

VSI

BULLETIN



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Foreword Foreword ...

As I present this bulletin of the third issue of this year, the farmers are very happy as monsoon season officially ended, with India recording 934.8 mm rainfall, 108 percent of the long-period average and the highest since 2020, according to India Meteorological Department data with this we hope that we will get bumper production in agriculture sector.

The Indian sugar market is projected to experience a slight decline in production for the 2024-25 season due to reduced sugarcane acreage. However, sufficient excess stocks and improved water availability are expected to support a balanced market. Exporters can expect a stable and productive season, with optimistic projections for overall market health.

The Department of Agriculture & Farmers' Welfare data showed that sugarcane sowing reached 57.68 lakh hectares this year, compared to 57.11 lakh hectares in the year 2023. Despite the reduced acreage, rainfall in the current year has been abundant, approximately 30% above average. The optimistic rainfall forecast for the remainder of the monsoon season is anticipated to enhance cane productivity and sugar recovery. This improved water availability is expected to mitigate the impact of the reduced cane area, resulting in only a minimal decline of 3-5 per cent in gross sugar production in Maharashtra and Karnataka.

Experts anticipate India's gross sugar production will be 34.5 million metric tonnes (MMT) and 4 MMT will go for ethanol production in the year 2024-25 seasons. However, ISMA projected opening stocks as of October 1, 2024, are estimated at 9.05 mt, with a gross sugar production of 33.3 mt. The total availability of sugar during the year is expected to be 42.35 mt, with domestic consumption estimated at 29.0 mt. By September 30, 2025, the closing stock is projected at 13.35 mt. These projections assume average rainfall and other optimal conditions for the remainder of the season.

Sugar Season-wise FRP announced by Central Government for ensuing sugar season 2024-25 has been fixed at Rs.340 per quintal linked to a basic recovery rate of 10.25% subject to a premium of Rs. 3.32 per quintal for each 0.1% increase of recovery over and above 10.25% and reduction in FRP at the same rate for each 0.1% decrease in the recovery rate till 9.5%. With a view to protect interest of farmers the Government has decided that there shall not be any deduction in case where recovery is below 9.5%; such farmers will get Rs. 315.10 per quintal for sugarcane.

A look at the events, training, workshops reported in this issue will once again showcase the prominent role of VSI in capacity building through training on the domestic front. Visitors to VSI also do not fail to be impressed by its functions in research, extension and training as VSI's work has always related to sugarcane growers and industry's needs by trying to reduce the gap between the lab and land.

(RM Devarumath)
Editor