

# M'rajshtra Millers to Increase Raw Sugar Exports

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**Pune:** Sugar producers from Maharashtra are gearing up to maximise exports of raw sugar in the first two months of the crushing season, even as ICE futures plunged to a decade low on Wednesday after India announced mandatory exports of 5 million tonnes of the sweetener. To encourage exports, the government also increased the assistance given to sugar mills to pay for cane to ₹138 a tonne from ₹55.

Millers are happy because the subsidy is more than ₹110 a tonne they had asked for. The total package of ₹5,538 crore announced on Wednesday also includes a transport subsidy for sugar exports in proportion to the distance of the mill from ports.

"The relief that the millers would get on exported sugar has increased from



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₹7.70 per kg to ₹9.15-11.30," said Prakash Nalknavare, managing director of the National Cooperative Sugar Factories Federation.

Though the central assistance is for raw, white as well as refined sugar, the industry will focus on exporting raw sugar, especially in the initial period of the crushing season that starts on October 20. "Mills will mostly produce and export raw sugar in the first two months when sugar recovery is low," said BB Thombre, president of Western Indian Sugar Mills Association.

Appealing mills to export more, Jayaprakash Dandegaonkar, vice-chairman of the Maharashtra Cooperative Sugar Factories Federation, said: "We should also export sugar on the transferable quota of Uttar Pradesh mills.

Uttar Pradesh is the top producer of sugar in India, followed by Maharashtra and Karnataka.

Mills from Maharashtra will now lobby to get financial assistance from the state government as well to bridge their loss of ₹4-4.50 a kg even after taking the assistance of the central government, industry insiders said. The UP government had announced a package of its own.

The sugar industry in Maharashtra is also awaiting a decision on their demand for interest-free soft loans from the central government to cover the short margin on bank loans.

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