

## **SUGAR INDUSTRY AND SUGARCANE FARMER RELATIONSHIP- THE EID PARRY WAY**

E.I.D Parry (India) Ltd is the largest producer of sugar in Tamil Nadu. The four factories run by the Group crush about 33-35 Lakh ton of cane to produce about 3.5 lakh ton of sugar a year. The Integrated Sugar Complex at Nellikuppam besides producing sugar, generates green power through cogeneration and supplies to State Electricity Grid. A Distillery and Organic Manure Plant also form part of this Integrated Sugar Complex.

- The company has established a Cane Development Department with three wings viz. R&D, Cane Extension and Cane Operations as compared to the industry where generally there is only the Cane Operations wing in the Cane Department. The R&D wing has full fledged inhouse research facilities with the disciplines of Plant Breeding, Entomology, Pathology, Agronomy, Soil Science and Farmer Training. The company invests close to Rs.2 crore per year and has invested about Rs.35 – 40 crore over the past ten years on Research and Development with a focus on increasing the sugarcane productivity levels. This unit has also helped in developing some sugarcane varieties suiting the local needs.
- The technology transfer from lab to land is effectively implemented through cane extension and cane operations wings of the Cane Department.
- The technology services provided to the farmers for raising sugarcane crop (from planting to harvest) is intense with the result, the average cane yield of the farmers has gone up from 80 ton to 100 ton per hectare over the years.
- The technical services provided to the farmers coupled with the prompt cane payment have resulted in loyalty of the cane farmers to the sugar factory, which is evident from the fact that there is no sugarcane diversion to jaggery manufacturing, whereas the percentage of diversion of sugarcane for jaggery ranges from 10-30 in other factories.
- The company ensures that the payment to the farmers is made within 14 days of the supply of sugarcane.
- The company helps in arranging institutional credit to the growers and regularly conducts Farmers Training Programmes on sugarcane cultivation.

The key factor behind E.I.D Parry's success in the sugar industry comes from building a close relationship with the farmer over four decades. The Company has set as its mission that it will attempt to increase the farmers' income three times in five years through R&D, extension and operation services to the farmers. In all about 90, 000 farmers are supplying sugarcane to the four sugar factories of the group.

Recently the Company has finalized a tie up arrangement with LIC and Cholamandlam Insurance to extend life, medical and accident group insurance cover to all the sugarcane farmers in its area at a very nominal premium. An accidental death and life insurance cover is also provided to 1,30,000 cane field labourers (who are engaged by the farmers in cane cultivation operation).