# THE MENDU

# Farmers raising 'Andhra Ponni'



As the discharge of water from the Mettur Dam started reaching their fields, farmers in parts of the district have started raising paddy in their fields.

Pinning their hopes on timely onset of north east monsoon, paddy farmers of Lalgudi and nearby villages have opted for 'Andhra Ponni' variety. "Though it is a long term crop, it has an assured market," say the farmers of Mela Valadi who raised the nurseries on two acres.

According to official sources, about 86,362 acres is the normal area under 'samba' and 'thaladi' cultivation. It included 24,703 acres being irrigated through the Peruvalai Vaikkal and Ayyan Vaikkal, both in Lalgudi block. "The availability of water has raised the hope of farmers to some extent. The farming activity, however, will pick up in course of time, the source said adding that about 30 per cent of 24,703 acres had been brought under cultivation so far in Lalgudi block.

The Agriculture Department has drafted an action plan to monitor the growth of paddy. Meanwhile, the Public Works Department has introduced turn system for judicious use of irrigation water in the district. "Careful introdution of turn system will benefit farmers without any wastage," the source said.

## Stick to crop pattern: farmers

The United Farmers Association – Tamil Nadu has strongly favoured adherence to crop pattern matching agro-climatic zones for ensuring sustainable use of river water resources.

Crop pattern is globally accepted one which will rationalise distribution of available surface waters. Negligence of crop pattern by both by the Centre and states such as Karnataka, Tamil Nadu had led to the present dispute in sharing the waters of River Cauvery, said C. Vaiyapuri, president of the United Farmers Association, a press release here on Saturday. He urged the Cauvery Central Technical Team which is inspecting Mettur Dam on Sunday on the directive of Supreme Court to emphasise crop pattern in its report to the Apex Court. The Committee should also suggest enactment of legislation making adherence of crop pattern mandatory throughout the country to prevent the occurrence of water sharing disputes between different states, he said.

Mr. Vaiyapuri said that Karnataka state has expanded its cultivation area in violation of the principle of crop pattern by raising rain fed crops and the crops that could be grown in irrigated areas. Additional water is being diverted from River Cauvery for the expanded area, which has resulted in deprivation of water to the lower riparian Cauvery basin in Tamil Nadu.

Due to the selfish schemes of the state government the food security has become a big question mark. The government is forced to import edible oil, dal. The Centre too is not acting in the overall interest of the country.



# Punjab to witness 35 per cent less basmati rice production this year



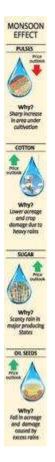
Owing to a poor rate fixed for the basmati crop last two years, the farmers this year has decided to curtail the area to a significant level. The decision means that there will be around 35 per cent less production of the basmati crop in Punjab.

Farmers have demanded that government must fix a Minimum Support Price (MSP) for basmati on the lines of paddy crops as it will save significant underground water and bring more foreign exchange to the country.

Though there is a possibility that less production may hit the export this yea, however exporters said that last year's stocks are available which will be carried forward. "There should be some fixed system and for every Rs 100 crores purchase of basmati Rs 10 crore must be kept for the welfare of farmers to provide them farm implements free of cost through a lottery system as it will encourage them to grow more basmati," said Vijay Setia, former president and current governing body member of All India Export Association Area.

# BusinessLine

# Sowing seeds of growth



The 2016 monsoon season has broughtgood rainfall after two years of scanty rains. This will boost agriculture, and the GDP, at a time of poor global growth

The rain god has finally shown some mercy! After two years of below normal rainfall, India has received 853.9 mm of rainfall (as on September 28) as against the long period average of 879.6 mm during this south-west monsoon season during June-September.

That is, the 2016 monsoon season has ended with rainfall at 97 per cent of LPA; this qualifies as a normal monsoon. The India Meteorological Department (IMD) classifies the rainfall as follows. If the actual rainfall received during the monsoon season is greater than 10 per cent of the long period average (LPA), it is classified as "above normal". If the actual rainfall is less than (-10) per cent of the LPA it is "below normal" and any rainfall that falls between (-10) and (+10) per cent of the LPA is termed as normal monsoon.

In 2015, monsoon rain was 14 per cent below the LPA and in 2014 it was short by 12 per cent. According to the IMD, it was the first time in 115 years that the country received below normal rainfall in the south-west monsoon season for two consecutive years. Also, 2015 was the worst monsoon since 2009.

So a normal monsoon, with rains just 3 per cent below average, is a big boost to the country at a time when the global economy is struggling to grow. Among the 36 divisions, only 12 regions or 33 per cent have recorded a deficient rainfall while the rest of the 24 regions have recorded normal or excess rainfall this year. This is much better compared to last year when about 47 per cent or 17 regions recorded deficient rainfall.

