

# Sugar output in Maharashtra set to fall to lowest in 4 years

Sugar output in Maharashtra, India's top producing state, is likely to fall 14% in the 2023/24 crop year to its lowest in four years due to lower cane yields following the driest August in more than a century, industry and government officials told *Reuters* on Wednesday. The reduced output could add to food inflation and discourage New Delhi from allowing sugar exports, supporting global prices which are already near their highest in more than a decade. Higher domestic prices will, however, improve margins for producers such as Balrampur Chini, Dwarikesh Sugar, Shree Renuka Sugars and Dalmia Bharat Sugar, helping them make payments on time to farmers. The western state of Maharashtra, which accounts for more than a third of India's sugar output, could produce 9 million metric tonnes in the 2023/24 season (which begins on October 1), down from 10.5 million tonnes in 2022/23, said B.B. Thombare, president of the West Indian Sugar Mills Association.

**REUTERS**