

Rice Bran Prices Up 20%, Sales to Edible Oil cos Rise

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Kolkata: Indian farmers and rice millers have made decent profits selling rice bran to domestic edible oil producers, after shortage of sunflower oil due to the Ukraine war pushed up demand for the alternative cooking oil.

In the last one month, the price of rice bran has risen by a fifth to ₹36,000 per tonne with edible oil makers increasing rice bran oil production to meet growing demand.

Rice bran, a by-product in rice milling, has been traditionally used for cattle and poultry feed. In recent years, oil mills have started extracting rice oil, which is popular among health-conscious consumers, but historically more expensive than some of the other edible oils.

Although rice bran oil accounts for a small portion of overall vegetable oil consumption in India, it has become one of the fastest-growing among edible oils.

“There has been huge demand for rice bran, for which the prices went up significantly in the last one month,”

Subrata Mondal, secretary of Bengal Rice

Mills Association, told ET. “Lesser availability of sunflower oil has fuelled the demand for rice bran oil in the country.”

Rice millers in Punjab too said there was good demand for rice bran in February and March. “Now milling of rice has stopped and it will only begin after the kharif crop comes,” said Tarsem Lal Sahni, president of Punjab Rice Mills Association.

India produces about 1 million tonnes of rice bran oil, although output can go up to 1.6 million tonnes if all the rice bran available in the country is used for this purpose.

Total edible oil consumption in India is 21-22 million tonnes, of which 14 million tonnes is imported.

“There is enough rice bran oil now. We had manufactured it at a higher price. We now have to see how to offload the stock in the market,” said AR Sharma,

chairman of Ricela Group which manufactures rice bran oil. “Prices of edible oils have come down by Rs 10-15 per litre.” Ricela Group exports 8,000 tonnes of rice bran oil to the US, Australia and New Zealand.

DEMAND UP

Shortage of sunflower oil due to Ukraine war has pushed up demand for the alternative cooking oil