

Excess rainfall likely to hit cane output this season

But, next year could see a bumper crop, say farmers and industry

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Excess rainfall in almost all agrarian states across India could have damaged kharif crops, including sugarcane. But farmers and traders are hopeful of a bumper sugarcane crop, as well as sugar output, in the 2020-21 season because of surplus rainfall this year. The sugar season starts in October and ends in September.

Based on the long period average (LPA), the India Meteorological Department (IMD) had reported that 968.3 mm rainfall between June 1 and September 30 was about 10 per cent more than the normal perception of 880.6 mm. According to the IMD, last year had seen a normal rainfall.

The occurrences of sudden downpour created havoc almost throughout the country, with most agrarian regions reporting damage to sown kharif crops. The key among them was sugarcane crop.

"The overall sugarcane output is likely to decline this year (2019-20) due to the crop damage caused by floods, followed by the diversion of standing pre-matured plants for fodder, especially in Maharashtra. But, next year, i.e. 2020-21, will certainly be a bumper year in terms of sugarcane output in India, with reservoirs being full and groundwater level favourable, which suit cane planting," said Prakash Naiknavare, managing director,



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India's cane area & output

Year	Area	% Change YoY	Production	% Change YoY
2017-18	4.7		380	
2018-19	5.2	8.9	400	5.4
2019-20*	5.9	14.3	351	-12.3

Area in million hectare & Production in million tonnes; *4th advance estimates
Source: National Bulk Handling Corporation; Compiled by BS Research Bureau

the National Federation of Cooperative Sugar Factories (NFCSF).

Meanwhile, a recent survey carried out by private crop assessment and agri-warehousing company National Bulk Handling Corporation (NBHC) projected India's sugarcane output to decline 12 per cent to 351 million tonnes (mt) for the crushing season 2019-20, as against 400 mt in the previous year. For the crushing

season 2017-18, the cane output was reported at 380 mt.

The survey concluded the total sugarcane area to increase 14 per cent to 5.89 million hectare (ha) for the current season; it was 5.16 million ha in the previous year.

With a conservative estimate of 15 per cent for replanting and another 15 per cent for jaggery and khandari production, including a limited quantity of pre-mature

cane diverted as fodder in flood-hit Maharashtra, the quantity of cane left for crushing in sugar mills is estimated around 250 mt. At an average recovery rate of 10 per cent across the country, India's sugar output is estimated to remain around 25 mt in 2019-20. During the last crushing season, i.e. 2018-19, India's sugar output was estimated at 32.95 mt.

Industry body Indian Sugar Mills Association (ISMA) had in July estimated India's sugar output at 28.2 mt, based on normal monsoon and other optimum conditions.

"We are estimating a sugar surplus of around 15 million tonnes this year. Considering 6 mt of exports during the crushing season 2019-20 ending on September 30, 2020, the overall ending stock is set to remain around 8 mt for the next season also," said a senior industry official.

Praful Vithalani, president of the All India Sugar Trade Association (AISTA), said: "The sugar output will remain low this year, i.e. for 2019-20, but bounce back for a bumper in 2020-21."

Mills in Uttar Pradesh and Maharashtra, India's two leading sugar producers, are preparing to commence cane crushing in the first fortnight of November. With an estimated sugar production between 5-5.5 mt this year, as against 10.2 mt last year, the sugar-crushing season in Maharashtra is estimated to decline by half to three months this year, as against over six months in a normal season.

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