

● **FY23 SEES 16% JUMP Y-O-Y**

Rice exports cross record \$11 billion

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INDIA'S RICE EXPORTS have crossed a record \$11 billion in 2022-23, an increase of 16% from FY22. The volume of shipment, however, remained around the same level as last year at 21 million tonne (MT).

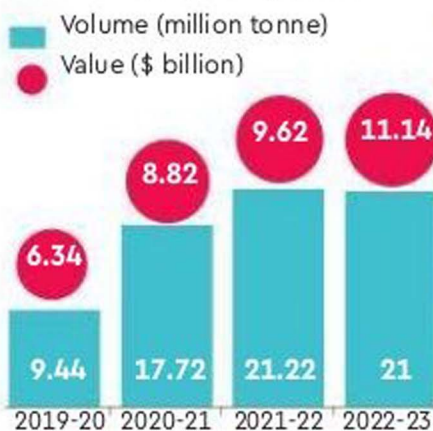
Officials attribute the spike in rice exports to factors such as robust global demand, especially from West Asian countries, Africa and Europe, and flood that hit a large chunk of paddy crop in Pakistan, a major grain exporter.

In FY22, India, which has an around 45% share in global rice trade, exported more than 21 MT of rice valued at \$9.6 billion. The increased realisation in rice exports has been achieved despite India last year banning broken rice shipment and the imposition of exports tax of 20% on white rice.

According to preliminary estimates, India has shipped \$11.14 billion of rice, which includes basmati (\$5 billion) and non-basmati (\$6.14 billion) during FY23. In terms of volume, the country has exported 4.9 MT of aromatic and long grain basmati and 16.1 MT of non-basmati rice. India annually exports 4.5-5 MT of basmati rice and has an 80% share in the global trade of aromatic rice.

"Demand for rice has been robust because of resumption

India's rice exports



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of shipment to Iran and spike in demand in Gulf countries especially from Saudi Arabia, Iran, UAE and others for the ongoing Ramadan months," K Kaul, senior executive director, All India Rice Exporters' Association, told FE.

India has been the world's largest exporter of rice since 2012. Currently, India exports more rice than the combined shipments of the next three largest exporters – Thailand, Vietnam and Pakistan. The United States department of agriculture (USDA), in its April 2023 crop outlook, has stated, "India's prices are the most competitive among global suppliers and its total supply of rice is near-record high." It

has also stated that India's price quotes for 5% broken-kernel rice were reported at \$434 this month and are virtually unchanged since late January.

"Competitive pricing have ensured a surge in rice exports in the last fiscal and adherence to quality parameters has resulted in a significant demand for Indian rice with the grain being shipped to more than 75 countries," M Angamuthu, chairman, Agricultural and Processed Food Products Development Authority, said.

In September, India had imposed a ban on broken rice exports and put a 20% export tariff on the non-basmati and non-parboiled rice, a measure aimed at improving domestic supplies due to the expectation of a decline in production in the 2022-23 crop season (July-June).