

Mills avoid sugar sales at lower price

Our Correspondent

Mumbai, Sept 14

Sugar prices in the Vashi wholesale market increased by Rs 10-15 a quintal due to rise in retail demand on Friday. Naka rates also edged up by Rs 10. Mill tender rates ruled steady for normal quality while fine variety sold Rs 10-20 higher.

Freight rates improved by Rs 5/ per bag after hike in diesel prices across the country. A wholesaler said mill tender rates remained unchanged but the under current was firm as producers were not very keen to sell at lower rates.

Analyst said that rising demand ahead of marriage and festive seasons and output concerns supported the upside in sugar futures.

Sugar production is likely to drop next year.

In Vashi market, arrivals and local dispatches were higher at 58-60 truckloads



(each of 100 bags of quintal each). On Thursday evening about 10-12 mills offered tenders and sold 37,000-38,000 bags (each of 100 kg) on routine demand at Rs 3,460-3,530 (Rs 3,460-3,530) for S-grade and Rs 3,550-3,640 (Rs 3,550-3,540) for M-grade. Fine quality sugar was sold at Rs 10-20 higher.

Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,552-3,666 (Rs 3,552-3,656) and M-grade Rs 3,622-3,771 (Rs 3,611-3,771). Naka delivery rates: S-grade Rs 3,500-3,550 (Rs 3,500-3,550) and M-grade Rs 3,600-3,700 (Rs 3,600-3,700).