

Taliban Surge Lifts Dry Fruit Prices in India

Tea exporters also worried about potential impact on demand from Afghanistan

Sutanuka.Ghosal
@timesgroup.com

Kolkata: Militant group Taliban's rapid takeover of power in Afghanistan over the past week is having some ripple effects on Indian commodity markets with questions raised over availability of dry fruits in the upcoming festive season and tea exports to Afghanistan.

Dry fruit prices are already on the rise. Prices in the country's largest wholesale market, Khari Baoli market in Delhi's Chandni Chowk that supplies to the entire country, have moved up by 10% in the last three days and may rise further, wholesalers said.

"Prices have appreciated in the last three days when it became clear that Taliban will shortly take over the capital city of Kabul," Sandeep Jatia,

IMPORTANT PLAYER The Economic Times 18/08/21



Afghanistan accounts for 30% of India's ₹20,000-crore dry fruits market. It is also an important market for tea exporters even though it buys more teas from Kenya as compared to India

a wholesaler from Khari Baoli market, told ET. "Supply-side worries have pushed up prices and if this trend continues, then dry fruits, which are used for corporate gifting too during festive season, will go up."

Retail prices of dry fruits have increased 20-30% in the past one week, according to Dinesh Purohit, a retailer at Mumbai's Crawford market.

India is a major importer of dry fruits such as dried raisin, walnut, almond, fig, pine nut, pistachios and dried

apricot from Afghanistan. The country also imports fresh fruits such as cherry and watermelon from there.

Traders say Afghanistan accounts for 30% of India's ₹20,000-crore dry fruits market.

Tea exporters, too, are worried about the situation and are hoping that the new rulers will not take any step to destabilise trade, impacting tea exports from India. Though Afghanistan buys more teas from Kenya compared to India, it is an important market for tea exporters.

"Every market, big or small, is important for us," said Vivek Goenka, chairman of Indian Tea Association. "More so when tea exports have fallen to 71.07 million kg from 76.28 million kg in the first five months of calendar 2022. Any disruption in any of our exporting markets is a concern for us."

In 2020, Afghanistan had bought teas worth ₹25-30 crore from India, a senior member of Calcutta Tea Traders Association said.

Dinesh Chawla, owner of Lahore Dry Fruit Store at Khari Baoli market, said dry fruit wholesalers are closely watching the situation in Afghanistan. "Prices started moving up as Taliban started capturing cities after cities in Afghanistan. But the sharpest spike happened after it became clear that they will take over Kabul as well," he said.