



# Predicting the Indian Crop - what is to be done?

*Presented by*

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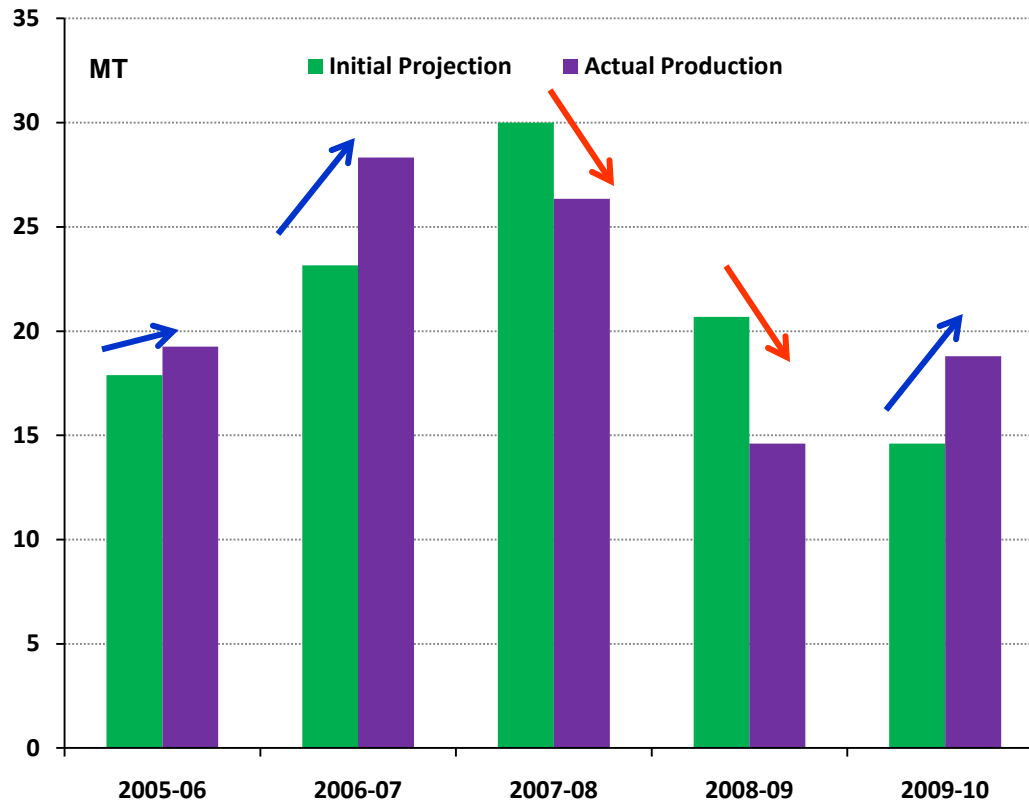
# DISCLAIMER !



The predictions made today pertaining to the size of the Indian crop will be grossly and wholly incorrect, and could be detrimental to your Profit & Loss A/c, so please use them at your own risk!



# Yearly Projection Vs Actual Production



# Factors Responsible for Uncertainty

- Area under cane
  - Many farmers with small holdings
  - Number of ratoons
- Weather/Water
  - Monsoon
  - Irrigation
- Market Driven factors
  - Price of alternative sweeteners
  - Alternative crops
  - Government Policies

