

Rainfall 31% below normal; kharif crops still safe: Govt

BS 4.7.12 PL4



A farmer looks for monsoon clouds from his field in Gaya in Bihar, on Tuesday. PHOTO: PTI

AGRI WATCH

- Coarse cereal output might get hit due to delayed rainfall
- Govt says paddy situation comfortable, as sowing would be on till July; experts disagree
- Govt claims no problem in pulses and oilseeds as there is still ample time to complete sowing
- Met dept assures of normal rains in July and August
- States directed to prepare contingency plans for high-risk areas

BS REPORTER

New Delhi, 3 July

Amid growing concern over a slow and weak progression of this year's southwest monsoon, the government today assured the nation that the situation for most kharif crops, barring coarse cereals, had not turned worrisome yet. Experts, however, cast doubts over the claims, particularly on water-intensive paddy cultivation.

The situation in kharif crops is "not as serious now", but the department has directed states to prepare contingency plans, Agriculture Minister Sharad Pawar told reporters.

Maharashtra and Karnataka have been identified as the two states where the kharif crops are most vulnerable because of "inordinate delay" in the onset of the monsoon, added officials from the ministry.

The southwest monsoon in June was 31 per cent below normal. It was on June 5 that the rains entered India, after a delay of four days, going by the usual schedule.

"Yes, the southwest monsoon has been less in June and there has been some impact on early sowing of kharif crops. But the acreage of main kharif crops like paddy (de-husked rice), pulses, cotton, oilseeds and sugarcane is higher than the normal area during the same time of the year," Pawar said. However, for most of these, acreage till June 30 is less than the corresponding period last year.

The minister pointed out crops could be affected in some pockets of Maharashtra, Karnataka and Madhya Pradesh, besides

parts of Uttar Pradesh and Bihar where early sowing has taken place. "But that is very less." As for paddy, till June-end, the percentage of the normal area sown was "almost 9", which is less than last year. But, there is "no cause for alarm" as paddy sowing can continue till end-July.

Till last month, paddy has been sown in around 3.96 million hectares, while the normal area under paddy during the same period is 3.93 million hectares. It is around 26 per cent less than the year-ago period. "This shows that acreage might be less as of now for paddy, but it is, in fact, more than the normal area," the minister said.

There is "still time to recoup the losses", he said, hoping the situation would turn favourable soon. India Meteorological Department has informed Pawar that the southwest monsoon would be 98 per cent of long period average (LPA) in July and 98 per cent of LPA in August, which is normal.

"Seventy per cent of total rainfall during the entire monsoon season is in July and August. Met department tells me rains in these two months will be normal," he said.

However, experts are not as optimist.

If rains do not come to northwestern parts of the country by this weekend, then it would cause some serious problem to (rain-fed) paddy crop in Punjab, Haryana and western Uttar Pradesh," said Ramesh Chand, director of National Centre For Agricultural Economics and Policy Research (NCAP). "The impact will be felt in three ways: the area (of cultivation) will continue to remain low, production will go down and the cost of producing paddy will increase," he added.

Pawar said coarse cereals had been sown in around 1.40 million hectares till June-end — almost 43 per cent less than the normal area of 2.47 million hectares.

Sowing of maize, bajra and jowar has been badly hit in Bihar, Karnataka, Uttar Pradesh and Himachal Pradesh, as rains have been delayed, he said. Officials listed as "vulnerable" the rabi crop in southern Karnataka, sorghum in Maharashtra, coarse cereals and groundnut in Gujarat and groundnut in Karnataka and Andhra Pradesh. Pawar said some area in coarse cereals in Rajasthan, Maharashtra and Karnataka could get diverted to oilseeds and pulses. "For, these two are contingent crops to coarse cereals."

Among other crops, Pawar said pulses had been sown in around 0.40 million hectares of land till June-end. This is 0.21 million hectares less than last year. "But sowing of pulses usually rises from July. So there is still time before we can reach any conclusion on the losses in pulses this year."

For oilseeds, the crop has been sown in around 1.8 million hectares, while the normal area during the same time of the year is 1.25 million hectares. The acreage, though more than the normal area, is less than last year because of less sowing in Andhra Pradesh, Karnataka and Gujarat. Among cash crops, the area under cotton and sugarcane is more than the normal area, hence there "is no cause to worry". Overall, he said kharif sowing has been completed in 14.8 per cent of the normal area till now, while it was 16.2 per cent in the corresponding period of last year.

