

Dated: 14-09-2015.

ADDRESS OF WELCOME
PRESENTED TO
HONORABLE MR. SIKANDER HAYAT KHAN BOSON,
FEDERAL MINISTER FOR FOOD SECURITY AND RESEARCH.
BY ENGR. MURAD A.BHATTI
PRESIDENT, PAKISTAN SOCIETY OF SUGAR TECHNOLOGISTS

**The Honorable Chief Guest Mr. Sikander Hayat Khan Boson,
CEO's of the Sugar Mills,
Distinguished guests,
Learned Delegates, Ladies
and Gentlemen.**

Assalam-o-Alaikum,

On behalf of the Pakistan Society of Sugar Technologists, I welcome the honorable Chief Guest Mr. Mr. Sikander Hayat Khan Boson, Federal Minister for Food Security and Research, who very kindly accepted our request and spared time out of his busy schedule to inaugurate the 49th Annual Convention of PSST.

We are indeed thankful to you sir.

We are also thankful to the distinguished guests, foreign delegates, PSMA Members and fellow delegates of the society who have come all the way to attend this convention.

1)—PSST was founded in 1955 for the main purpose of sharing and dissipating knowledge among the sugar technologists. In the past 60 years the society, has rendered remarkable services in all disciplines of the industry. **One convention and four workshops are held** every year to impart knowledge, experience and new ideas among the members of the society. The record of these presentations is permanently preserved.

Sir,

2)--In 1947 at the time of coming into existence of our country we had only two (2) sugar mills and today we have as 89 plus one under construction.

Sir,

3)--The sugar industry enjoys the position as one of the major industries of our country. It not only Contributes billions of rupees every year in national Exchequer on account of sales tax/ income tax and sugar cane cess fund but also directly helps the development and growth of rural economy through purchase of cane and extending financial loans as well as technical assistance to the farmers for the development of cane.

4)--It would be for your kind interest to mention here that during the last 51 years there has been a significant growth in the cultivation of sugar cane as compared to other major crops of the country. But still it is a moment of concern that we stand almost in the bottom, in terms of sugar and sugar cane yield, among the major cane growing countries of the world.

Sir,

5)--During previous two decades vertical growth of the sugar industry has enabled it to produce 5.5 Million tons of sugar during season 2013-14 and 5.17 million tons during 2014-15 against estimated consumption around 4.5 Million tons per year. Thus it was one Million tons surplus in 2014 and 0.67 million tons surplus during 2015 than the estimated consumption.

Production is more than domestic need continuously for last several years. The crop forecast for the coming season 2015-16 is 10-12% more than previous season in Punjab, 5-7% in KPK while in Sind same as last year. Overall increase may be 5-10%

Some mills are being relocated in Punjab due to poor economic viability of production of cane and sugar both.

Sir,

6)--A few years back the economic viability of sugar industry was much better as compared to the present day, despite the fact that today we have much better technology and high yielding cane varieties. There may be various factors responsible for this situation but main are:

- i) Under capacity utilization of grinding capacity – About 80%.
- ii) Free marketing of both cane and sugar – No upper price regulation of cane and no lower limit for sugar.

Price of sugarcane and sugar are the major deciding factors of economic viability of sugar industry.

The Provincial Governments announce a certain Minimum Support price of sugarcane each year on the basis of certain bench mark recovery. That safeguards the interest of growers. But no such policy exists to regulate price of sugar.

The mills are bound to buy inferior and poor quality cane at support price but sell sugar below cost of production. As a result, today, you see pending cane payment of several sugar mills.

The Government should always take stock of sugar situation carefully. This will help in taking timely decision regarding import or export of sugar as per ground reality. Timely decision will also help in stabilizing domestic price & safe guard the interest of producers & consumers.

Sir,

7)--It is also a fact that despite a ban on some inferior sugar cane varieties by the Government, the growers are still continuing with cultivation of such poor varieties.

We would, therefore, recommend to the Government that it should consider this aspect while announcing the minimum support price. The growers sell inferior/banned varieties at the same price as the promising varieties.

The price of sugar cane should be linked with its sugar content.

The price of banned varieties should be significantly less than approved varieties. This will help to eliminate the banned varieties in the best national interest.

Sir,

8)--Pakistan stands 4th, among the worldwide sugar cane growing countries, in terms of area under cane cultivation but lacks far behind in terms of cane and sugar yield.

Basic reason of this serious deficiency is non existence of a proper cane breeding / research and Sugar Teaching Institute in Pakistan.

Several billion rupees of sugar cane development cess fund are collected through mills and growers each year. Even if 5% of that fund is spent on research and development, that would fetch tangible results.

We have the Agriculture Scientists and Sugar Technologists of International level and standard, but unfortunately, as a nation, we have yet not developed/established these institutions.

Sir,

9)--For the last so many years PSST has been trying to convince the Government and the PSMA for establishing a Cane Breeding Station in District Thatta and a Sugar cane Technology Institute in Sind or Punjab. Both the projects are of vital importance for sugar industry and national interest as well.

10)--The sugar industry of Pakistan has, for long, been Generating Power for captive use by burning its own bagasse/fiber during cane crushing season.

The surplus power can be generated and exported to national grid, at affordable price which can alleviate the load shedding problem.

It can generate more power than its requirement during season and off-season, by adopting more efficient energy saving techniques provided the industry is properly facilitated and a lucrative tariff is approved and return on investment guaranteed.

Let me bring to your kind notice that PSST has been holding seminars and workshops to promote awareness of energy saving since 1996. We are glad to announce that several sugar mills have already started producing while others are in the process of installing

co-gen projects at their sugar mill sites.

We thank Almighty Allah that we have succeeded in creating awareness of energy saving and surplus production in sugar industry.

Sir,

11)--The prevailing scenario of price hike in Fertilizer Market is also of serious concern for all of us.There, however, is another alternative. In our point of view the gravity of the situation can be subsided to some extent by processing Press Mud of the sugar industry as bio-fertilizer and provided to the farmers on cheaper price.

12)--Before Concluding, it would not be out of place to mention for the kind attention of worthy Chief Guest that although PSST has been awarding gold medals, shields and certificates to the individual research scholars of sugar industry, our 60 years of voluntary contribution towards the national development has never been able to catch eye of the concerned authorities, for recognition at national level.

Sir,

We are silent contributors with commitment and a cause to national development. We deserve recognition at the national level on merit. Our scientists present research articles at the international conferences and are recognized, but are not given any weight home.

In the last,

I, once again extend my heartiest gratitude's to the honorable Chief Guest, the distinguished guests and all the participants of convention on my behalf and on behalf of the PSST.

Thank you very much, Sir.