

Home > News > Business India News

Sugar production to rise by 12 to 14 pc in SS 2020-21: Brickwork



New Delhi , Feb 23: Sugar production in the country is likely to grow by 12 to 14 per cent year-on-year to 31.5 million tonnes in the October 2020 to September 2021 season, **Brickwork Rating** said on Tuesday.

The pan-India sugarcane area is pegged at 5.23 million hectares for 2020-21, about 7 per cent higher than the previous year's cropped area of 4.87 million hectares.

The production growth is likely to be driven by Maharashtra and Karnataka as the states have experienced better-than-average southwest monsoon and increase in area under cultivation. There is also a moderate increase in the area under sugarcane cultivation in Gujarat.

Uttar Pradesh, the country's largest sugar-producing state, is likely to experience a slight decline in production. This is primarily expected due to slight decline in area under sugarcane cultivation and higher instances of red rot disease in the state.

Brickwork said sugar production is also likely to decline as compared to the last season levels because of resumption in normal services of gur and khandsari businesses which were under-operating during the last season.

However, the situation in Uttar Pradesh is likely to improve in coming seasons as farmers are fast replacing existing sugarcane varieties with high yielding and highly resistant varieties.

A slight decline in area under cultivation and in sugar production for SS 2020-21 is likely in Tamil Nadu, another major producer. Production from other states is likely to remain in line with the previous season's levels as no major changes were observed.

However, said **Brickwork**, as the country-wide area under sugarcane cultivation has significantly improved, higher availability of sugarcane for crushing is expected, thereby enabling higher sugar production.

During the 2019-20 season, sugar production declined by 16 to 17 per cent due to erratic monsoons which damaged sugarcane crops in Maharashtra and Karnataka. Submerged sugarcane fields impacted both the quality and quantity in these regions.

The combination of a prolonged dry spell in 2018 followed by heavy rainfall around August 2019 increased pest infestation and diseases in sugarcane fields of various regions. These factors brought down the area under sugarcane cultivation in SS 2019-20.

Hence, India's opening stock for the 2020-21 season is 21 per cent lower than the previous season on account of lower stock and strong export sales in the 2019-20 season. However, SS 2020-21 is likely to present an alternate rosy picture.