Basmati Rice Production – India 2026

Prelims: *Current events of National and International Importance | Agriculture and Economy*

Why in News?

*Basmati farmers in **Punjab and Haryana** are reaping a windfall in 2026, with prices up about 53% to Rs 42–45 per kg, despite a weak, El Niño-hit monsoon.*

Production and Trend

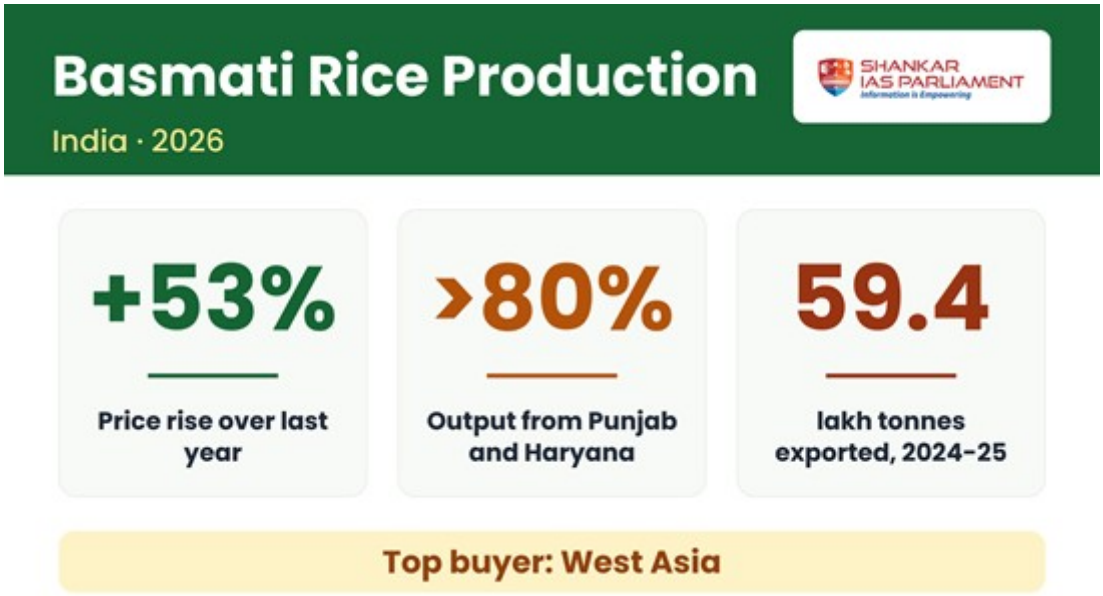
- **Trend** – Exports, a proxy for output, rose from 39.4 lakh tonnes (2021-22) to 59.4 lakh tonnes (2024-25); ***Punjab's basmati*** output grew from 26 to 32 lakh tonnes in 2024-25.
- **Leading states** – Punjab and Haryana give over 80% of output; western Uttar Pradesh is third. Uttarakhand, Himachal Pradesh, Jammu and Kashmir and Delhi complete the GI region.
- **Ideal conditions** – Alluvial loamy soils of the Indo-Gangetic plains, a warm humid growing season, cool nights at grain filling, and good-quality irrigation water.

Export Destinations

West Asia takes over half of basmati exports: Saudi Arabia, Iran, Iraq, the UAE and Yemen. The USA is also a major market. India meets 70–80% of global basmati demand; Pakistan supplies most of the rest.

Why Farmers Are Happy

- **Gulf stockpiling** – The US–Iran crisis and Hormuz closure led Gulf buyers to build reserves.
- **Tight supply** – Lower sowing and hailstorms trimmed output.
- **Irrigated crop** – Punjab and Haryana basmati is irrigated and needs less water than ordinary paddy, so the weak monsoon hurt less.
- **Caution** – No MSP exists, input costs are high and prices are volatile.



Union Government Support

- **Price floor removed** – The minimum export price ($1,200 in August 2023, cut to $950 that October) was scrapped in September 2024; APEDA monitors contracts.
- **GI tag** – Protects the ***authenticity of basmati*** from seven northern states.
- **APEDA and BEDF** – Work with states and agricultural universities on quality and export promotion.

Reference

- ThePrint | Basmati farmers in Punjab, Haryana reap windfall as prices jump 53% to Rs 42 per kg

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