

MAHA SUGAR OUTPUT FORECAST REVISED TO 60 LT THIS SEASON

PUNE; MARCH 11: Maharashtra seems to have its sugar production estimates go wrong this time. The state's sugar production estimates have been revised to 60 lakh tonne from 58 lakh tonne by the state sugar commissionerate with increase in sugar recovery rates reported by several mills in Kolhapur region. Significantly, sugar mills from Kolhapur and Sangli, which were affected by the floods during the monsoons, have reported 10 lakh tonne more from the given estimates, according to industry persons.

Due to flooding of sugar fields, production estimates in Kolhapur division were expected to go down by 30-40%. However, it was later realised that barring a couple of talukas, production was not hit in the rest of Kolhapur and this was only 10-15%, officials from the commissionerate revealed. Some of the mills are still running and are expected to continue till the month-end, the officials said.

With more cane planted for the next season, sugar production is expected to rise in the coming season as well and therefore mills are expected to export more sugar this season to maintain stability in prices. Last year, sugar mills in the state were allocated an export quota of 10.5 lakh tonne, of which mills managed to export only 5.5 lakh tonne. This season, Maharashtra has been allocated a quota of 18.50 lakh tonne of which 11 lakh tonne has been exported. A requirement of 1.15 lakh tonne has come from Indonesia this season.

Indonesia annually imports 35-45 lakh tonne sugar and is the second largest importer of sugar after China. Thailand is usually the main supplier of sugar to Indonesia which is currently facing shortage of sugar resulting in high domestic prices. Of the 60 lakh tonne of MAEQs issued by the government, around 35 lakh tonne have already been contracted which leaves another 25 lakh tonne of exports, he said. This could be a golden opportunity for Indian millers since there is no other country than India in global market with sugar in hand, Prakash Naiknavare, MD, National Federation of Cooperative Sugar Factories had stated earlier.

Khatal said that mills in Maharashtra have export targets of 18 lakh tonne and may be able to meet most of their quotas. BB Thombare, president, Western India Sugar Mills Association (WISMA) said that the state may be able to export 12-15 lakh tonne of sugar this season. In Maharashtra, sugar production till February 29, 2020 was 50.70 lakh tonne, compared with 92.88 lakh tonne produced same period last year. In the current 2019-20 sugar

season, out of 145 sugar mills in operation, 25 have ended their crushing due to non-availability of cane in their area.

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