Trade body lowers sugar output estimate to 33.5 million tonnes

Our Bureau

Chennai

The All-India Sugar Traders Association (AISTA) has lowered its estimates for sugar production during the current season (October 2022-September 2023) to 33.5 million tonnes (mt) from its earlier projections of 34.5 mt.

The estimate was arrived at after AISTA's crop estimation committee met on February 24 and assessed the current situation, said an AISTA statement.

Association's vice-chairman Rahil Shaikh said agroeconomists, research officers, executives of sugar mills and members who had conducted field surveys and interacted with farmers took part in the meeting besides cane managers of mills. "The decline in production in Maharashtra



The revised estimate excludes sugar being diverted for ethanol production

and Karnataka is mainly due to lower sugarcane yield and recovery rate," Shaikh said in a statement releasing the revised estimate.

ETHANOL DIVERSION

The revised estimate excludes sugar being diverted for ethanol production. AISTA, however, said 4.5 mt of sugar would be diverted for ethanol against the earlier projection of 5 mt.

According to AISTA, Maharashtra will continue to be the top sugar producer in the country with the output estimated at 11.3 mt (12.4 mt earlier projection). Last year, the State produced a record high of 13.7 mt. Sugar production in Uttar Pradesh is expected to increase to 10.8 mt (10.5 mt) from 10.2 mt last season. The output in Karnataka will likely drop to 5.5 mt (5.7 mt) from 6.2 mt last season.

Production in Tamil Nadu is estimated to remain the same at 1.7 mt as projected initially. Last year, the State produced 1.3 mt. AISTA's estimate is 0.5 mt lower than the projections of Indian Sugar Mills Association, made at the end of January. AISTA said a good number of sugar factories in Maharashtra have started closing down or have already pulled the shutters down. Some are able to operate in only one or two shifts, a clear sign of the season tapering off.