

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
RAJYA SABHA
STARRED QUESTION No. 230
ANSWERED ON 13/03/2026

**IMPACT OF EXPORT RESTRICTIONS ON NON-BASMATI RICE ON FARMERS
AND RICE MILL OWNERS**

*230 SHRI SANJAY RAUT:

Will the Minister of COMMERCE & INDUSTRY be pleased to state:

- (a) whether persistent concerns exist among rice farmers and mill owners in various parts of the country due to export restrictions on non-basmati in the past causing surplus, warehouse congestion, storage shortages, depressed demand and income losses;
- (b) status of rice export policy as of 2026, including APEDA registration norms for non-basmati, its effects on domestic prices, farmer incomes and mill operations in surplus regions;
- (c) whether Punjab's Basmati sector continues to face distress from payment delays, ₹2,000+ crore stranded consignments and Iran market uncertainties; and
- (d) steps proposed- including diplomacy, storage aid, incentives and market diversification- to resolve these issues and protect affected livelihoods?

ANSWER

MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (d): A Statement is laid on the Table of the House

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF RAJYA SABHA STARRED QUESTION NO. *230 FOR ANSWER ON 13.03.2026 REGARDING “IMPACT OF EXPORT RESTRICTIONS ON NON-BASMATI RICE ON FARMERS AND RICE MILL OWNERS” BY SHRI SANJAY RAUT:

(a) & (b) India’s production of rice and exports of rice, including non-basmati rice have grown significantly in the last five years. The production of rice increased from 124.37 million MT in 2020-21 to 150.18 million MT in 2024-25, registering a growth of 21%. Export of rice, including non-basmati rice has expanded both in terms of quantity and value as under:

India's Export of Rice to the World						
Rice	Value (In Rs. Crore)		Value (In USD Billion)		Qty In Million MT	
	2020-21	2024-25	2020-21	2024-25	2020-21	2024-25
Non-Basmati Rice	35,476.61	55,408.05	4.80	6.53	13.1	14.13
Basmati Rice	29,849.89	50,311.99	4.02	5.94	4.63	6.07
Total	65,326.50	1,05,720.04	8.82	12.47	17.73	20.2

Source: DGCIS

The increased production of rice, along with higher exports in terms of both value and volume in recent years, has demonstrated strong demand and created income opportunities for rice farmers and other stakeholders in the rice ecosystem, including millers and exporters.

The Government of India follows an open and free trade regime, with exceptions for a limited number of items, taking a holistic view in light of domestic imperatives such as food security, ensuring the affordable availability of foodgrains, and responding to emerging international conditions. As of 2026, the Export Policy for rice, at the 6-digit level, is free for Husked (brown rice), Semi-milled or wholly milled rice, whether or not polished or glazed and broken rice, except for rice in husk (paddy or rough), which is restricted.

APEDA has evolved a procedure for on-line Registration of Contracts and issuance of Registration-Cum-Allocation Certificate (RCAC), available at its website at URL: <https://apeda.gov.in/TradeNotice>. The trade notice, besides mentioning the procedure for the registration of contracts also elucidates the specific requirements of importing countries for non-Basmati exports from India, the registration charges, validity etc.

The open and free rice export policy [except for Rice in husk (paddy or rough)], has enabled Indian rice farmers and other stakeholders of the rice eco-system to access the large global rice market, having an estimated value of US\$ 39 Billion, and a volume of 63 Million MT in 2024, thereby having a positive impact on their incomes and realizations. With a record rice production of 150.18 million metric ton in 2024-25, India has emerged as the world’s largest producer of rice. The increased production has ensured adequate availability of rice in the domestic market at affordable prices for the consumers.

(c) & (d) In the initial period of the year upto January 2026, the Basmati exports to Iran grew in value by 11.57% (in Rupee terms) and by 26.1% in volume terms, indicating healthy and steady Basmati trade to Iran.

With the commencement of conflict in Middle East region on 28th February 2026, stakeholders, including of Basmati rice, have reported disruption of maritime and air cargo routes through the Middle East, increase in freight costs due to rerouting and war-risk surcharges, cargo accumulation at ports and logistics hubs, and financial stress arising from longer transit cycles.

The Government has been closely monitoring the evolving geopolitical situation in West Asia and the Gulf region and has taken the following measures to reduce the impact of the disruption on India's exports and to safeguard livelihoods:

- i. The Department of Commerce has operationalised the Inter-Ministerial Group (IMG) on Supply Chain Resilience on March 03, 2026 as the central coordination platform with participation of concerned Ministries and agencies for enabling a coordinated response to the emergent issues being faced by trade.
- ii. DGFT issued Public Notice No. 51/2025-26 dated March 06, 2026 extending the Export Obligation / Block-wise Export Obligation fulfilment period up to August 31, 2026 for specified Advance Authorizations and EPCG Authorizations where the period was expiring between March 01, 2026 and July 31, 2026, without payment of composition fee.
- iii. CBIC has directed all Customs Zones on March 05, 2026 to convene special Customs Clearance Facilitation Committee (CCFC) meetings with field formations, CFS operators and trade stakeholders to address operational concerns arising from the disruption.
- iv. CBIC has issued Circular No. 09/2026-Customs dated March 08, 2026 prescribing a simplified procedure for handling export cargo returning to Indian ports due to the closure of the Strait of Hormuz, including facilitation for berthing, offloading, Shipping Bill cancellation in applicable cases, and Back-to-Town permission on request.
- v. Customs field formations, including Nhava Sheva, Mundra and Kandla Custom Houses, have issued facilitation measures for Back-to-Town (BTT) movement of stranded export cargo and also waived physical examination in specified cases and BTT-related fees/penalties to expedite evacuation of cargo.
- vi. The Ministry of Ports, Shipping & Waterways issued a Standard Operating Procedure on March 06, 2026 for major ports, providing for stakeholder meetings, 24x7 nodal officers, temporary storage of Middle East-bound cargo, additional storage areas, facilitation of BTT movement, priority handling of perishable cargo, and priority handling of returning export cargo.
- vii. The Jawahar Lal Nehru Port Authority vide notice dated March 10, 2026 has announced Waiver of Storage/Dwell time charges and Reefer Plug-in charges for Middle East bound export containers stranded in port area due to geo-political disturbances in Middle East.
- viii. The Directorate General of Shipping is in regular contact with Indian vessels and Indian seafarers, assessing operational challenges arising from war-risk and insurance constraints, and is monitoring vessel movements in the Persian Gulf region.
- ix. The Ministry of External Affairs has, through Indian Missions in the region, issued advisories and explored alternative sea passages to mitigate disruptions.
