# Sugar Production

## Why in news?

India’s sugar production has hit an all-time high of 355 lakh tonnes this year.

## What is the trend with respect to sugar production this year?

- After a five-year gap, Maharashtra has overtaken Uttar Pradesh (UP) to regain its position as India’s top sugar producer (138 lakh tonnes (lt)).
- Karnataka and Gujarat has also made a remarkable production and has rebound from the drought-affected levels of 2019-20.
- UP’s sugar output has fallen to a five-year-low in 2021-22.
- However overall India has made a record production of 355.5 lt of sugar.

## What are the reasons behind bumper production of sugar in Maharashtra?

- Maharashtra has been receiving bountiful rainfall since the 2019 southwest monsoon season (June-September).
- The filling up of reservoirs and recharged groundwater aquifers has induced farmer to plant more area under sugarcane which is a 12-18 months duration crop.
- Increased cultivation of adsali variety and reduction in cultivation of suru. Adsali is an 18-month cane yielding more than the regular 12-month ‘suru’ and 15-month ‘pre-seasonal’ crops.
- Increase in area of cultivation of sugarcane. There is a huge jump in “unregistered area” of cane cultivation. The mill owners peg that at least one lakh hectares (lh) haven’t got “registered” for supplying to any factory.
- The unregistered area is mostly in the Marathwada region and the adjoining districts of Ahmednagar and Solapur.
- This belt is most prone to drought. Neither the state’s revenue nor agriculture departments could assess the actual area planted.

## Why there is a decline in production of sugar in UP?

- Around 12 lt equivalent of sugar from cane crushed by mills are getting diverted for making ethanol this year, compared to 7.19 lt in 2020-21.
- UP has in fact, become India’s largest ethanol producer, while also achieving the highest blending-in-petrol ratio among all states.
- There is crop loss due to excess rains and water-logging in many low-lying cane-growing areas

of eastern UP.
- About 87% of UP's cane area is planted under a single variety, Co-0238 which has become susceptible to red rot fungal disease. Replacing it with Co-0118 and Co-15023 variety resistant to red rot will improve the yield.

## What the bumper production means for Mill owners and Consumers?

- Despite UP's sugar output falling to a five-year-low India has made a record sugar production of 355.5 lt.
- **Mill Owners -** This meant that there is un-harvested cane still in the fields and mills in Maharashtra will continue to crush till the first week of June. In normal years, crushing operations are over by April-end.
- Maharashtra government has announced a subsidy of Rs 20/quintal to compensate mills for lower sugar recovery from cane crushed in extreme summer heat.
- **Consumers –** Bumper production usually results in price drop. Interestingly due to increased exports there is no price drop this year.
- The export is likely to reach 100 lt in the current sugar year from 71.9 lt in 2020-21.

## Is there a need to cap the exports?

- With opening stocks of 85 lt on October 1, 2021, production of 355.5 lt, domestic consumption of 275-280 lt and exports of 100 lt, the year will close with 60.5-65.5 lt of sugar with mills. These stocks would suffice for over 2.5 months of domestic consumption.
- Given the comfortable availability position, the Centre's decision to cap sugar exports at 100 lt for 2021-22 has taken many by surprise.

**Reference**


1. https://indianexpress.com/article/explained/how-maharashtra-overtook-up-to-re-emerge-as-top-sugar-producer-7944570/lite/



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