

ISMA faces ire over output estimate

FE BUREAU

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FOOD SECRETARY SANJEEV

Chopra on Friday criticised the Indian Sugar Mills Association (ISMA)'s projection of decline in sugar production in the next season (2023-24) as 'highly premature' and created panic about the sugar shortage in the country.

Chopra said "it is too early to predict sugarcane and sugar production for the 2023-24 season and prices of sugar and other essential commodities will remain stable during the forthcoming festival months".

ISMA on Wednesday in its



preliminary estimate had projected 3.41% lower sugar production of 31.68 million tonne (MT) in the next 2023-24 (October-September) season compared to the current season because of higher diversion

of sugarcane for ethanol production.

In the current season, sugar production is estimated at 32.8 MT. According to the agriculture ministry, the sugarcane area is 2.54% up at 5.6 million hectare compared to the same period last year.

"The area has gone up, although there has been a concern about patchy rainfall", Chopra said while adding that the crop is still in the stage of maturity and 'will know sugarcane production after a month or so with greater certainty'.

In terms of the availability of sugar, Chopra said the country currently has 10.8 MT

tonne of the sweetener, while 4.6-4.8 MT of sugar would be required to meet the demand in August and September.

"Even then the present availability of sugar is more than sufficient to meet the demand. So, there is no cause for panic," he said. The country's total sugar consumption is about 27.5 MT.

In the current season, the government has decided not to approve a second tranche of sugar exports beyond 6 MT.

This follows inputs received by the food ministry on the crop prospects from the various key sugarcane producing regions.