

Basmati Rice Profit & Market Strategy - Punjab (May 2026)

Farmer Input Details

Location: Punjab
Crop & Variety: Rice - Basmati
Area: 10 Acres
Season: May 2026
Total Production Cost: ₹2,00,000
Last Year Revenue: ₹2,50,000
Target Minimum Profit: ₹1,00,000
Expected Production: 50 Tonnes
BPL Status: Yes
Logistics Access: Cold Storage + FPO

1. Market Reality & Selling Options

Selling Option	Price (₹/qtl)	Costs (₹)	Net Revenue (₹)	Profit (₹)	Remarks
Local Mandi	₹5,200	₹10,000	₹2,50,000	₹50,000	Quick sale, lower margin
Regional Hub / FPO	₹5,500	₹15,000	₹2,60,000	₹60,000	Better bargaining
Interstate / Exporter	₹6,200	₹25,000	₹3,05,000	₹1,05,000	Best option, quality critical

2. Direct Government Support

- PM-Kisan: ₹6,000 per year (direct cash transfer)
- Punjab State Bonus on Basmati: ₹25,000-₹35,000 approx.
- PM Fasal Bima Yojana: Crop loss insurance with low premium
- FPO Support: Better pricing and reduced logistics loss

3. The 2x Profit Strategy (Next Season)

- Total Investment: ₹15-20 lakh
- PM-FME Subsidy (35%): ₹5-7 lakh
- Capacity: 1-2 tonnes/day
- Selling Price Potential: ₹7,000-₹8,000 per quintal
- Outcome: Profit can double within 1-2 seasons

Final Recommendation

Sell the current crop through the interstate/export buyer route using FPO and cold storage to cross the ₹1 lakh profit target. Secure PM-Kisan, state bonus, and insurance benefits immediately. Begin PM-FME planning this year to scale profits from the next season onward.