

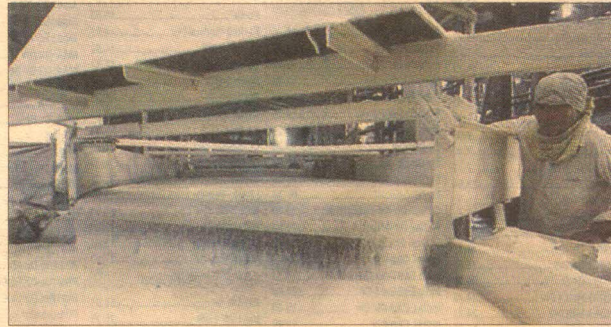
'Sugar output to be lower at 23-23.5 m tonne next year'

New Delhi, Sept 19: Sugar output in India is likely to drop to 23-23.5 million tonne in the ensuing 2016-17 season, sugar cooperative NFCSFL said on Monday, demanding several government measures, including rollback of stock limits to improve the plight of sugar mills.

While the production is likely to decline for the second straight year in 2016-17 the availability of the sweetener will be sufficient to meet domestic demand as the year will end with a carry over stock of 7.1 million tonne, it said.

Sugar output in the current 2015-16 season (October-September) is estimated at 25.1 million tonne (MT).

Indian Sugar Mills Asso-



ciation (ISMA), which represents private sugar mills, has pegged sugar output at 23.2 MT for the next 2016-17 season, while the government has projected production to be in the range of 23-24 MT.

"Indian sugar production in 2016-17 season is estimated to be around 23-23.5 MT. The fall in sugar production is

due to two straight drought in the major producing states Maharashtra and Karnataka," National Federation of Cooperative Sugar Factories (NFCSFL) president Dilip Walse Patil said at the 57th annual general meeting here.

Sugar stocks in the country will fall to their lowest in

over a decade in the 2016-17 season as consumption outstrips supply, but will have the "sufficient" sugar to meet the requirement, he said.

Highlighting the poor plight of the ₹80,000 crore sugar industry, Patil said, "There are few problems before the sugar industry which need immediate remedial solution to save the sugar industry and also sugarcane farmers."

He said the government should roll back stock holding limits imposed on sugar mills, recast bank loans, continue waiver of excise duty on ethanol, scrapping of sugar cess and special package for sugar mills among others.

PTI