



DOMESTIC SUGAR SEASON 2021-22 (SS 21-22)

As per the Agriculture Department, sugarcane area increased 3% year-on-year to 54.37 Lakh hectares during SS 21-22. Major increases were witnessed in Maharashtra and Karnataka, due to good southwest monsoon rainfall and sufficient water availability in the reservoirs.

The country's sugar production stood at 34.237 million tonnes till April 30, 2022, as against 30.029 million tonnes produced at the same time last year. Further, 217 sugar mills in the country were still operational at this time, as compared to 106 sugar mills in the previous year.

In Maharashtra, sugar production till April 30, 2022 was 13.206 million tonnes, compared with 10.563 million tonnes produced in the same period last year. In this season, 76 mills had closed their crushing operations in the state and 123 sugar mills were still operating as on April 30, 2022. This was a massive increase over last year, when only 23 mills were operating on the corresponding date. Since mills were facing problems in harvesting and transportation of harvestable cane, the State Government had announced assistance to enable them to continue crushing till cane lasts.

In the state of Uttar Pradesh (UP), sugar mills had produced 9.898 million tonnes of sugar as on April 30, 2022, which was lower than the production of 10.562 million tonnes achieved

last year on the corresponding date. Of the 120 mills that operated this year, 78 had ended their crushing as on April 30, 2022, while 42 mills continued their operations this year compared to 45 mills which were operating around the same time in the previous year. Most of the operating mills in the current season are expected to close by mid-May, though some could continue operations till the end of May 2022.

Of the 72 mills which operated in Karnataka, 70 had closed their crushing operations for the main season as on April 30, 2022, and only 2 mills were still in operation. By that time, the state had produced 5.902 million tonnes of sugar. However, a few of the closed mills were expected to operate in the special season commencing June / July 2022. During the corresponding period last year, all the operating 66 sugar mills had closed their operations, having produced 4.248 million



The Sugar industry is one of the largest agro-based industries in India, with a total turnover of over ₹ 1,00,000 crore, including sugar and its co-products.

tonnes of sugar. However, in the special season last year, 0.220 million tonnes of sugar was additionally produced.

Gujarat had produced 1.155 million tonnes of sugar till April 30, 2022, with 10 sugar mills in operation. Last year, 1.015 million tonnes of sugar had been produced, with 5 mills in operation on the same date.

In the case of Tamil Nadu, of the 29 sugar mills which operated this season, 5 sugar mills had ended their crushing as on April 30, 2022, though some were expected to operate in the special season later in the year. Till April 30, 2022, sugar production in the state was 0.840 million tonnes, compared with 0.604 million tonnes produced by 27 sugar mills as on the corresponding date last year. Of the 27 sugar mills, 9 had ended their operations while 18 mills were in operation as on April 30, 2021. In the special season last year, Tamil Nadu mills had produced 0.216 million tonnes of sugar.

The remaining states of Andhra Pradesh, Telangana, Bihar, Uttarakhand, Punjab, Haryana, Madhya Pradesh, Chhattisgarh, Rajasthan and Odisha had collectively produced 3.236 million tonnes till April 30, 2022. Of them, Bihar, Punjab, Chhattisgarh, Rajasthan and Odisha had already closed

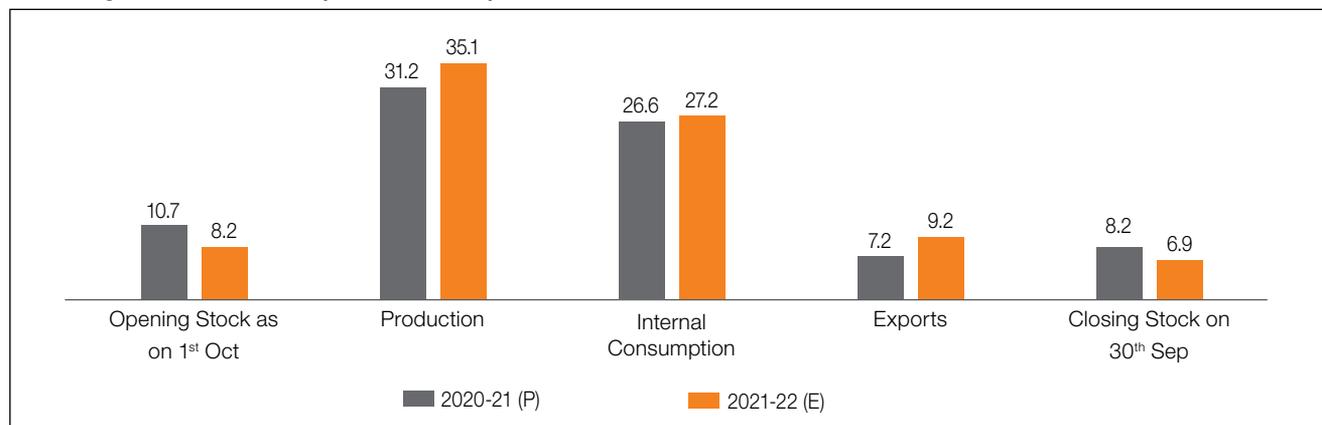
their crushing operations for the current campaign as on April 30, 2022.

As per industry estimates, all-India sugar production is expected to be around 35.1 million tonnes for Sugar Season (SS) 2021-22, after taking into account diversion of ~3.5 million tonnes of sugar to ethanol. In SS 2020-21, production stood at 31.2 million tonnes after diversion of ~2 million tonnes of sugar for production of ethanol.

Till the end of April 2022, the country had already entered into exports contracts of ~ 8.2 to 8.3 million tonnes, of which about 6.8 to 7.0 million tonnes was reported to have been physically exported. The domestic sugar consumption in this season was estimated to be 27.2 million tonnes as against last year's figure of 26.6 million tonnes.

With an opening stock of about 8.2 million tonnes as on October 1, 2021, domestic consumption of 27.2 million tonnes, sugar exports of 9.2 million tonnes, and estimated sugar production of 35.1 million tonnes in this sugar season, the closing stock as on September 30, 2022 was expected to be 6.9 million tonnes, which would be sufficient for 3 months of domestic consumption.

India Sugar Balance Sheet (million tonnes)



Source: ISMA

Note: Data for SS 2021-22 is estimated; 2020-21(P) is Provisional & 2021-22 (E) is Estimate

Triveni estimates for SS 2021-22 : Production 35.5 million tonnes, Domestic Consumption 27.5 million tonnes, Exports 10.0 million tonnes, Closing stock 6.2 million tonnes



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