

ISMA cuts sugar production estimate to 32.8 million tonnes for this season

Our Bureau
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The Indian Sugar Mills Association (ISMA), an industry body of private sugar companies, has cut its estimate of sugar production for the current season (October 2022 to September 2023), to 32.8 million tonnes (mt) from 34 mt after taking into consideration a drop in Maharashtra output and a marginal increase in Uttar Pradesh. The annual domestic consumption is pegged at 27.5 mt. The country produced 35.76 mt



NOT SO SWEET. Sugar output in the country dipped 5.4% to 31.1 mt as of April 15 in the 2022-23 sugar season

in the 2021-22 season. "The executive committee of ISMA, which met on Tuesday in New Delhi, deliberated on

the expected output after assessing all the data generated so far," said ISMA President Aditya Shunjanwala. He

said there has been about a 1.5 mt drop in Maharashtra from the previous estimates while UP could see 0.3 mt higher than what was pegged earlier.

Sugar production in the country dipped 5.4 per cent to 31.1 mt as of April 15 in the 2022-23 sugar season (October-September) against 32.87 mt in the year-ago period, according to ISMA.

PINE TUNING ESTIMATE

Meanwhile, the Food Ministry is mulling over fine-tuning the production estimate to make it more accurate in

future, after the assessment in Maharashtra went completely off the mark. "Near-accurate estimate helps the government to formulate policy accordingly. As 6 mt of export was allowed at the beginning, fortunately, the drop in production is not that big, otherwise there could have been problem of domestic availability," said a source at the ministry.

In July 2022, the preliminary forecast of ISMA had pegged output at 35.5 mt (after diversion for ethanol) and in October it was raised to 36.5 mt. However, it was

cut to 34 mt in January 2023. Even the Maharashtra government was not able to estimate this year's production, sources said.

The output in Uttar Pradesh was higher at 9.66 mt against 9.44 mt until April 15 (compared against the year-ago period), while ISMA's revised estimates has put the production at 10.4 mt as many of the mills are still continuing crushing.

On the other hand, production is estimated to drop in Maharashtra to 10.5 mt from 12.65 mt, and in Karnataka to 5.53 mt from

5.8 mt. As all mills in Maharashtra have closed crushing operations, the output in the State may not see any change, except for some data adjustment.

As many as 400 mills have closed operation across the country and only 132 factories were continuing crushing operations as of April 15, against 305 operational factories in the year-ago period. All 28 mills are still in operation in Tamil Nadu, the same as in the year-ago period, and production was up by nearly 34 per cent to 1.03 mt from 0.77 mt.