

2 Indian sugar

2.1 Sugar production

ISMA has up-revised its production estimate to 350 lakh tons after accounting for 34 lakh tons subsumed in ethanol. Indian sugar production till 15th April 2022 was 330 lakh tons, higher by 38 lakh tons compared to previous season. Much of the increase has come from Maharashtra and Karnataka.

2.2 Sugar prices

Sugar prices are expected to remain firm in the medium term as the closing stock is estimated to touch its five-year low (around 70 lakh tons) at the end of the current sugar season (Oct '21-Sep '22). This will be despite peak sugar production of 350 lakh tons estimated for the full year. A decline in opening stock and expected record high sugar exports in sugar season 2021/22 will be the key factors in lowering the country's inventory during the year, thereby reducing the supply glut.