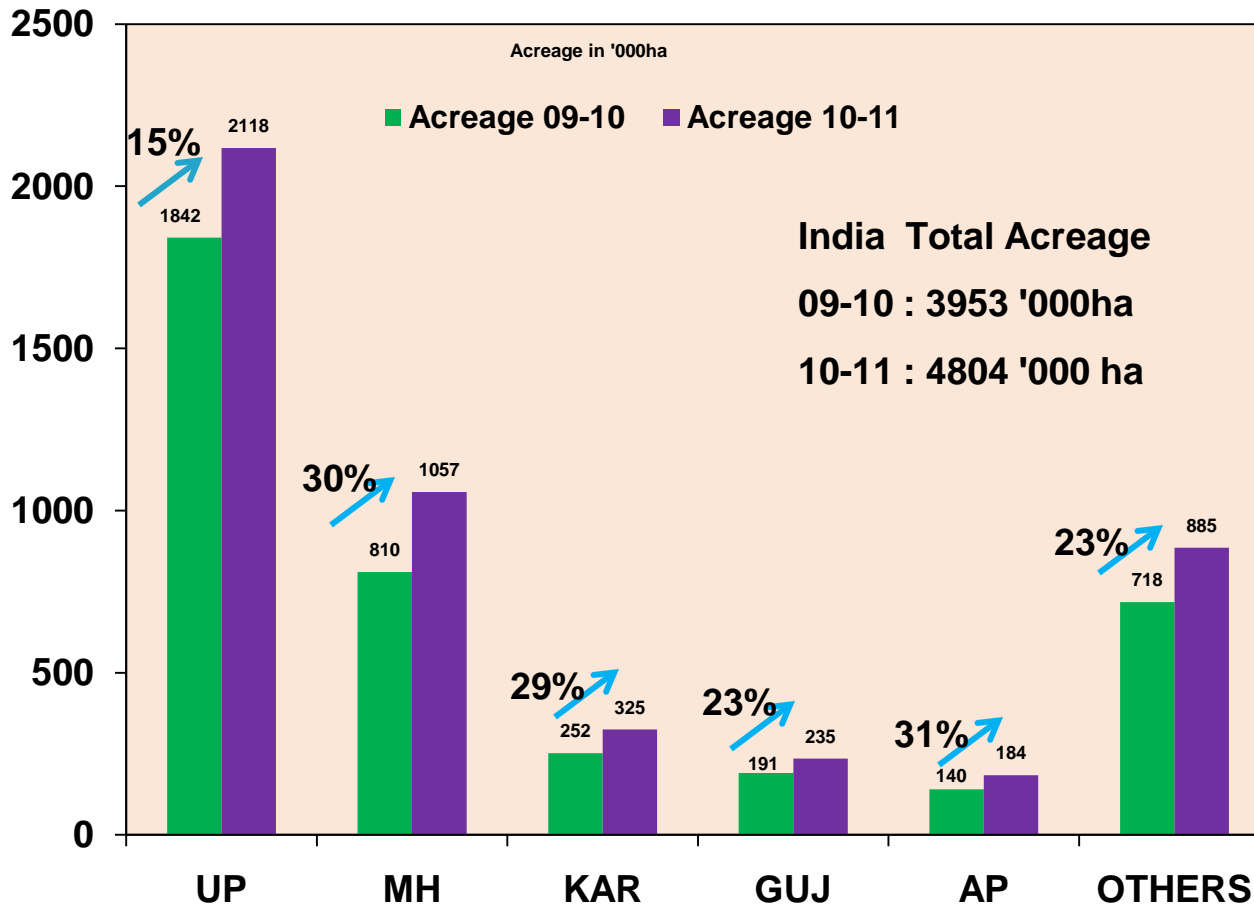


# How to Improve Accuracy?

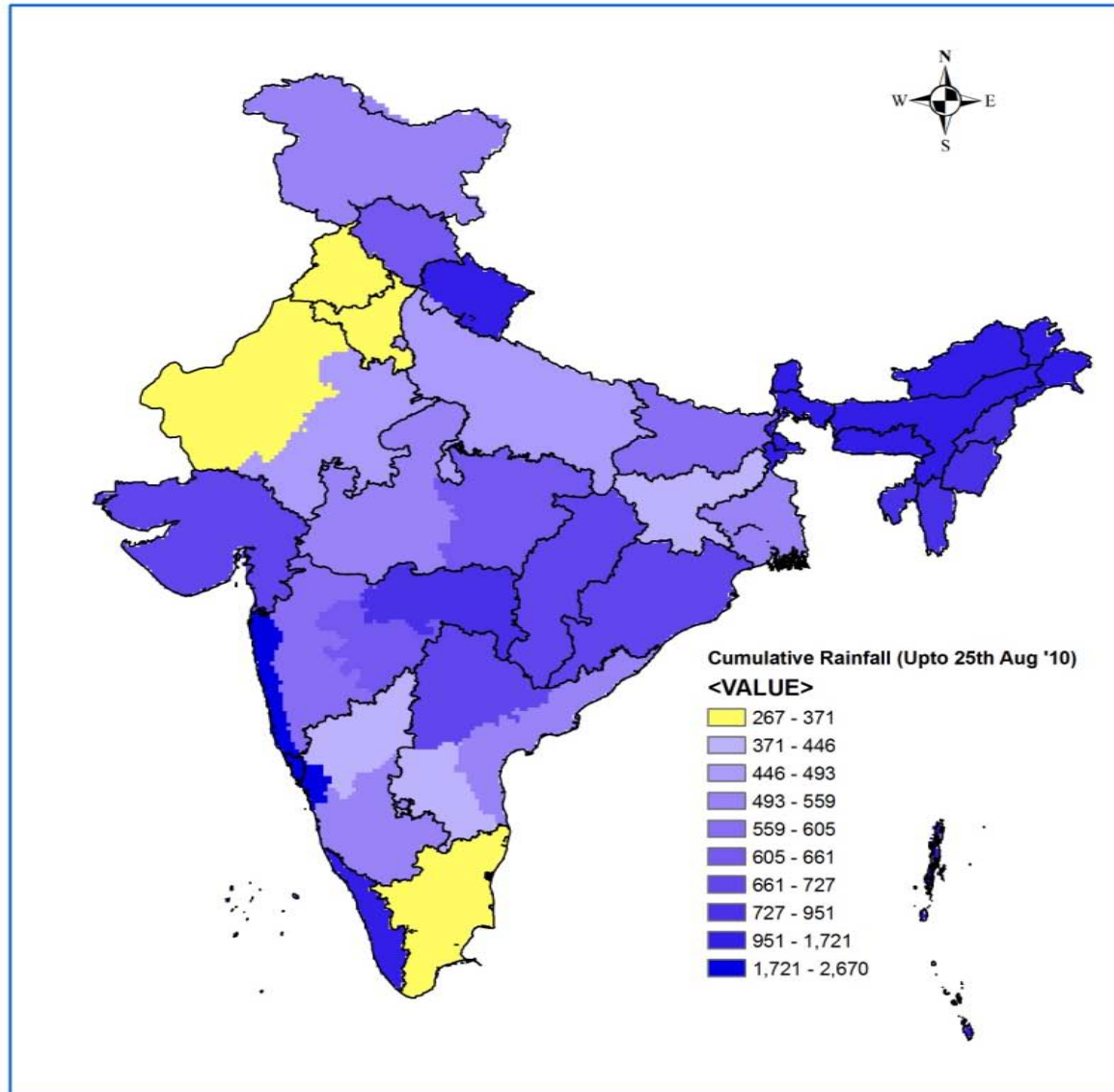
- Independent, Impartial & Transparent Source of Information
  - Cane Acreage
  - Yield Estimates
  - Reliable Weather Forecast
  - Diversion Status
- Build a model incorporating all variables
- Refine the model over time



