

Sugar may rise on festival demand

Our Correspondent

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Sugar prices shot up Rs 40-60 a quintal in Maharashtra on higher demand on Friday. Naka rates went up Rs 50-70 on eased selling pressure while in the Vashi wholesale spot market, pressure from mills to lift stocks and higher arrivals kept the price rise limited to Rs 20-30. Traders expect a further jump on higher retail demand for the new month Ganeshotsav festival. A Vashi-based wholesaler said that buying from eastern side continued in Maharashtra for the fourth consecutive day. Maharashtra's mills sold two rail rake (each 27,000 bags) of S-grade at the price of Rs 3,410 - Rs 3,436 to eastern side buyers on Thursday evening taking total volumes to 8-10 rakes (more than two lakh bags) this week.

As September to November is festival season, domestic consumer demand for sugar could rise.

Higher rates in domestic futures markets kept the senti-

ment bullish in the physical market. Arrivals and local dispatches were higher on Friday. Freight rates ruled steady.

Meanwhile, the Ministry of Consumer Affairs, Food & Public Distribution, said in press release that the Ministry has been consistently getting reports about some sugar mills, resorting to the practice of issuing of sale invoices in the last of the month while the actual financial and physical transaction happens subsequently.

In Vashi market arrivals were higher at 58-60 truck loads (each of 100 bags of quintal each) and local dispatches were 57-58 loads. On Thursday evening, about 16-17 mills sold more than 1.30 lakh bags including two rail rakes (52,000 - 54,000 bags) to eastern buyers in the range of Rs 3,410-3,436 and sold about 83,000-85,000 bags (each of 100 kg) to local traders in the range of Rs. 3,390-3,460 (Rs 3,360- 3,420) for S-grade and Rs 3,470-3,570 (Rs 3,420-3,520) for M-grade.

The Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,512-3,572 (Rs 3,485-3,552) and M-grade Rs 3,586- 3,731 (Rs 3,561-3,711).

Naka delivery rates: S-grade Rs 3,500 -3,530 (Rs 3,440 - 3,480) and M-grade Rs 3,600-3,650 (Rs 3,530-3,630).

