

Sugar production till March 15 declines 21%

Sugar production till March 15 in the current sugar season (October-September) has declined 21% to 21.58 million tonne as against 27.36 MT in the same period last season.

According to reports available, sugar mills have despatched almost 3 MT from their factories for export against maximum admissible export quantity (MAEQ) of 6 MT till March 15, 2020.

As per market sources, as much as 3.6-3.8 MT have been contracted for exports so far. The current unprecedented



situation due to outbreak of COVID-19 has also impacted the global sugar prices. However, the impact could be temporary, the apex sugar body – Indian Sugar Mills’ Association (Isma) said on Tuesday. The fall in sugar production from Thailand to the tune of 5 MT as compared to last year, and the recent decision of the Indonesian government to allow 600 ICUMSA sugar at a concessional import duty from India, Australia and Thailand, gives an additional opportunity to India to export large quantities to Indonesia. 600 ICUMSA sugar is a natural, high energy food source made from the sugarcane. Indian raw sugar has a good chance of getting exported to Indonesia. Hence, it is expected that sugar exports from India will again pick up soon. The COVID-19 impact has also reduced sugar offtake from mills in the past 15 days or so. The sweetener in the pipeline would have got sold in the wholesale and retail market in the past couple of weeks. Experts say it is expected that fresh buying from the mills may take place soon because the pipeline would have largely dried up. That should control sugar prices and buying should help the mills. For the period till March 15 in the 2019-20 SS, 457 sugar mills started crushing operations as against 527 mills which operated last year, said Indian Sugar Mills’ Association (Isma) on Tuesday. As on March 15 this season, 136 mills have stopped crushing and only 321 sugar mills in the country were operating as compared to 173 mills and 354 mills, respectively in the last sugar season. In Uttar Pradesh, 119 sugar mills in operation have produced 8.71 MT. It is estimated that UP will be producing similar quantity of sugar as was produced last year at around 11.8 MT, Isma pointed out.

Source: [Financial express, March 18, 2020 \(verbatim reproduced\)](#)