

# Sugar prices likely to remain firm in next 3-4 quarters

## ■ Nanda Kasabe

**Pune, Nov 10:** Despite a subdued festive season, sugar prices continue to remain high this season.

Sugar prices are likely to remain firm in the next three-four quarters, given the tight supply situation in the domestic market, analysts tracking the sector said.

Prices continue to range between ₹3,540-₹3,630 per quintal for S-30 and ₹3,680-₹3,902 for medium grade sugar. Prices have remained stable for the past one month or so since there has been lesser demand in the wholesale market, says Mukesh Kuvediya, secretary general, Bombay Sugar Merchants Association.

The Centre's move to demonetise ₹500 and ₹1,000 notes has not impacted trade much since most of the dealings are concluded by cheque payments. However, the retail market has been affected since there is no liquidity and customers have not been able to procure sugar because of the current

situation, Kuvediya said.

Maharashtra millers have been complaining that the tenders for sugar sale have not been getting the expected response from traders. Kuvediya said the outlook for the commodity this season would largely depend on the crushing, the total amount of production and market demand.

According to Shivajirao Nagawade, chairman, Maharashtra State Cooperative Sugar Factories Federation, the industry is going through tough times. Despite the festive season, there is no demand for sugar in the market and there are no bids to tenders floated by factories for sugar sale. "Moreover, there are instalments for the loans taken during the last season. A delegation led by NCP leader Sharad Pawar has already met Union finance minister Arun Jaitley to seek restructuring of loans. However, there has been no response from the Centre," he said.