

Interactive: Why agriculture needs urgent attention from the new govt.

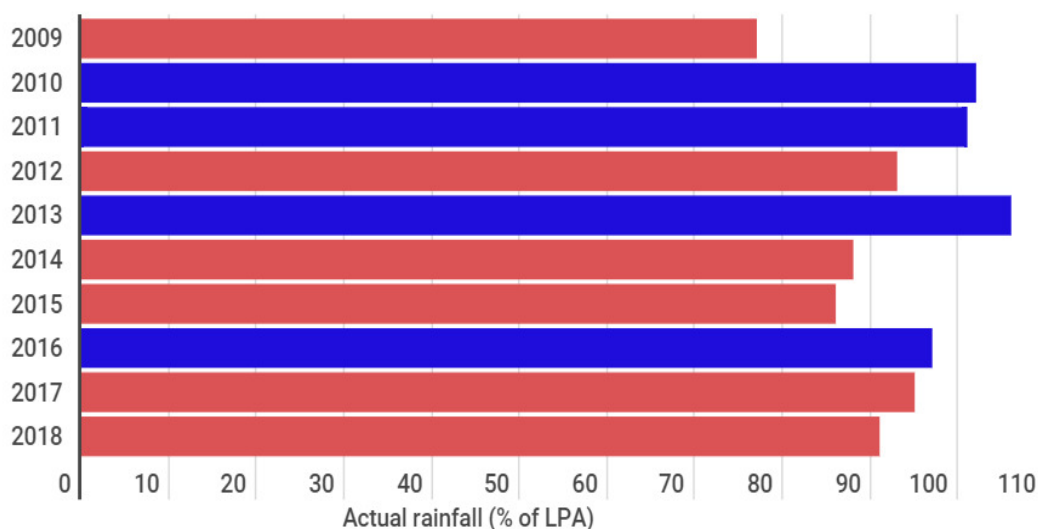
[Rajalakshmi Nirmal](#) [Bavadharini K S](#) | Updated on May 28, 2019 Published on May 28, 2019- Report by The Hindu Business Line



The face of Indian agriculture has changed over the past few years. While the frequency of droughts has increased, production of crops - both food grains and horticulture produce - has hit new records with better irrigation facilities. Output in dairy and fisheries, too, has improved, thanks to hybrid varieties and better feed. But this increase in volume hasn't helped farmers as prices have dropped sharply. India has also been unable to grow its exports. Meanwhile, poor policy planning has led to an increase in imports, resulting in further farm distress. The fate of the farmer depends on how the new government handles various policies.

