

Broken rice rules firm on strong overseas demand, tight supply

VISHWANATH KULKARNI

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A weakened currency has forced exporters to lower prices for non-basmati rice even as the demand for 100 per cent broken remains intact on strong demand, amidst challenges on the logistics front.

“There is some softening of prices, mainly due to the currency, which has weakened by about three per cent,” said BV Krishna Rao, President, The Rice Exporters’ Association. However, the 100 per cent broken rice is holding firm on tight supplies and demand from countries such as China, Indonesia and Senegal, besides domestic demand for production of ethanol, Rao said.

Strong offtake

Broken rice from India has seen strong offtake from countries such as China, Vietnam, and In-



onesia among others, where it is used as feed and noodles, while in the African countries such as Senegal it is used as a food.

“The supply of broken rice in the export market is tight. Broken prices have come closer to white rice prices in the domestic market and have topped prices in places like Raipur, Kolkata and Kakinada some times,” Rao said.

Presently, the free-on-board prices broken rice prices are around \$330 per tonne, while it varied between \$270 and \$300

last year. White rice 5 per cent broken has eased marginally to around \$350 per tonne and par-boiled around \$360, Rao said.

Broken rice is a by-product of paddy processing. For every quintal of paddy processed, one gets 60 per cent of head rice and 10 per cent broken, Rao said, adding that there was no mechanism to make rice into broken.

Commenting on the outlook for exports, Rao said, “I think we will repeat last year’s performance. We are not seeing any dip in enquiries, while the concerns of higher freight costs still exist”. India’s non-basmati rice shipments stood at over 17 million tonnes during 2021-22, an increase of around 30 per cent over the previous year’s 13 million tonnes. In value terms, the non-basmati rice exports stood at over \$6.11 billion from \$4.8 billion in the previous year.