

Agriculture exports to reach nearly \$50 bn in 2024-25

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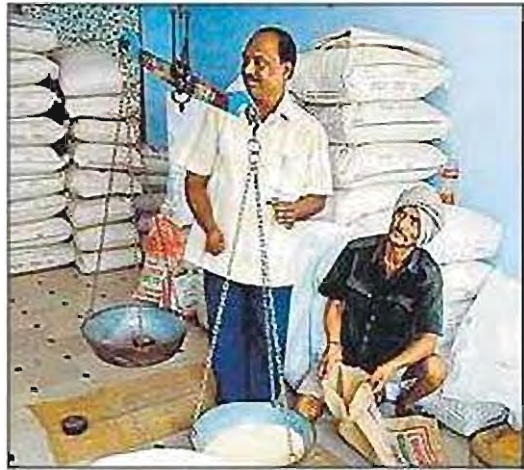
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NEW DELHI: India's agriculture exports will post positive year-on-year growth in 2024-25 at nearly \$50 billion, reversing the contraction witnessed in FY24, mainly because of the government lifting curbs on rice exports after assessing higher production, record inventories and robust global demand, officials said on Tuesday.

Agricultural exports have received a significant boost in FY25 from the recent easing of rice export, which is likely to surpass the total agri export value for fiscal 2021-22, but may not cross the 2022-23 figure, they said, requesting anonymity. The total value of all agricultural product exports in the first six months (April-September) of the current financial year is \$23.4 billion.

According to government data, India's total agricultural exports in 2021-22 were \$49.6 billion, posting a 20% y-o-y growth. Next fiscal year (FY23), the figure jumped to a record \$52.5 billion, posting about 6% annualised growth. It, however, fell by 8.28% in 2023-24 to \$48.15 billion due to curbs on exports of various agricultural commodities such as rice, wheat and sugar, a move that was aimed at ensuring steady domestic supply and keeping inflation under check. "Overall agricultural exports will get a boost after the lifting of the export curbs on non-basmati rice. There is huge demand for rice and the move is expected to see agri exports crossing \$50 billion," one official said. India is one of the largest rice exporters of the world.

With the government lifting the ban on the export of non-basmati rice, their exports are likely to reach 17-18 million tonnes in



The exports have received a significant boost in FY25 from the easing of rice shipments. AFP

the current financial year (FY25) as compared to 14-15 million tonnes in FY24. The government lifted curbs on overseas shipments of non-basmati white rice and exempted parboiled rice and husked (brown) rice from export duty effectively from October 2024. The export curbs were imposed in July 2023.

Before the export curbs, India's non-basmati exports were \$6.13 billion in 2021-22 (with 27.5% y-o-y growth) and \$6.35 billion (3.64% y-o-y growth) in 2022-23. After imposing curbs, the figure fell to \$4.57 billion (28.05% y-o-y contraction) in 2023-24. In the first six months of the current financial year, exports of non-basmati rice saw a sharp 16.84% contraction to \$2.25 billion.

The lifting of the ban would give a boost to exports and basmati exports may touch 5.5 million tonnes, while parboiled rice would be about 7-8 million tonnes and over 4 million tonnes of non-basmati rice, the official said. He said other agricultural items such as fruits, vegetables, meat and meat products, beverages and processed food are also showing healthy growth.

Even during the ban, India allowed exports of rice to friendly nations such as Maldives, Mauritius, the UAE and African countries.