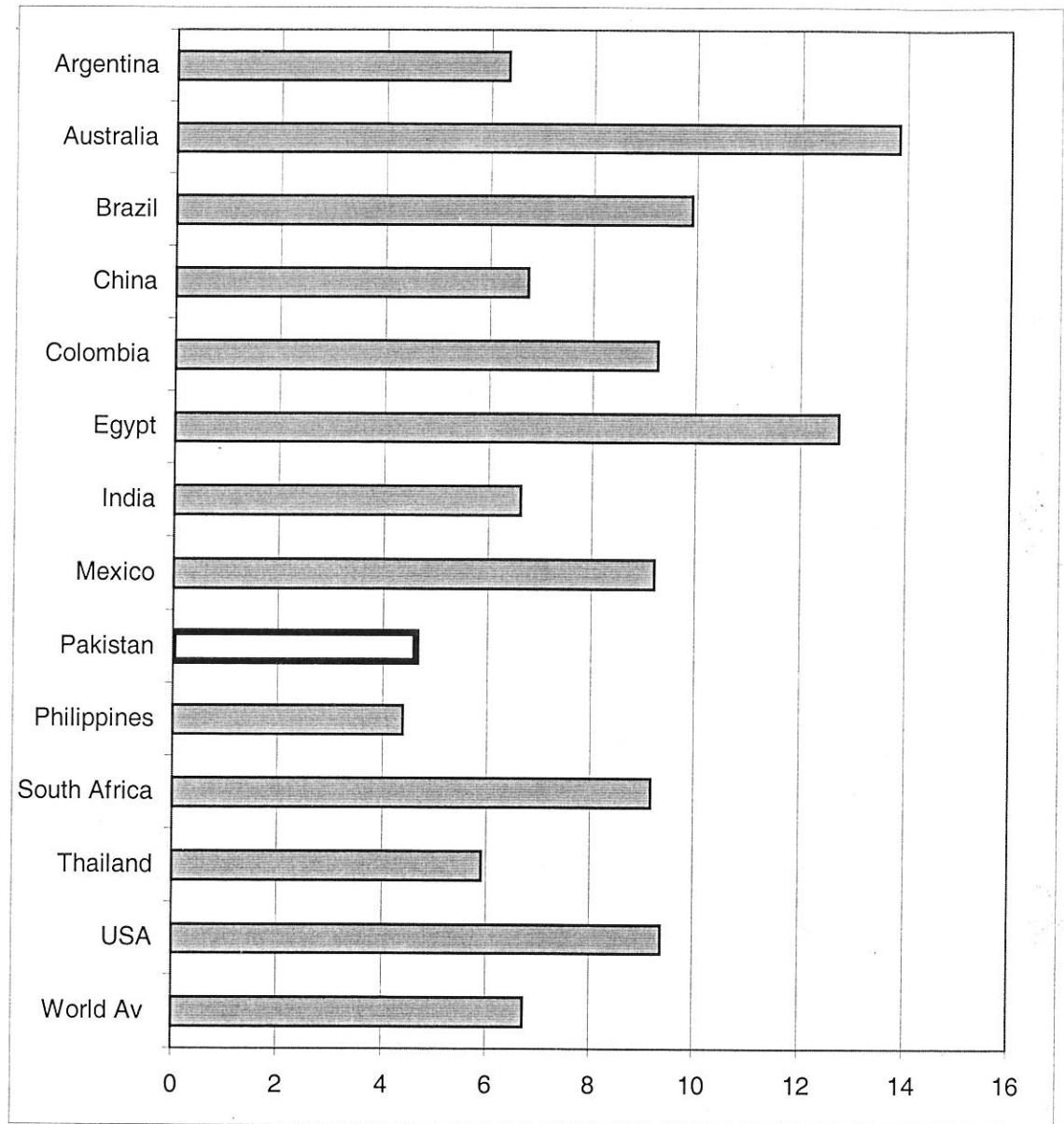
Sugar Production		Tonnes
From Cane (04-05)		2,922,125
From Raw		182,303
From Beet		11,373
Total Production 2004-05		3,115,801
Refined Sugar Import 2004-05		622,040
Carry in Stock 1st Oct '2004		809,357
Total Availability		4,547,198
Domestic Supply / Marketing		3,941,513
Sales		
From Mills	3,200,393	
From TCP stock	240,007	
From Import	529,145	
Less export	(28,032)	(28,032)
Stock as on 30th Sept.'2005		577,653
TCP Reserve Stock at mills	224,088	
TCP's imported stock	92,895	
Mills Stock on 30th Sept.'05	260,670	

