INDIA MAY MISS 29 MT SUGAR OUTPUT TARGET ON LOWER RECOVERY, LESS SUGARCANE

INDIA'S sugar production has been reported at 12.75 lakh tonnes (lt) from October 1 to November 15 of the current sugar season (October-September), down 37 per cent from 20.20 lt in the year-ago period, according to industry data. Though crushing started earlier than previous season, the lower recovery of cane juice in Maharashtra may not be completely offset by higher recovery in Uttar Pradesh, potentially leading to a decline in sugar output this year.

"Although the new sugarcane crushing season has started a bit early across the country, the pace of actual sugarcane and sugar production is slower than last year," said Prakash Naiknavare, Managing Director of the National Federation of Cooperative Sugar Factories (NFCSF). This season's sugarcane and sugar production is expected to be lower than the previous year owing to climate change due to the El Nino effect, said Naiknavare.

Diversion for ethanol

In the 2022-23 season, the production was 330.9 lt (excluding 43 lakh tonnes of sugar equivalent diverted towards ethanol). But this year, the production of sugar may be about 291 lt, after the diversion of 40 lt towards ethanol, he said. However, many industry experts have pegged sugar output to fall below 290 lt, but will be higher than the annual consumption estimate of 275-280 lt.

According to data released by NFCSF, as many as 263 sugar factories across the country have started crushing operations as of November 15 against 317 factories in the year-ago period. Total cane crushed so far is 162.34 lt down from 246.29 lt a year ago and the average sugar recovery is 7.81 per cent, down from 8.17 per cent a year ago. Recovery is the amount of sugar produced from each quintal of cane crushed.

Naiknavare said sugar factories in Uttar Pradesh, for the first time, began crushing in October this year. Normally, they start only after Diwali. But the sugar season in Karnataka and Maharashtra started on November 1. Further, he said factories in western Maharashtra are not operating at full capacity even after the opening ceremony performed on Muhurat due to sugarcane price agitation.

Recovery rates

Data show that 75 mills in Uttar Pradesh are on stream and have crushed 39.53 lt of sugarcane to produce 3.40 lt of sugar at an average sugar recovery of 8.60 per cent. In contrast, 103 factories in Maharashtra are in operation and have crushed 36.09 lt of sugarcane to produce 2.40 lt of sugar at an average recovery of 6.65 per cent. During this period last year, the recovery in UP was 7.75 per cent and in Maharashtra, it was 8.5 per cent.

Only 50 mills in Karnataka have started crushing and have produced 4.30 lt of sugar at an average recovery of 8 per cent. Uttar Pradesh, Maharashtra and Karnataka are the top three sugar producers in the country.

The Agriculture Ministry has estimated sugarcane output in 2023-24 to drop 11.4 per cent to 434.79 million tonnes (mt) against 490.53 mt a year ago.

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