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## **2. Sugar Industry in India**

### **Why in News?**

- Recently, India has gone from being a marginal sugar exporter five years ago to No. 2 in the world, behind only Brazil. Between 2017-18 and 2021-22, exports have soared from USD 810.9 million to USD 4.6 billion.

### **Highlights**

- Sugar industry is an important agro-based industry that impacts the rural livelihood of about 50 million sugarcane farmers and around 5 lakh workers directly employed in sugar mills.
- In (Oct-Sep) 2021-22 India emerges as the world's largest producer and consumer of sugar and world's 2<sup>nd</sup> largest exporter of sugar.
- Sugar industry is broadly distributed over two major areas of production- Uttar Pradesh, Bihar, Haryana and Punjab in the north and Maharashtra, Karnataka, Tamil Nadu and Andhra Pradesh in the south.
- South India has a tropical climate which is suitable for higher sucrose content giving a higher yield per unit area as compared to north India.
- India hardly exported any raw sugar (produced after the first crystallisation of cane juice).
- It mainly shipped plantation white sugar (produced by refining of raw sugar) with 100-150 ICUMSA value (International Commission for Uniform Methods of Sugar Analysis). This was referred to as low-quality whites or LQW in international markets.
- ICUMSA is a measure of purity. The lower the value, the more the whiteness.
- Lower stocks and production dipping in 2021-22 has led the government to cap India's exports in the current sugar year to 61 lakh tonnes to ensure domestic availability.
- The government did it to ensure domestic availability and contain food inflation but overseas markets once lost aren't easy to regain.