Farming has become drought-resilient

More bad monsoons in recent times than in the past



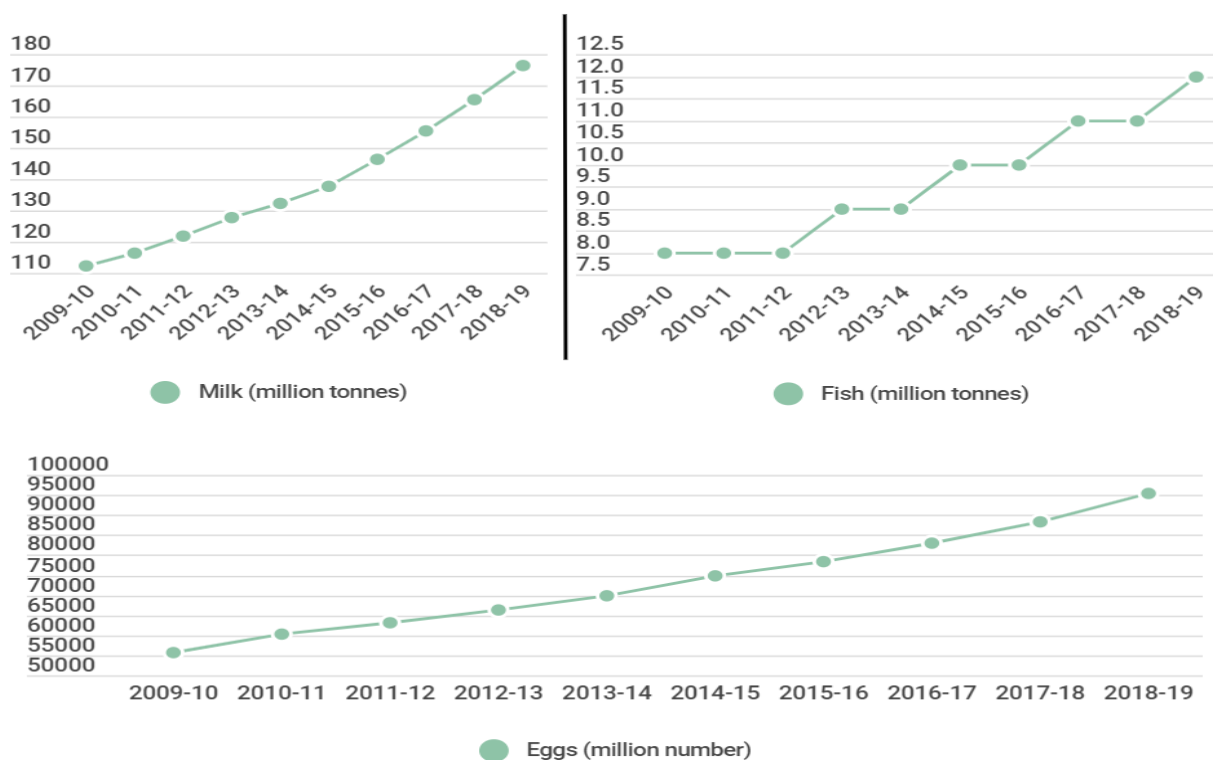
Yet food production is at new high

Year	Food production (million tonnes)	Food grain yield (Quintal/hectares)	Horticulture production (million tonnes)
2009-10	218.11	18.0	223.09
2010-11	244.49	19.3	240.53
2011-12	259.29	20.8	257.28
2012-13	257.12	21.3	268.85
2013-14	265.05	21.2	277.35
2014-15	252.02	20.3	280.99
2015-16	251.54	20.4	286.19
2016-17	275.11	21.3	300.64
2017-18#	277.49	22.3	311.71
2018-19	281.37*		314.67^

*2nd advance estimates
#4th advance estimates
^1st advance estimates

Area under micro-irrigation till 2014-15 was 7.8 million hectares
It increased by 3.5 million hectares (45%) between 2016-17 and 2018-19
Capex on irrigation increased by 16.4% CAGR between 2016-17 and 2018-19
Source: State Budgets, JM Financial Report

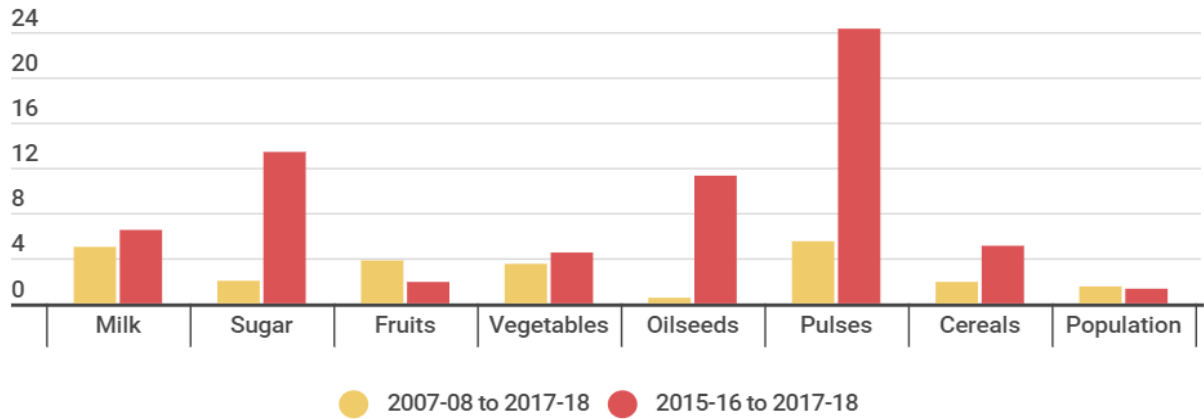
Output for milk, egg and fish, too, has increased



Then why farmers are still in distress?

