

Press release – 17th October' 2022

1st ADVANCE ESTIMATES OF SUGAR PRODUCTION IN 2022-23 SS

- In July 2022, ISMA had released its preliminary estimates of net sugar production at 355 lac tons for 2022-23 SS, based on the first survey of satellite mapping carried out in June 2022. This was estimated after considering a diversion of 45 Lakh Tons of sugar for production of Ethanol using B heavy molasses / juice / syrup.
- The second set of satellite images of sugarcane crop acreage across the country has been procured in the 1st week of October 2022. Based on the satellite images so procured, the total acreage under sugarcane in the country is estimated to be around 59 lakh hectares in 2022-23 SS, which is about 6% higher than 2021-22 sugar season's cane area of around 56 lakh ha.
- The increase in acreage and the expected increase in sugarcane production was discussed in the meeting of ISMA on 17th October, 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, rainfall during SW monsoon 2022 and other related aspects were discussed in detail during the meeting and accordingly 1st advance 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			2022-23		
					Estimated sugar production	Estimated sugar diversion	Actual sugar production	Estimated sugar production	Estimated sugar diversion	Actual sugar production
		BEFORE DIVERSION	AFTER DIVERSION		BEFORE DIVERSION		AFTER DIVERSION			
		Lakh Hectares	Lakh Hectares		Lac tons	Lac tons	Lac tons	Lac tons	Lac tons	Lac tons
1	Uttar Pradesh	23.1	23.8	+3%	114	34	102	123	45	365
2	Maharashtra	13.5	14.5	+7%	149		137	150		
3	Karnataka	5.9	6.5	+11%	68		60	70		
4	Tamil Nadu	2.6	2.9	+11%	13		13	14		
5	Gujarat	2.1	2.2	+6%	12		12	13		
6	Others	8.7	9.1	+5%	36		34	40		
7	Total (estimated end of season)	55.9	59.0	+6%	392	34	358	410	45	365

- As may be seen from the above table, net sugar production in 2022-23 SS before considering diversion towards ethanol is estimated to be higher by about 5% at around 410 lac tons, against 392 lac tons produced in 2021-22 SS.
- During the 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.
- The Indian sugar industry is committed towards nation building and striving to achieve the ethanol blending target fixed by the Government for 2022-23 season and therefore in the current year, sugar diversion towards production of ethanol is estimated to be higher by 32% at 45 lac tons against 34 lac tons estimated in the last season.

- Therefore, **after accounting for the reduction of 45 lac tons in sugar production due to diversion of cane juice / syrup and B-molasses to ethanol, ISMA estimates sugar production in 2022-23 at around 365 lakh tons of sugar.**
- With an opening balance as on 1st Oct. 2022 of around 55 lakh tons, estimated sugar production for the season 2022-23 of around 365 lakh tons and estimated domestic sales of around 275 lakh tons will leave additional sugar at around 90 lac tons, which needs to be exported to maintain the same closing stock.
- Since, window of timeline for exports in the current year appears to be quite short for Indian sugar as CS Brazil sugar production is expected to bounce back to normal level of around 36 million tons during its 2023-24 SS, which is due to start in April, 2023 and therefore Brazilian sugar will hit global market by May, 2023. Further, most mills have already contracted sugar for export supplies in the current season. So, an early announcement of sugar export policy by the Government shall be highly appreciated.
- The sugarcane crushing for the season 2022-23 has started in the southern region and is expected to start soon in other regions also. Therefore, a better picture would emerge after a few months when actual trend of yields and sugar recoveries would become available. As has been the practice, ISMA will again review the sugarcane and sugar production estimates in January 2023, when the trends of the above are available.

