

Retail offtake boosts sugar in Delhi, Kolkata

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Sugar prices in Delhi and Kolkata wholesale markets improved today because of good local demand.

Prices, however, declined in Mumbai and Kolhapur due to high supplies and lower offtake, dealers said.

In Delhi and Kolkata, sugar prices rose by Rs 15 and Rs 10 a quintal, respectively, while prices were down in Mumbai by Rs 10. Sugar fell Rs 18 in Kolhapur, they said.

Demand for sugar has improved in Delhi from retailers. This is pulling prices up, a Delhi-based trader said adding that prices are

likely to rise by another Rs 10-15 in the coming days.

However, a Mumbai-based dealer said, supplies are far higher than consumption in the city.

"The supplies are way higher than demand, therefore, there are no chances of prices rising as of now. However, if the government announces any policy changes, then we may see a slight correction," he said.

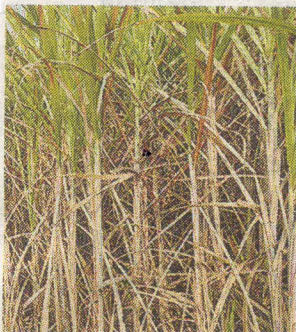
There are talks that the Government may increase the validity period for sale of December-March non-levy quota.

The sugar industry has been lobbying for extension of validity period for sale of Dec-Mar sugar quota as they have been struggling to sell off the stipulated quota because of thin demand.

On the National Commodity and Derivatives Exchange, sugar futures ended up, tracking fresh buying at lower levels.

The February contract ended up Rs 7 at Rs 3,265 from the previous close.

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