Crop prices have dropped and Central procurement has been poor

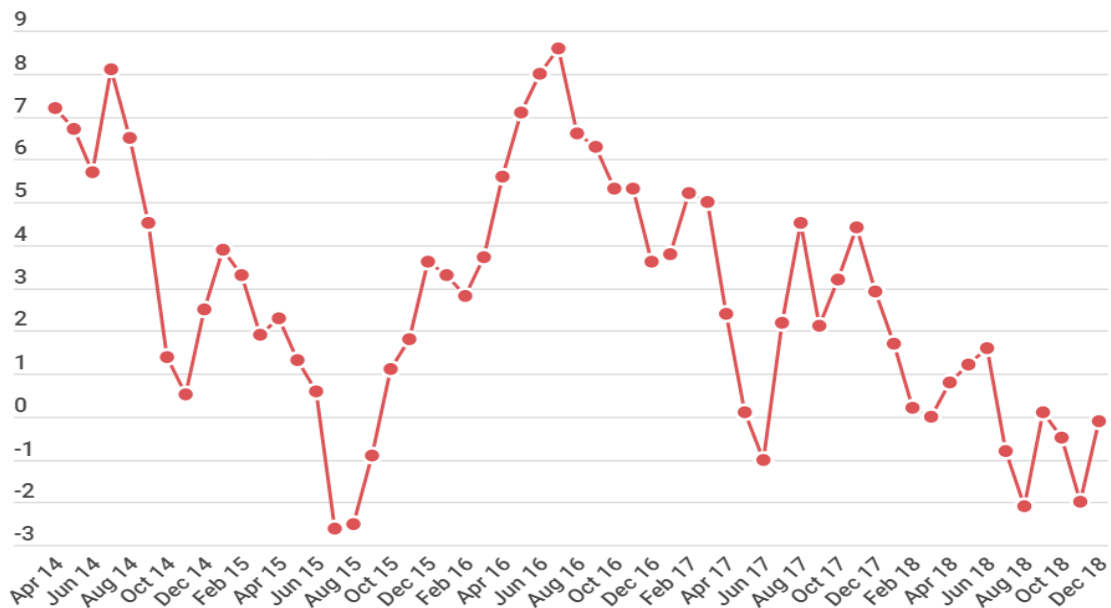
Food production growth has been higher than population growth



Pulses and oilseed procurement have increased in recent years, but given the amount of excess production, it still hasn't helped lift prices higher

Pulses and oilseed procurement was 1.8% of total production in 2016-17; it increased to 11.5% in 2017-18

