

Mills Cash in on Sugar Rate Rise, Sign Export Deals



ANIMISHA

Jayashree.Bhosale
@timesgroup.com

Pune: Indian mills have signed deals in the past ten days for exporting about 1 lakh quintal sugar, seeking to make the most of the increase in international prices before crushing begins in Brazil and has a



₹26/kg
Rate offered
by exporters

possible adverse impact on prices. "With exporters offering a higher rate of ₹26-26.50 per kg, mills are now interested in exporting sugar. They have signed deals for exporting about 1 lakh quintal sugar and it will be followed up with a few more deals,"

₹45/kg
Govt subsidy
for a tonne

said Sanjiv Babar, managing director, Maharashtra Cooperative Sugar Factories Federation. Since the Central government will pay ₹45 per tonne as subsidy on sugarcane payment, the mills will effectively get a subsidy of about ₹300 per quintal. With domestic market rates ruling at ₹30 per kg, returns from export are on a par with domestic market prices.

JR Pawar, managing director of Vridhdheshar SSK in Ahmednagar district said, "We signed export deal for 26,000 quintals at ₹2,625 per quintal ex-factory on March 3."