

Growers gain as basmati exports rise

HAPPY HARVEST. Returns up 12-24% as shipments increase 11% in H1; arrivals in October up by 20%

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Basmati exporters are bullish on overseas demand and have bought paddy at prices which are 12-24 per cent higher than a year ago, encouraged by exports of the fragrant rice increasing by 11 per cent during the first half of the current fiscal.

The buying frenzy which has led to the price surge has been observed at agricultural produce marketing committee (APMC) yards despite the arrival of the crop being 20 per cent higher last month.

Arrivals of basmati paddy at APMC yards in Haryana, Punjab and Uttar Pradesh, which together make up 97 per cent of country's basmati production, have shot up by 20.3 per cent to 13.51 lakh tonnes (lt) in October from 11.23 lt a year ago, according to Agmarknet, a unit of the Agriculture Ministry. While Haryana



Higher paddy arrivals

	Arrivals (tonne)			Prices (₹/qtl)		
	2022	2021	% Change	2022	2021	% Change
Haryana	265057	83683	216.7	3322	2802	18.6
Punjab	214321	373024	-42.5	2724	2205	23.5
Uttar Pradesh	871955	666818	30.8	3045	2732	11.5

has seen a surge in arrivals by over three times to 2.65 lt, there is 43 per cent drop in Punjab to 2.13 lt. Arrivals in Uttar Pradesh are up by 31 per cent at 8.72 lt in October. Normally prices drop on higher

supplies, but in the case of basmati, paddy prices have increased in October — as high as 18.6 per cent to ₹3,322/quintal in Haryana and by 11.5 per cent to ₹3,045/quintal in Uttar Pradesh. The average

Export in Apr-Sept

	2022	2021	% chg
Quantity (tonne)	21,57,091	19,45,526	10.9
Value (₹ cr)	17,897	12,268	45.9
Value (USD mln)	2,280	1,660	37.3

mandi rates in Punjab have surged to ₹2,724/quintal, up by 23.5 per cent from the year-ago period.

NEW PLAYERS

Basmati exports are no more

confined to old big players as many new people have joined the trade and are exporting small quantities, said an exporter. "Fortunately due to the past experience, these new players have become wiser and are not ready to supply on full credit, nor are they lowering the contract price unreasonably," he said. There were reports of payment defaults by buyers in some countries in 2020.

According to latest report of APEDA, shipments of basmati rice increased to 21.57 lt in April-September of the current fiscal from 19.46 lt a year ago. However, in terms of value, the surge was 37 per cent to \$2.28 billion from \$1.66 billion. Due to a depreciating rupee, the growth is even higher — 46 per cent — in Indian currency at ₹17,897 crore against ₹12,268 crore. In fact, export realisation in basmati rice has increased to \$1,057/tonne this fiscal from \$853/tonne a year ago.