Resulting in sharp drops in crop prices



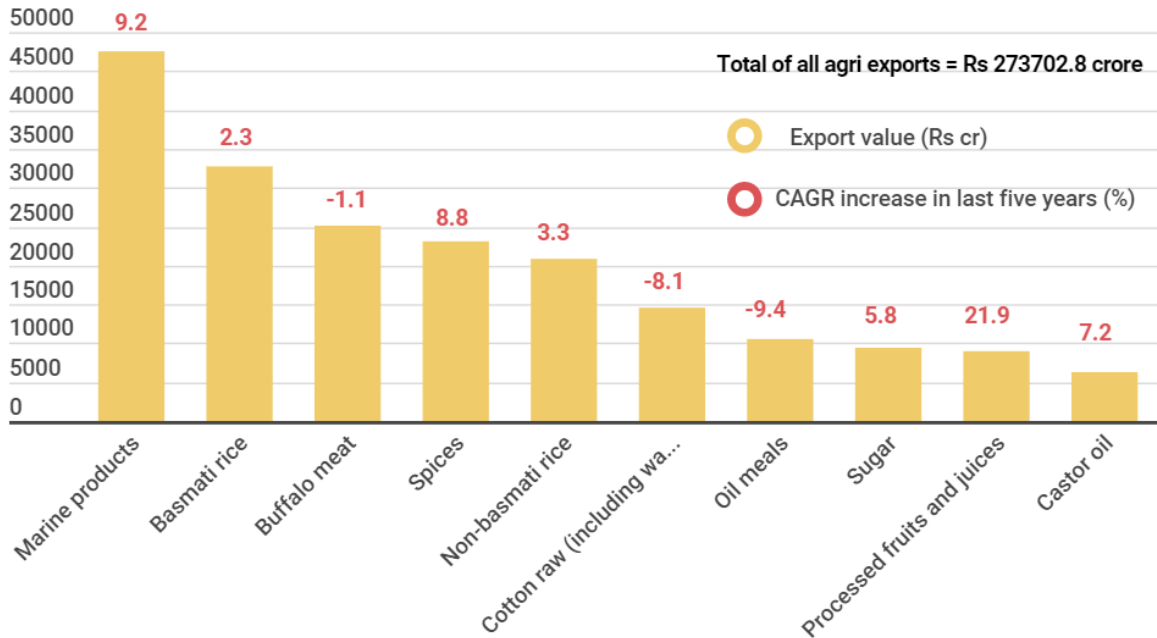
Share

made with infogram

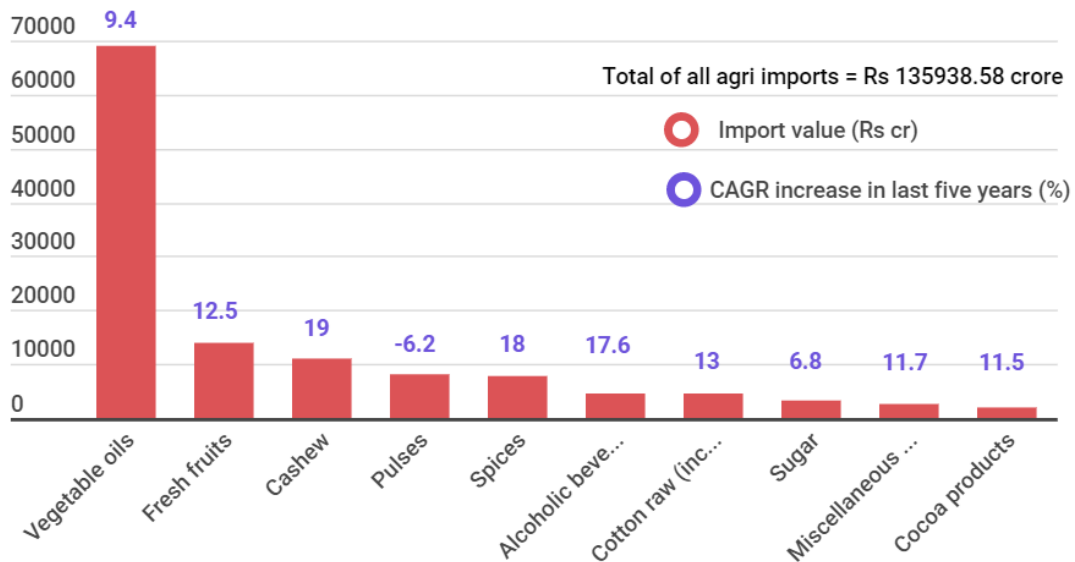
No cheers for farmers in exports either

Exports of buffalo meat and cotton have fallen, while imports of vegetable oil, fruits, and alcoholic beverages have risen

Export value (in Rs crore)

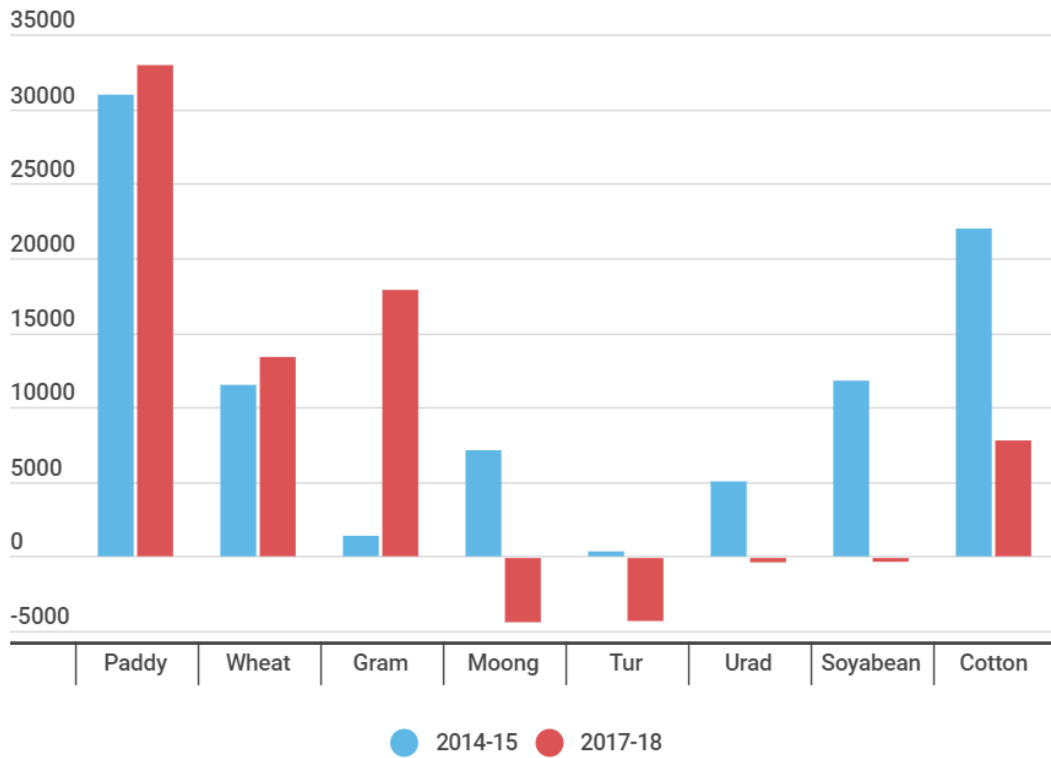


Import value (in Rs crore)



Results: Farmers haven't seen income growth

Profit at market price in India



What next?

The IMD expects a sub-par south-west monsoon in 2019. The forecast for the June-September is at 96% of LPA - a near-normal monsoon. But the IMD has overestimated the monsoon outcome over the past five years

