Press Release

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MP Vikram Sahney to take up issue of mep on basmati rice  
  
Amritsar/New Delhi  
  
Member of Parliament,Rajya Sabha Sh. Vikramjit Singh Sahney will lead a delegation of Members of Parliament from Punjab to meet Union Minister for consumer affairs, food and public distribution Sh. Piyush Goyal for his intervention into rationalizing Minimum Export Price (MEP) on rice which has been fixed to USD 1200, hence adversely impacting the exports from India.    
  
Today, Sh. Sahney, along with the office bearers of the Basmati exporters association took up the matter with the CM Delhi Sh. Arvind Kejriwal and CM Punjab Sh. Bhagwant Singh Mann in an Industrial interaction meeting "Sarkar Sanatkar Milni" in Amritsar, issuing him an appeal to make efforts to resolve the issue. The Chief Minister Punjab authorized Sh. Sahney to take a delegation and meet Minister Goyal.  
  
The Chief Minister Punjab on his part, will also write a DO letter to Union Minister Sh. Piyush Goyal for relaxation in the rice export norms.    
  
According to Sh. Sahney he had received a request from Punjab Rice Millers and Exporters association which is the leading association for Basmati Rice trade in India, regarding the central government’s decision of Minimum Export Price.  
  
Sh. Sahney in a written communication to Union Minister Sh. Piyush Goyal, mentioned that the total Production of Basmati rice in India is 6.00 million tonnes and total production of non-Basmati rice in India is 135.54 million tonnes for the year 2022-23. On one hand there is no restriction on export of non-basmati parboiled which means a variety of 300 USD per tonne is allowed to be exported with a duty of 20%. Whereas 1509 basmati parboiled rice which is a higher priced variety of rice is not allowed. If lower priced variety of rice will go out of India and higher price will be restricted, then the agenda of controlling prices will fail, wrote Sh. Sahney.    
  
Sh. Sahney said that Basmati rice is not procured by Government of India under PDS system and since a miniscule 2-3% of population consumed this high-priced commodity, it does not in any way impinge upon the retail food inflations in the country,  
  
Sh. Sahney added that this decision will also adversely impact the Basmati Farmers, the backbone of our country. There are almost 40 varieties of basmati rice ranging from USD850 to USD1600 per tonne. Lower varieties of Basmati Rice contribute 70% of exports market. This MEP imposed by the Government of India would shatter the income of farmers as the prices will crash because of decision on MEP.    
  
The member parliament further explained that the decision to impose MEP at US$ 1200 is almost US$ 350 higher than average Price of Export. Indian’s Exports is about 70% in the Price bracket around US$ 850 while the higher value of exports ranging from US$ 1200 – 1700 is about 25-30% of Export from India. This decision will impact 70% of our Basmati Rice Exports and Indian exporters will lose their hard-earned buyer base to Pakistan who is a competitor of India in Basmati Export market. At the recently concluded Istanbul food fair in Turkey, a key destination for basmati business, not a single Indian company could bag any fresh order.





