Agri-products exports fall 3.24% in Q1 to $5.88 billion

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INDIA'S EXPORTS OF agricultural and process food products in first quarter of FY25 declined by 3.24% to $5.88 billion on-year due to decline rice, cashew and maize shipments.

The commerce ministry has identified factors such as the Red Sea crisis causing increase in freight cost, restrictions on rice exports and fall in global price of maize.

Out of exports, items under the Agricultural and Processed Food Products Export Development Authority (APEDA) basket, shipments of meat, dairy and poultry products and fresh fruits and vegetables saw a spike during April-June, 2024-25 compared to FY24.

According to the Directorate General of Commercial Intelligence and Statistics, rice exports in the first quarter of the current fiscal dropped marginally 0.46% to $2.82 billion on-year.

Basmati rice exports grew by 13% during April-June, 2024-25 to $1.03 billion on-year due to robust global demand. Non-basmati rice shipment declined by 13% to $1.06 billion during the same period due to restriction on exports.

Last year, the government had imposed a ban on white and broken rice exports and 20% shipment duties on parboiled rice to improve domestic supplies.

Since last October, there has been a minimum export price (MEP) of $950/tonne on basmati rice exports.

Other cereals, including maize, dropped by 76% to $251 million because of higher global prices. Shipment of groundnut (16%) and pulses (5%) declined to $136 million and $143 million on-year during the first quarter of the current fiscal.

Rajesh Agarwal, additional secretary, ministry of commerce, said "We hope that in the next six months we will be able to cross last year's exports.

"In rice, we have close to last year's level while in other cereals that like maize we are falling behind".

Officials said there are 1,200 FPOs currently registered as exporters, signifying a growing recognition of their potential to drive the country's agricultural exports.

The exports of products under the APEDA basket declined by 6% to $25.01 billion due to fall in rice shipment. In FY 23, exports grew by 9% to $26.7 billion compared to FY22, due to a spike in shipment of rice, fruits and vegetables, livestock and dairy products.

The share of exports of products under the APEDA basket is around 51% in the the total shipment of agri-produce. Rest of the agricultural products exports include marine, tobacco, coffee and tea.