**SUGAR PRODUCTION ESTIMATED TO DECLINE BY 11% IN MAHARASHTRA RETAIL PRICES COULD SHOOT UP**

* By [Surendra P Gangan](https://www.hindustantimes.com/author/surendra-p-gangan-101608310365153)

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MUMBAI: AFTER recording a 17% drop in 2022-23, sugar production in Maharashtra is expected to drop by over 11% this year. This could lead to a further rise in the retail rate in the coming days.

According to the latest estimate by the sugar commissionerate of Maharashtra, the unseasonal rain, dry spells and the forecasted less-than-average rainfall this year is expected to take a huge toll on sugar production. The stress on the crop because of all these factors will lead to a drop in the recovery rate (production of sugar against the crushing of a quintal of sugarcane) and in turn, the production.

“The area under sugarcane cultivation is expected to remain at 14.37 lakh hectares this year as against 14.83 lakh hectares last year,” said an official from the sugar commissionerate. “Nine hundred and seventy lakh tonnes of cane are expected to come for crushing, with an expected production of 94 lakh metric tonnes after the diversion of 15 lakh tonnes for the production of ethanol. The recovery rate is expected to remain 10% against the average rate of 11.25% owing to the lessened weight of canes on account of poor growth.” The official added that the production could drop to less than 90 lakh tonnes if the rainfall was even less than forecast.

Sanjeev Babar, Former Managing Director of Maharashtra State Cooperative Sugar Factories Federation, said the drop in production could lead to a rise in the retail rate of sugar. “The sugarcane crop has been constantly under stress since last winter when unseasonal rain did not hit the sugar belt in western Maharashtra, and summer extended to the last week of June this year,” he said. “For the last three weeks, there has been no rain in the state. This weakens plant roots and affects plant growth. The drop in production obviously leads to a rise in the wholesale and retail rates.”

Babar, however, added that the central Government is expected to intervene on account of it being an election year. “Like the regulation of onion and tomato prices, the central government may restrict exports to stem a rise in retail prices,” he said.

**Jayprakash Dandegaonkar, Chairman of National Federation of Cooperative Sugar Factories, said sugar production was expected to come down the most in the two states of Maharashtra and Karnataka. “The national production is expected to be approximately 330 lakh tonnes, around 56 lakh tonnes less than in 2022-23,” he said. “Of this, around 50 lakh tonnes are expected to be diverted for the production of ethanol. Our domestic consumption is around 275 lakh tonnes and with a carry-over stock of 65 lakh tonnes, the production will be more than required.”**

Dandegaonkar said despite the lower percentage of production in Maharashtra, the stock was still more than enough. “However, with the forecast of the drop in production, the wholesale rate has increased to ₹3,500 a quintal from ₹3,100 a quintal in the last three months,” he said. “In my opinion,, there will be no further rise in price. The prices are also unlikely to increase further due to Government intervention.”

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