

NFCSF SEEKS HIGHER SUGAR EXPORT QUOTA, MORE DIVERSION FOR ETHANOL

WITH sugar production expected to rise sharply this season, the National Federation of Cooperative Sugar Factories Limited (NFCSF) has urged the Centre to take immediate measures to stabilise domestic sugar prices.

The federation has demanded an increase in the sugar export quota and the diversion of an additional five lakh tonnes of sugar towards ethanol production to prevent a further fall in prices.

NFCSF President Harshwardhan Patil said that timely and affirmative decisions by the government would provide much-needed relief to sugar mills, particularly cooperatives, which are under growing financial pressure.

He said that higher exports and greater diversion to ethanol would help absorb excess sugar in the market and support the Minimum Selling Price (MSP).

SURPLUS SUGAR

Sugar production in the ongoing 2025–26 season has shown strong and encouraging trends, reflecting robust sugarcane availability and improved operational efficiency across major producing states, according to the Indian Sugar & Bio-energy Manufacturers Association (ISMA).

While this growth underlines the sector's productive capacity, millers have raised concerns about surplus sugar leading to depressed prices.

Millers argue that current prices do not adequately reflect the rising production costs, including higher cane prices, energy expenses, and operational inputs.

At the same time, ex-mill sugar prices have remained under pressure, eroding margins for mills.

Industry representatives warned that continued stress on mill finances could worsen the liquidity crisis faced by cooperative sugar factories.

Such a situation, they said, would have a direct impact on timely payments to sugarcane farmers, further aggravating the distress in rural areas.

The federation emphasised that a positive response from the Centre on exports, ethanol diversion, and MSP revision would help stabilise the sugar market, improve mill viability, and safeguard farmer interests at a critical juncture for the sector.

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