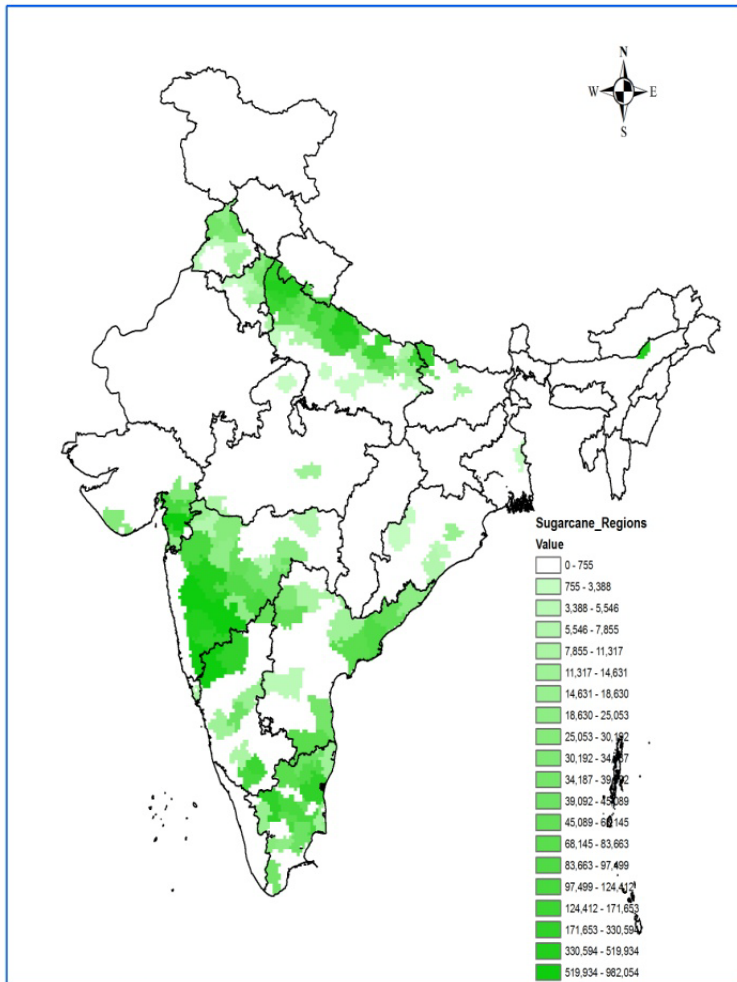
# Cane Acreage 2010-11



# Rainfall upto 25<sup>th</sup> Aug 2010



**India Sugar Map**



# Sugar Production 2010-11

States	Production
MH	9.469
UP	7.213
KAR	3.029
GUJ	1.332
AP	0.994
OTHERS	3.811
<b>Total</b>	<b>25.848</b>

# Production Details

<b>Parameters</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11 (P)</b>
<b>Area (mln ha)</b>	<b>4.415</b>	<b>3.953</b>	<b>4.804</b>
<b>Cane (mln MT)</b>	<b>285</b>	<b>262</b>	<b>339</b>
<b>Diversion (%)</b>	<b>49</b>	<b>30</b>	<b>26.9</b>
<b>Yield (MT/ha)</b>	<b>64.6</b>	<b>66</b>	<b>71</b>
<b>Recovery (%)</b>	<b>10.03</b>	<b>10.20</b>	<b>10.35</b>
<b>Sugar Prodn. (mln MT)</b>	<b>14.538</b>	<b>18.652</b>	<b>25.848</b>



# Balance Sheet

Parameters	2008-09	2009-10	2010-11
<b>Opening Stock as on 1<sup>st</sup> Oct.</b>	<b>9.63</b>	<b>3.93</b>	<b>4.42</b>
<b>Production</b>	<b>14.54</b>	<b>18.65</b>	<b>25.85</b>
<b>Imports</b>			
- Raw (Eq <sup>n</sup> White)	2.18	3.13	0.00
- White	0.23	0.91	0.00
	2.41	4.04	0.00
<b>Total availability</b>	<b>26.58</b>	<b>26.62</b>	<b>30.27</b>
<b>Consumption</b>	<b>22.50</b>	<b>22.00</b>	<b>22.80</b>
<b>Exports</b>	<b>0.15</b>	<b>0.20</b>	<b>1.09</b>
<b>Total offtake</b>	<b>22.65</b>	<b>22.20</b>	<b>23.89</b>
<b>Closing stock as on 30<sup>th</sup> Sept.</b>	<b>3.93</b>	<b>4.42</b>	<b>6.38</b>



# Imponderables

- Cane Price Fixation
- Movement of Gur Prices
- Mill cash Flows





# THANK YOU!



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