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Pvt sugar mills in a sweet spot as coop mills see delays in crushing

FE BUREAU
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PRIVATE SUGAR MILLS are expected to exceed the number of cooperative mills crushing cane in Maharashtra in the sugar season of 2021-22, according to the Western India Sugar Mills Association (WISMA). Although the government has set October 15 as the official date for commencement of crushing operations this season, it is likely to be delayed by 8-10 days due to the heavy rains in the state in the last fortnight.

BB Thombare, president, WISMA, which represents the private sugar millers in the state, said that over 100 odd private mills are expected to participate in crushing this season. "Normally the ratio of cooperative and private mills is 50:50, ie is 95 cooperative mills and another 95 private mills. This time, around 6

cooperatives have been leased out to private mills and this is likely to increase the share of private mills this season," he said. Around 200 to 205 factories are expected to participate in crushing this season.

"Indian sugar mills are in the middle of a golden period where there is enough demand and supply for Indian sugar in the domestic and international market, thanks to a good rainfall for the last couple of years. Sugar prices are high due to high demand and exports are also high," he said. In contrast, Brazil, the world's largest producer of sugar has reported nearly 30% damage to crop and the next season is also likely to see a 40% drop in cultivation since there is no ratoon available, he pointed out. Moreover, as against 110 litres of ethanol produced in the 2020-21 season, mills from Maharashtra are likely to produce some

150 litres of ethanol due to the push given by the government given for encouraging ethanol production, he said.

The valuation of sugar has gone up to ₹3200 per quintal and sugar is currently selling in the market for ₹3400 per quintal for small grade and ₹3500 per quintal for medium grade, he said. Mills in Marathwada, however are likely to commence the season by the month-end because of the heavy rains in the last couple of weeks. Cane cutters are unable to go into the fields that still have standing water, Thombare said.

The office of the sugar commissioner has received 195 applications for issuance of crushing licenses. At least 101 licenses - 50 for cooperative mills and 50 for cooperative mills have been issued so far, Shekhar Gaikwad, Maharashtra Sugar Commissioner said.