Monthly Sale, Average Retail Price & Stock (2004-05)			
Month	Sale	Av. Retail Price	Stock
Oct'2004	247,200	20.78	553,645
Nov'2004	235,438	21.62	588,717
Dec'2004	328,240	21.63	1,062,268
Jan'2005	335,759	24.35	1,544,800
Feb'2005	345,487	27.00	1,797,190
Mar'2005	341,819	26.33	1,975,390
April'2005	349,739	26.27	1,735,908
May'2005	359,473	26.15	1,453,476
June'2005	324,608	26.60	1,185,800
July'2005	331,428	28.54	924,688
Aug'2005	259,957	27.85	790,914
Sept.'2005	482,365	26.65	577,653
Total	3,941,513		
Average per month	328,459	25.31	

SUGAR AND SUGARCANE-I					
Sugar Year (Oct-Sept.)	1996-97	1997-98	1998-99	1999-00	2000-01
Sugarcane Area HA.	964,500	1,056,200	1,155,000	1,009,800	960,000
Sugarcane produced	41,998,400	53,104,200	55,191,100	42,000,000	43,620,000
Yield / Ha-Tonnes	43.54	50.28	47.77	41.59	45.41
Cane Utilized by Mills	27,352,918	41,062,268	42,994,911	28,982,711	29,408,880
% age of utilization	65.13	77.32	77.90	69.00	67.47
Cane support./ indicative price Punjab, NWFP / Sindh	24.25/ 24.5	35 / 36	35 / 36	35/36	35/36
Average Recovery %	8.69	8.64	8.21	8.33	8.39
Sugar Production (cane)	2,378,751	3,548,953	3,530,931	2,414,746	2,466,788
Sugar Production (Beet)	14,610	6,267	10,831	14,618	17,276
Sugar Production (Raw)					531,930
Total Sugar Production	2,393,361	3,555,220	3,541,762	2,429,364	3,015,994
Beginning Stocks 1st Oct.	103,553	413,290	513,055	371,389	27,274
Imports	728,501	26,345	4,129	420,740	632,645
Total Available	3,225,415	3,994,855	4,058,946	3,221,493	3,675,913
Export	0	477,331	648,230	22,160	0
End Stock 30th Sep.	413,290	513,062	371,389	27,274	620,791
Consumption / Marketing	2,812,125	3,004,462	3,039,327	3,172,059	3,055,122
Average Consump. / month	234,300	250,400	253,300	264,300	254,600
Season's retail price / kg	21.46	18.75	19.63	22.85	26.73
Intl.Sugar Trade PriceUS \$ / T	319.21	272.46	216.28	200.52	250.30

SUGAR AND SUGARCANE-II					
Sugar Year (Oct.-Sept.)	2001-02	2002-03	2003-04	2004-05	Est. 2005-06
Sugarcane Area HA.	999,700	1,099,700	1,074,700	966,600	900,000
Sugarcane produced	48,041,000	52,049,000	53,800,000	43,533,000	45,000,000
Yield / Ha-Tonnes	48.06	47.33	50.00	45.04	50.00
Cane Utilized by Mills	36,708,638	41,786,689	43,661,377	32,101,739	33,500,000
% age of utilization	76.33	80.28	81.15	73.74	74.44
Cane support./ indicative price Punjab, NWFP / Sindh	42/43	40 / 43	40 /41	40 /43	
Average Recovery %	8.71	8.74	9.15	9.10	9.15
Sugar Production (cane)	3,197,745	3,652,745	3,997,010	2,922,125	3,065,250
Sugar Production (Beet)	29,173	22,066	23,796	11,373	
Sugar Production (Raw)	22,111	1,945		182,303	
Total Sugar Production	3,249,029	3,676,756	4,020,806	3,115,801	
Beginning Stocks 1st Oct.	620,791	637,149	759,103	809,357	577,653
Imports	27,494	9,052	11,697	622,040	
Total Available	3,897,314	4,322,957	4,791,606	4,547,198	
Export	8,000	80,000	132,008	28,032	
End Stock 30th Sep.	637,149	759,103	809,357	577,653	
Consumption / Marketing	3,252,165	3,483,854	3,850,241	3,941,513	4,000,000
Average Consump. / month	271,000	290,321	320,853	328,459	333,000
Season's retail price / kg	22.96	20.12	19.26	25.31	
Intl.Sugar Trade PriceUS \$ / T	233.54	220.96	224.15	275	

**Sugar Yield Per Hectare
(Raw Value)
In major Cane Sugar Producing Countries**



Note : The above data includes countries with production of 2.0 million tonnes and above

**Pakistan Sugar Mills Association
Domestic Production, Availability & Consumption
Sugar Year Oct. to Sept. 1992-2004**

