

# Kay Bee expands production

Indian pomegranate specialist Kay Bee Exports has enjoyed two highly successful pomegranate campaigns, thanks to increasing demand for the fruit

**STEVEN MAXWELL**

✉ [steven@fruitnet.com](mailto:steven@fruitnet.com)

**Indian pomegranate exporter Kay Bee Exports has benefited from very successful winter and summer pomegranate campaigns, with the company emerging during the former as the country's largest exporter during the traditional winter season. Starting in January, the company has also begun a programme to deliver a consistent supply of fruit that is compliant with European pesticide residue regulations, which should boost future summer campaigns.**

According to Kay Bee's chief executive, Kaushal Khakhar, the company has also benefited from favourable weather conditions this year, with only moderate rainfall recorded in India's major pomegranate growing areas.

Being a fruit that likes lesser amount of water, Mr Khakhar expects the crops to develop well over the months to come.

This year will be particularly significant for Kay Bee as it will mark the first harvest of the company's own pomegranate production.

Although Kay Bee exports an estimated 1,500 tonnes of pomegranates, these volumes have, until now, been sourced from associated growers. By contrast, Mr Khakhar says that for the first time, the firm will market around 50 tonnes of pomegranates from Kay Bee Farms.

Kay Bee, he continues, has also invested this year in a state-of-the-art packhouse, which features modern processing and grading lines, while the company has separately invested in a second production site devoted to vegetables.

But this, Mr Khakhar says, is only the beginning of Kay Bee's plans for growth. The company is aiming to invest in additional packhouses on a continuous basis as it continues its gradual expansion in domestic and export markets.

The UK and the Netherlands are Kay Bee's principal export markets, between them receiving about 80 per cent of all the company's pomegranate shipments.

However, Mr Khakhar says Kay Bee is increasingly also shipping substantial volumes of the fruit to countries in the Middle East and Asia.

It may be reasonable to assume that this greater interest in these relatively closer markets is partly a consequence of high transport charges, but Kay Bee's chief executive says the company has yet to suffer any ill-effects from such pressures.

Indeed, he says that transport charges have been on the lower side for sea-freight because of excess capacities and a drop in global trade.

In terms of airfreight, Mr Khakhar says that charges from Mumbai airport have

In spite of what Mr Khakhar describes as the "superior quality" of the Indian-grown fruit, he says that prices for the country's pomegranates are considered high compared with other exporting nations.

The net result of this phenomenon, he explains, is that trade is now only possible during export windows when there is little or no competition from other sources. "There are still many months when India is the sole producer of pomegranates in the world, but these



Kay Bee will be producing its own pomegranate volumes this year, says Kaushal Khakhar (pictured)

also been "quite reasonable" because of the good connectivity of the airport.

In fact, he claims that Kay Bee is actually the largest airfreight exporter in India because of the high volumes it

months are now shrinking as production picks up in the Southern Hemisphere and in other countries," says Mr Khakhar.

Despite these pressures, he says that Kay Bee's goal for this year and the

## **There are still many months when India is the sole producer of pomegranates in the world, but these time periods are now shrinking**

achieves for mangoes and vegetables.

However, one key challenge that the company and the rest of India's pomegranate export sector faces at the present time is the high export prices for the fruit.

seasons going forward is to offer its pomegranate customers "consistent quality and assurances of food safety at honest prices thereby creating a sustainable development model for all of its stake-holders".