India is no longer a monsoon economy

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What the PM is configuring as macro policy will be more important than MET data

Asked to write on the monsoon failure in July, I have a sense of déjà vu. In a CII report on the monsoon that I chaired and in a recent piece in the Planning Commission's house journal, I argued that an agricultural drought is different from a meteorological drought and so don't get hyper if the long period average is tweaked a bit. Monsoon failure has important welfare implications for a majority of the rural population and then there is the drinking water problem, but it does not have that much of macro consequences. India is no longer a monsoon economy. Until the mid-1970s, growth was negative in half the year and the economy grew between 3-6% in the other half, giving us the average Hindu growth rate. But since then, we have had only 2 years with a growth of less than 3%. It has been argued by Arvind Panagariya that volatility is higher now. Even that is not the complete picture. If you compare the 1960s with the post mid-1970s period, volatility is less now. So, for macro outcomes, what Dr Manmohan Singh is configuring as macro policy will be more important than the MET data. Having said that, I am totally foxed with cavalier comments from Delhi on June's rainfall failure, from experts I respect.

One senior expert told us that if average rainfall is restored we will be alright: agricultural output grew marginally in 2009-10 with a 78% average. But there was a massive seed replacement programme that year after the early rain failure. Average rainfall

does not determine output; its spread through regions and time does. To dismiss the June failure is absurd. In 2009-10 and this year, rainfall failure in the Northwest is not a big issue because Punjab, Haryana and Western UP are almost fully irrigated. Also the East has excess rain. But the scanty rain in MP, Rajasthan, Gujarat and Maharashtra is bad news. As is the deficient rain in the Deccan plateau.

This rainfall failure will not make or break us but it's definitely worrisome. Delayed rains mean delayed sowing. In some regions, this delay will mean a less preferred crop being sown and that means a loss. At the minimum, this delay means that even if there is a revival and the preferred crop is grown, yield will be less. No amount of average rainfall improvement now will take away this effect at the margin.

There was a massive seed replacement programme by Krishi Bhavan in 2009-10 when the June rain failed. I know this because I was tracking the pulses programme for an expert committee I chaired. I would be highly surprised if this is not there this time. If not, we have to push it. But the contingency plan drill is well laid out and Krishi Bhavan has good resources at its beck and call because the Rashtriya Krishi Vikas Yojana has led to seed reserves in many agricultural universi-

ties and other seed centres.

This is the year also to push water conservation and optimal use plans laid out in the Approach to the Twelfth Plan. Knowledge-based, farmer-managed, groundwater conservation and development plans are very much de-

sired and in a rainfall failure regime the farmer takes to them like a duck to water. As we have done since the drought in 1987, as grain prices get under pressure, we should release grain from the stocks which we have in plenty. The deflationary macro effect of that should help us to invest more in water both under the ground and in com-

pleting the last mile in canal distribution systems. Drips and other water-saving measures need support. In some cases, this could actually help the rabi crop.

The price support systems we have for dryland and rainfed crops are hardly effective as the CACP points out. This is the year to support the farmer while he is growing inferior cereals, pulses and oilseeds. We should also tell him so. It will actually keep inflation down in the medium term.

Not recognising variability in agro-climatic regimes and effects of rainfall through time and space has another unfortunate consequence. The welfare consequences of output loss, input cost increases and drinking water problems

are swept under the carpet. The macro consequences of rainfall failure are not so severe now and my Presidential Address to the Indian Society of Labour Economics gave a statistical and econometric profile of that. But a lot of people still depend on the rains and agriculture, and to average out their fate is bad statistics. A TV discussion on farmer suicides was silly since we have not reached that stage of concern and a lot will depend on the rains up to September 15. Still, I was truly saddened to hear a genuinely concerned economist averaging out suicides by saying that the average rate is lower in the farming population. We know that the average rate of suicides is a constant. The worrying begins, as Srijit Misra's very careful work on Western Maharashtra at the Indira Gandhi Institute of Economic Research shows, when suicides rise from 10/20 per lakh to 150 and above in a short time and stay there for many years. Then we have to worry. For the 100-odd families who lose their breadwinner, the global constancy of the suicide rate is not a comfort. But cotton technology was great for output growth. But in the odd case when it failed and the farmer had borrowed heavily to pay for the seeds, he was in trouble. He had no one to go to for in the early years there was a regulatory failure and his seeds were 'illegal'. We need to be careful of what we average and the variability we isolate as a problem to solve.

The author is a former Union minister



YOGINDER K
ALAGH

Deficient rain won't hurt kharif crops, says Pawar

fe Bureau
New Delhi, July 3

FE 4.7.12 p15

WHILE admitting that deficient rain in June adversely impacted sowing of coarse cereals, agriculture minister Sharad Pawar on Tuesday said the situation was not 'serious' and kharif sowing would get a boost from likely monsoon rains in July and August. Situation in paddy sowing too was "not worrisome", he added.

"Monsoon has been delayed, but the situation is not that serious. It is true that, overall, monsoon has been delayed by two weeks, but better rains are expected in the next few weeks," Pawar told reporters. Meanwhile, a statement by the India Meteorological Department (IMD) stated: "Southwest monsoon has further advanced into most parts of Maharashtra and some more parts of Madhya Pradesh and conditions are becoming favourable for further advance into some more parts of Gujarat, Madhya Pradesh and Uttar Pradesh and some parts of Uttarakhand during next three days."

