Business Line dt.21.7.22

Amit Shah to decide on more sugar exports

Likely to clear 7-12 lakh tonnes, including raws from mills and ports

PRABHUDATTA MISHRA

New Delhi, July 20

While the sugar industry expects the Centre to release an additional 7-8 lakh tonnes (lt) of sugar over and above the 100 lt cap fixed from June 1, there could be bonus for millers. The Government may allocate 12 lt to which officials have agreed. A decision is likely to be taken by Home Minister Amit Shah this week, sources said.

The committee of secretaries, headed by the Cabinet Secretary, on Tuesday is reported to have agreed "in principle" to allow about 12 lt of additional sugar export quota to the mills, after considering its possible impact on the domestic market, sources said.

In a letter to Food Secretary, President of the Indian Sugar Mills Association (ISMA) Aditya Jhunjhunwala conveyed the industry's demand for releasing additional 10 lt quota for mills, citing better sugarcane availability in the next season (October-September).

Jhunjhunwala said sugar mills had applied for 17 lt of export quota based on the contracts they had already signed, but the government had granted only 8 lt. Industry sources said while mills have around 4 lt of raw sugar lying with them. A similar quantity has got stuck at ports due to export restrictions.

Export restrictions

India has already exported 100 lt of sugar since October 1. Exports of sugar (raw, refined, and white sugar) have been placed under the restricted category between June 1 and October 31. In a notification issued May 24, the Directorate-General of Foreign Trade (DGFT) allowed export only through permits and fixed a maximum quantity of 100 lt for the entire season.

India has exported 100 lt of sugar since October 1. Exports have been placed under the restricted category between June 1 and October 31

Domestic prices

In the first week of June, the Food Ministry allocated 10 lt of quota on a pro-rata basis among those exporters who had applied for the permits. But the mills were allocated 8 lt to sell to these exporters after factoring in the quantity in transit.

According to Consumer Affairs Ministry data, the all-India average retail price of sugar in the past six months was between ₹40.96 and ₹41.73 per kg.

The ISMA President said that ex-mill prices have not increased and still hover around ₹32-35/kg, despite record export of 86 lt between October and May in the current season.

ISMA claimed that the opening balance as of October 1 would be enough to meet the demand for two-and-a-half months, and by that time, sugar from the new season will be available. Against an estimated production of 360 lt and 82 lt of carryover stock, the total availability has been seen at 442 lt this season. If 100 lt export and 270-275 lt domestic consumption are deducted from the availability, the surplus will be 67-72 lt.

"About 60 lt is enough to meet the initial requirement next season until new sugar comes to the market. This leaves scope for further release of 7-12 lt for export," said an official source.

Meanwhile, former food and agriculture minister Sharad Pawar on July 19 met Food Minister Piyush Goyal and discussed about sugar issues, including exports.

Goyal will meet Shah to decide on the additional export quota since he handles both Commerce and Food, the source said.

The Economic Times dt.22.7.22

Prices of Californian Almonds, Other Imported Fruits Jump 15% on Re Fall

Dry and fresh fruit importers looking at new markets like Syria and Iran

Sutanuka.Ghosal
@timesgroup.com

Kolkata: Prices of Californian almonds, Washington apples, imported cherries, kiwis and berries have shot up by up to 15% due to the rupee depreciation, thereby hurting domestic demand that had gone up after the second wave of Covid-19.

Prices of Californian almonds have gone up by up to 10%, and with the rupee expected to slip further against the US dollar, dry fruit importers are now looking at Syria and Afghanistan to import almonds that are lesser priced, said traders from Delhi's Khari Baoli market, one of the largest fruit markets in the country.

"The traders are worried what will be the price in September when the new Californian almonds will come, if this rupee slide against dollar continues," said Vijay Kumar Bhuta, president of Bombay Dry Fruits and Date Merchants Association.

India annually imports 36,000 tonnes of dry fruits and spices. Indians had been consuming more imported fruits like apples and blueberries from the US and the kiwifruit from Chile and New Zealand that are considered to be good for immunity building. Imports of these fruits had increased 20-30% since April last year amid the second wave of the pandemic.

But rupee depreciation and supply chain issues have impacted the price of imported fruits, said Sumit Saran, India representative of Washington Apple Commission. "Imports of apples from Washington have come down significantly," he said. "Moreover, the consumer demand for all kinds of imported fruits has been hurt due to higher prices."

India annually imports 200,000 tonnes of apples at an average landed price of Rs 120-150 per kg. Imports of the variety from the US state of Washington had dropped to just 381,614 cartons in 2020-21 compared with 1.07 million cartons in the pre-pandemic 2019-20, even as India increased duty on the juicy fruit to 75% from 50% after the then Trump administration raised tariffs on Indian shipments of steel and aluminium to the US. The higher duties still stand.

Fresh fruit importers are now reducing their dependence on Washington for apple supply and are bringing apples more from Iran and Turkey as their prices are much lesser compared to the apples from Washington.