The IMD's classification for categorising regions based on the amount of rainfall is different. The IMD classifies regions which receive 20 per cent or more rain than the average as having received "excess" rains. A region is said to have received "normal" monsoon rains in a season if the actual rainfall is between (-19) per cent and (+19) per cent of the average received in the period. If the deviation ranges from (-20) per cent to -59 per cent, then the rainfall is "deficient" while "scanty" regions are the ones that receive rains anywhere between (-60) per cent and (-99) per cent of the average rainfall. Gujarat (-20 per cent), Kerala (-33 per cent) and Punjab (-28 per cent) are some of the major regions with huge deficits this year.

### Weak beginning

The IMD had initially forecast an "above normal" monsoon this year. In June, the IMD had predicted that this year's south-west monsoon would end with rain that would be 106 per cent of LPA.

The monsoon this year actually started off on a very weak note with rainfall less than 20 per cent of the average rainfall in the first week of June and the shortage rose to 25 per cent by mid-June, thereby raising the spectre of a third consecutive year of weak rains. However, as the monsoon progressed, the country's overall rainfall remained in excess between 1 and 4 per cent between July and August. But then again, the rainfall slackened and recorded a 5 per cent shortage in the middle of September before finally ending 3 per cent below average for the entire season.

In India, there is a greater focus on the south-west monsoon as these rains contribute more than 75 per cent to the total rainfall in the country. Also, over 50 per cent of the country's agriculture is dependent on rains rather than irrigated water. The Indian agri sector contributes about 16 per cent of the country's total GDP. So a good monsoon is imperative for the economy's well-being.

The kharif crop is completely dependent on the rains received from the south-west monsoon. Kharif crops are also known as summer crops or monsoon crops which are sown at the beginning of the monsoon and harvested towards the end of the season between October and November. Let us see how the better monsoon this year after two years of scanty rains will bolster the kharif output this year.

Four major categories of crops are cultivated during the kharif season which include cereals, pulses, oilseeds and commercial crops. Important cereals include rice, maize, bajra and jowar. Tur, urad and moong dal are important among the pulses. Under oilseeds, groundnut, soyabean and castor seed are the important crops while cotton and sugarcane are key commercial crops.

#### Cotton

Among kharif crops, cotton has seen a sharp cut in the area under cultivation this year.

According to data from the Ministry of Agriculture, cotton acreage is down 11.7 per cent to 102.79 lakh hectare from 116.41 lakh hectare last year. Gujarat, Maharastra, Andhra Pradesh, Telangana, Haryana and Karnataka are the major producers of this crop.

Damages due to the recent heavy rainfall in Andhra Pradesh and Telangana have already raised the concern of crop damage. Andhra Pradesh and Telengana contribute over 20 per cent of India's total cotton production.

Telangana has received excess rainfall this year; 20 per cent more than the average and Andhra Pradesh has received 10 per cent more than the average. This makes it difficult for the country to reach the 36 million bales production target fixed by the Ministry of Agriculture. The Cotton Association of India has forecast an output of 33.6 million bales for this year.

The price of cotton, which has fallen sharply over the last couple of months from around Rs. 24,000 per bale to around Rs. 20,000 per bale, may bounce back again in the coming months due to lower production.

#### Sugarcane

Sugarcane has also seen a drop in the area under cultivation this year. Uttar Pradesh, the largest producing State, has received rainfall that is 14 per cent below average.

Among the other major producers, Karnataka and Tamil Nadu have also received 14 per cent and 21 per cent less rains, respectively, than the average while in Maharastra there is 16 per cent more rainfall.

Less rain in the major producing States may affect the output this season. Though the government data shows an 8 per cent increase in acreage, according to the Indian Sugar

Mills Association (ISMA), cane acreage is down 5 per cent this year to 49.99 lakh hectares.

It has also forecast production to fall about 7 per cent to 233.7 lakh tonnes in the current sugar season (2016-17) from about 251 lakh tonnes in 2015-16.

So according to the ISMA data, it is highly unlikely that the government's production target of 355 lakh tonnes will be met. Sugar prices, which have come down from the high of Rs. 3,900 per quintal in July to around Rs. 3,500 per quintal, may remain stable or reverse higher again if the production forecast is revised lower, going forward.

#### **Pulses**

The sharp rise in the price of pulses in the past year, which was one of the major causes that drove food inflation higher, seems to have attracted farmers to pulses this year. The three major pulses, tur, urad and moong have seen a sharp rise in the area under cultivation this year.

