

# Rice traders hike prices to mirror higher duty

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**TOP EXPORTER INDIA'S** rice export prices rose this week as traders factored in higher duty on rice shipments, while demand remained lacklustre in Thailand. India's 5% broken parboiled variety was quoted at \$550-558 per tonne this week, up from last week's \$543-550. Earlier this month, prices hit a record high of \$560.

"We've had to raise prices since the government is considering the total transaction value instead of free on board (FOB) value to calculate the 20% export duty. This has pushed our export prices higher," said a New Delhi-based dealer with a global trade house.

New Delhi imposed a 20% export duty on parboiled rice exports in August 2023 to control domestic rice prices. Indian exporters have received notices from the customs department demanding payment of duty differentials on rice exported in the last 18 months, four exporters told Reuters, a rare tax demand that could cripple rice shipments from India.

Thailand's 5% broken rice prices was at \$585-590 per tonne, down from last week's \$598. Prices softened on a weaker baht and demand, said a Bangkok-based trader. — **REUTERS**