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PRICE EDGE. India's offering most competitive; Beijing's imports come at a time when it has alleged the presence of GMO in New Delhi's shipments

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China has resumed buying broken rice from India despite rejecting several shipments, citing the alleged presence of genetically modified organisms.

However, shipment costs have surged after prices of bunker fuel, used to power ships, surged by 50 per cent due to the Iran war.

"Our rice exports continue to countries in West Africa, besides China. We are offering broken rice at \$300-310 f.o.b, but container freight costs have gone up due to a rise in bunker fuel," said BV Krishna Rao, Presid-

ent, The Rice Exporters Association of India (TREA).

"China is buying broken rice. Charge for a 20-foot container is \$75-80 a tonne, though there is no war surcharge," said M Madan Prakash, Director at the Chennai-based Rajathi Group of Companies that exports agri produce.

The Iran war has not affected export of non-basmati rice from India, though basmati rice shipments are facing problems, particularly to West Asia, said Rao.

China began importing Indian broken rice after 2022. During 2021-22, it imported record volumes of broken rice from New Delhi. However, the Indian government



banned the export of broken rice in 2022, fearing a supply shortage due to the crop being hit by weather-related problems.

The move comes as a surprise since Beijing raised the issue of the alleged presence of GMOs in Indian rice consignments two months ago, despite Chinese agencies clearing the shipments from India.

Global rice price trend

(in \$/tonne)

	5% broken white	25% broken white	Parballed
	April 01	April 01	April 01
India	337	324	345
Pakistan	347	331	-
Vietnam	368	346	-
Thailand	423	415	439

Source: Thai Rice Exporters Association

China rejected quite a few shipments.

EL NINO FACTOR

Indian rice prices are currently competitive as the shortage of supplies has pushed up prices of Thailand, Vietnam and Pakistan rice, he said.

At \$335-339 a tonne, Indian 5 per cent broken white rice is the most competitive

in the global market. Thailand is quoting \$423, Vietnam \$344-348 and Pakistan \$345-349.

New Delhi-based trade analyst S Chandrasekaran said the paddy harvest in Thailand and Vietnam is due later this month. "Rice prices may begin cooling this month-end or early April. However, the threat of the emergence of Super El Nino

may prevent any sharp fall in rice prices," he said.

Usually, El Nino leads to drought and longer dry periods in Asia, particularly countries such as India, Thailand, Indonesia, the Philippines and Vietnam.

"Malaysian government agencies are beginning to cover for any such eventuality," he said, adding that countries in the South-East Asia region are also covering for any conflict that may arise between China and Taiwan.

TREA's Rao said demand for rice continues to be normal in the global market. In India, the rabi paddy crop is healthy and good. "Rabi paddy harvest is expected to

be good," he said.

One reason rabi paddy is good is that South India has not been affected by unseasonal rain and hailstorms that lashed parts of North India in March, leading to loss in the wheat crop.

Initially estimated at 120 million tonnes, wheat production is now expected to be 5-10 per cent lower.

India's rice production is estimated to be above a record 150 million tonnes during the 2025-26 crop year, ending June.

"Besides bunker fuel price and currency fluctuations are also leading to uncertainty. Such situations lead to price rise," said Chandrasekaran.

Source: The Hindu Business Line, Friday, 17 April 2026

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