The government's move to increase the minimum support price (MSP) for these pulses and also later deciding to give an additional Rs. 425 per quintal bonus each for these crops may have also attractedfarmers. The MSP for tur, moong and urad dal, including the bonus for the year 2016-17, stands at Rs. 5,050, Rs. 5,225 and Rs. 5,000 per quintal, respectively, up from Rs. 4,425, Rs. 4,650 and Rs. 4,425 per quintal, respectively, in 2015-16.

The area covered under tur dal stands at 52.81 lakh hectares, up 40 per cent from 37.66 lakh hectares last year. Similarly, the area covered under urad and moong dal has also surged 25 per cent and 33 per cent, respectively, to 35.68 lakh hectares and 34.11 lakh hectares, respectively. Maharashtra is the leader in tur production, followed by Karnataka, Madhya Pradesh and Andhra Pradesh. Among them, except Karnataka, the other States have received more rainfall than the average.

Maharastra has got 16 per cent more than the average rainfall for the season while the rainfall in Madhya Pradesh and Andhra Pradesh stands at 18 per cent and 10 per cent higher than the average rainfall for the season.

Karnataka, though categorised under the regions with normal rainfall, has received 14 per cent less rain than the average. So, there is a strong likelihood of a sharp rise in tur output which, in turn, may ease the prices.

Rajasthan, Maharashtra and Andhra Pradesh are the major producers of moong dal. Rajasthan, the top producing region, is one of the three regions in the country which have received excess rainfall, 28 per cent more than the average. The other two producers

Maharashtra and Andhra Pradesh have received normal rainfall. There is a threat of damage to crops in Rajasthan due to excess rainfall, which may affect the output. If the quantum of damage caused is high, then moong dal prices may not come down sharply.

Coming to urad dal, Uttar Pradesh is the leading producer in the country and it has received 14 per cent less rainfall than the average.

However, the other leading producers Andhra Pradesh and Maharashtra have received normal rainfall. So, with increased acreage, the output may remain at a higher level which may keep the price under check.

#### Oil seeds

Among the major oilseeds, only groundnut has seen an increase in acreage. Others like soyabean and castorseed have seen a dip in the area under cultivation compared to the previous year.

Similar to pulses, the government has increased the MSP and has also added a Rs. 100 bonus per quintal for groundnut and soyabean.

A sharp 28 per cent extra land accounting for 46.96 lakh hectares has been covered under groundnut cultivation this year. Gujarat, Andhra Pradesh and Tamil Nadu are the top producers of groundnut. Excess rain in the growing areas in Andhra Pradesh and Tamil Nadu in the last couple of months may affect output.

On the other hand, soyabean has seen the acreage come down by 1.3 per cent whereas the area under castorseed cultivation has been slashed to a greater extent of about 24 per cent.

The area covered under soyabean has dropped from 116.29 lakh hectares last year to 114.78 lakh hectares, according to the Soybean Processors Association of India (SOPA). Maharashtra and Madhya Pradesh are the top soyabean producers and both States have received good rainfall.

However, in addition to the lower acreage, excess rain in specifically the regions in Maharashtra where it is cultivated, has caused damage to the crops. This has the possibility to reduce the earlier expectation of a bumper crop this year. Soyabean prices have been crashing since April from a high around Rs. 4,300 per quintal. Prices have tumbled about 25 per cent to the current levels of Rs. 3,200 per quintal.

Once the crop damage is assessed and if the loss is more, then this downtrend in soyabean price may come to an end and a reversal is possible, going forward.

The sharp volatility and a strong plunge since 2014 in castorseed prices had made farmers shift to other crops. According to data from SOPA, the area covered under castor seed has come down from 10.97 lakh hectares in 2015 to 8.35 lakh hectares this year.

Castorseed prices had crashed 27 per cent from around Rs. 4,200 per quintal in November 2015 to aboutRs. 3,050 in March 2016. The prices have, however, recovered from this low to around Rs. 3,750 per quintal now. The sharp reduction in acreage this year may prevent prices from falling and may help them move higher.

#### Cereals

Among kharif crops, cereals account for about 55 per cent of the total crops. Among them rice is the major crop accounting for about 67 per cent of the total cereals output. Rice acreage this year has risen 4 per cent to 388.9 lakh hectares from 379 lakh hectares last year.

West Bengal, Uttar Pradesh, Andhra Pradesh and Punjab are the top rice producers in the country.

Punjab has recorded deficient rainfall this season; 28 per cent lower than average. Poor rains and dry spell in the State are expected to affect the crop, which is evident from some reports of pest attacks. In addition, the heavy rains in Andhra Pradesh last month have caused big damage to cereals like jowar and maize as well. Andhra Pradesh is one of the leading producers of maize. This year, the overall area covered under maize has increased 9 per cent to 84.26 lakh hectares from 77.16 lakh hectares last year.