Pawar did admit that rain deficiency in central and western India has affected the sowing of coarse cereals, particularly maize, bajra and jowar. An area of 1.04 million hectare has been sown against 2.47 million hectare in the year-ago period.

"Though the delay in

monsoon has affected sowing of coarse cereals in Rajasthan, Maharashtra and Karnataka, it provides an opportunity to increase the area under pulses and oilseeds, which are grown as contingent crops in such areas," Pawar noted.

On the outlook on rice production, Pawar said: "It does not look like... the sown area is more than normal. It is quiet possible that production will be good in major rice producing states like Punjab, Haryana, Andhra Pradesh, Orissa

and Chhattisgarh".

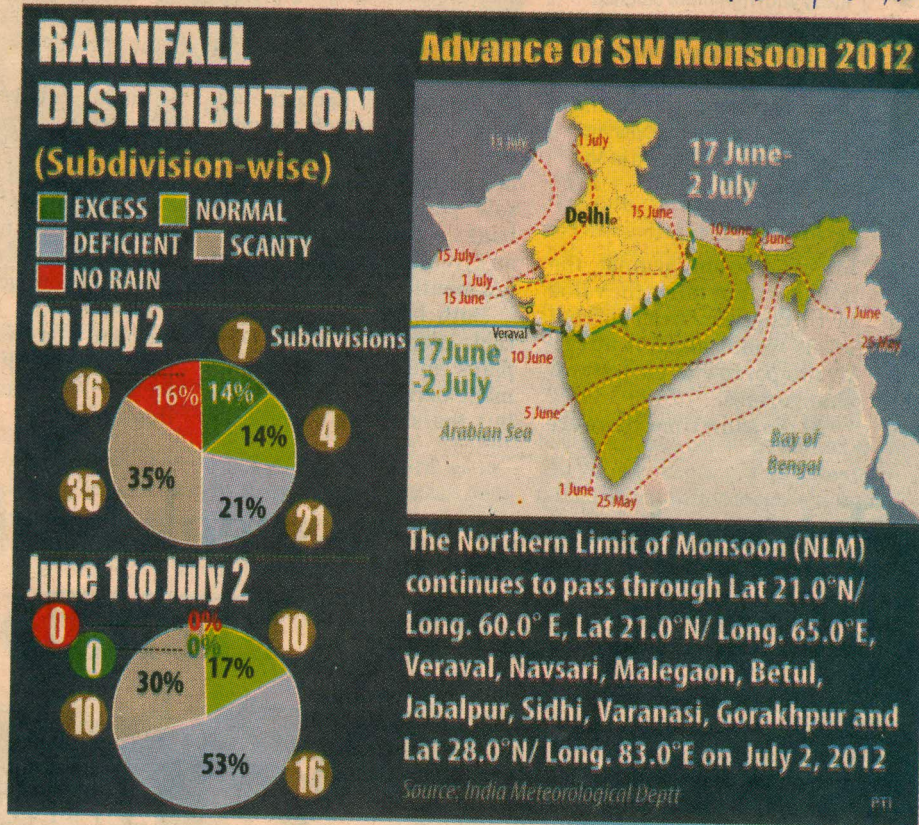
"We have ample grain stocks to deal with any eventuality arising out of deficiencies," he noted.

Rice has been sown in 3.96 million hectare till now, which is comparable to the normal area of sowing at this time of the year, but less by 0.19 million hectare than last year.

"As of now, there have been widespread rains in the north-eastern and eastern States, coastal Andhra Pradesh and Karnataka, and this will help in increas-

ing transplantation of rice," he said. The total coverage under pulses so far is 0.40 mh, which is comparable to the normal area for this week. The sowing of pulses in most of the states generally increases during the first fortnight of July.

Rains during south-western monsoon period are crucial for agriculture as only 40% cultivable area is irrigated. Due to sufficient rains during monsoon months, India produced a record 252.56 million tonne of grain in the 2011-12 crop year.



Expedite surplus milk powder exports to avoid damage: Pawar

New Delhi, July 3: Fearing damage to surplus stock of milk powder, agriculture minister Sharad Pawar on Tuesday made a strong case for expediting export of skimmed milk powder.

Last month, the government had lifted the ban on exports of skimmed milk powder (SMP), keeping in view its excess availability and also to help dairy firms facing financial crunch. "Milk situation is good. But, we are under pressure... we must expedite export of SMP. Today we have SMP stock of one year," he told reporters when asked if milk production has been affected due to shortage of fodder.

The country needs to clear the surplus stock of SMP as soon as possible as there are chances of it getting damaged, he said, adding there is no shortage of milk in the country.

Milk production in India, the world's biggest producer, is estimated at over 120 million tonne in 2011.

PTI