

# 'Sugar output may see a dip in 2012-13'

**fe Bureau**

**New Delhi, Oct 9:** India, the world's second-largest sugar producer, is likely to produce 23.5 million to 24 million tonnes of sugar in the marketing year that started October 1, agriculture minister Sharad Pawar said on Tuesday.

India produced 26.2 million tonnes sugar in 2011-12, compared to a demand of around 22 million tonnes. Poor monsoon in key sugar-producing states of Maharashtra and Karnataka in June and July has hurt the cane crop.

Last week, food minister KV Thomas had said the country would at least produce 23 million tonnes of sugar in 2012-13, and there were chances of better out-

put as well. The Indian Sugar Mills Association (ISMA) has projected sugar output for 2012-13 at 24 million tonnes while another key industry body, the National Federation of Co-operative Sugar Factories, has pegged it at 24.5 million tonnes.

Despite the expected fall in output, sugar supplies would still exceed consumption, preventing any irrational spike in prices, which have risen by more than 15% since July on fears that poor rainfall would hurt cane yield, Thomas said.

According to ISMA, sugar stocks at the start of the next marketing year are estimated at 6 million tonnes from 5.5 million tonnes in the previous year, thanks to higher production in 2011-12.