

**Press release – 22<sup>nd</sup> July' 2022**

**PRELIMINARY ESTIMATES OF SUGAR PRODUCTION IN 2022-23 SS**

- Based on the satellite images procured in the latter part of June 2022, the total acreage under sugarcane in the country is estimated to be around 58.28 lakh hectares in 2022-23 SS, which is about 4% higher than 2021-22 sugar season's cane area of around 55.83 lakh ha.
- The increase in acreage and the expected increase in sugarcane production was discussed in the meeting of ISMA on 22<sup>nd</sup> July, 2022, wherein representatives from sugar producing States from across the country were present. The images of the cane area, field reports regarding expected yield, sugar recovery, drawal percentage, impact of previous and current year's rainfall, water availability in reservoirs, expected rainfall during SW monsoon 2022 and other related aspects were discussed in detail during the meeting and accordingly preliminary estimates for 2022-23 SS are being released.
- This is without considering reduction of sugar because of diversion of B heavy molasses and sugarcane juice/ syrup into production of ethanol.
- Following table indicating current year sugar production vis a vis estimated sugar production for 2022-23 is self-explanatory:

S.No	States	Sugarcane Acreage		% Change over last year	2021-22 (upto 15 <sup>th</sup> July, 2022)			2022-23		
		Lakh Hectares			Estimated sugar production	Estimated sugar diversion	Actual sugar production	Estimated sugar production	Estimated sugar diversion	Actual sugar production
		2021-22	2022-23		BEFORE DIVERSION		AFTER DIVERSION	BEFORE DIVERSION		AFTER DIVERSION
					Lac tons	Lac tons	Lac tons	Lac tons	Lac tons	Lac tons
1	Uttar Pradesh	23.08	23.72	+3%	114.98	34.02	102.48	120.49	45	
2	Maharashtra	13.50	14.41	+7%	148.65		137.36	148.90		
3	Karnataka*	5.85	6.25	+7%	66.22*		58.85*	65.90		
4	Tamil Nadu*	2.60	2.75	+6%	10.24*		10.05*	13.96		
5	Gujarat	2.10	2.20	+5%	12.27		12.12	12.79		
6	Others	8.7	9.01	+4%	35.36		32.84	37.93		
7	<b>Total sugar 21-22 SS (Upto 15<sup>th</sup> July, 2022)</b>				387.72*			353.69*		
7	<b>Total (estimated end of season)</b>	<b>55.83</b>	<b>58.28</b>	<b>+4%</b>	<b>394</b>	<b>34.02</b>	<b>360</b>	<b>399.97</b>	<b>45</b>	<b>354.97</b>

\*Special season is in progress in Karnataka and Tamil Nadu, so production figures of these states are upto 15<sup>th</sup> July, 2022 (2021-22 SS)

- As may be seen from the above table, net sugar production before considering diversion towards ethanol is estimated to be higher at 399.97 lac tons, against 394 lac tons estimated for 2021-22. However, in the current year sugar diversion towards production of ethanol is estimated to be higher.
- In the current season, till 10<sup>th</sup> July, 2022, total contracted quantity of ethanol is 444.42 crore litres. Out of this, 362.16 cr ltrs is from sugar industry. Out of this 362.16 cr ltrs, ethanol manufactured from sugarcane juice and B-Heavy molasses (BHM)

stands at 349.49 crore litres (79.33 crore litres from sugarcane juice and 270.16 crore litres from BHM), which translates into diversion of about 34 lac tons of sugar into ethanol, as previously estimated by ISMA.

- Since a significant quantity of sugarcane juice / syrup and B-molasses will again be diverted into ethanol production, a proportionate quantity of sugar will get diverted in next season also. With higher ethanol production capacity and continued surplus sugarcane in next year, a larger quantity of cane juice /syrup and B-molasses will get diverted to ethanol.
- During the next year 2022-23, since the target of 12% blending is expected to be achieved, a total of about 545 crore litres of ethanol would be required and supplied.
- Accordingly, **it is estimated that the diversion of cane juice and B-molasses to ethanol will reduce sugar production by about 45 lakh tons in next season**, as compared to about 34 lakh tons estimated to be diverted this year.
- Therefore, **after accounting for the reduction of 45 lac tons in sugar production due to diversion of cane juice and B-molasses to ethanol, ISMA estimates sugar production in 2022-23 at around 355 lakh tons of sugar** and consumption would be around 275 lac ton therefore keeping a surplus of about 80 lac tons which needs to be exported.
- The above estimate is made assuming normal rainfall and other optimum conditions during the remaining period.

