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Non-payment of paddy dues may hit rice sowing in Kerala

■ State corporation yet to pay dues amounting ₹100 crore to farmers

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THE change of guard in Kerala has had an unexpected fallout on the state's rice farmers.

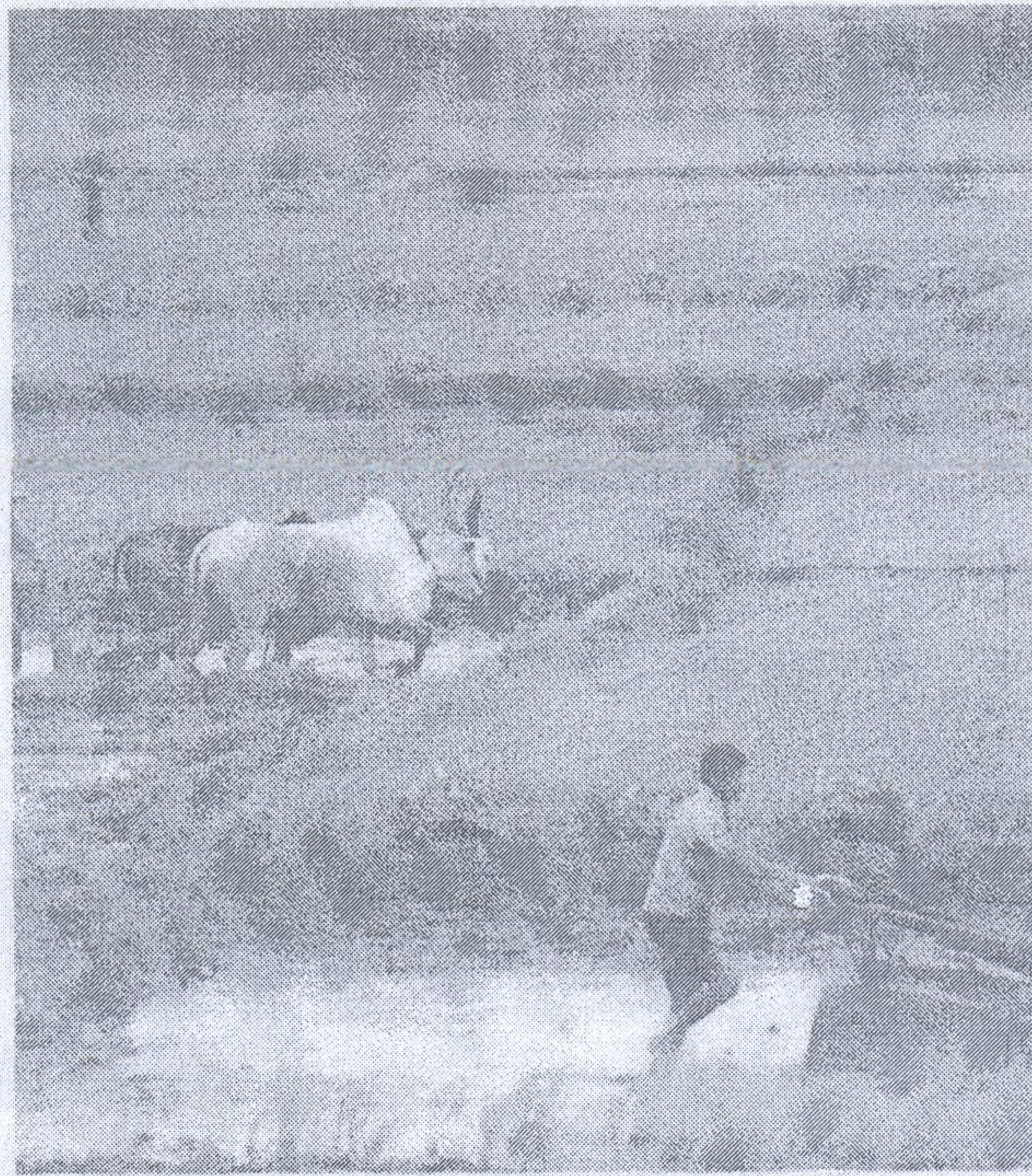
They have been left waiting for payment of dues of up to ₹100 crore by the state's public distribution arm, Kerala State Civil Supplies Corporation

This is because in the wake of the assembly election, the bureaucracy was affected in several ways like shortage of manpower and lack of authority, holding up the clearance of the payment on paddy bought by SupplyCo.

This has created liquidity problems for farmer for swinging into the next round of paddy cultivation.

"Sowing in the next cycle of paddy cultivation could be hit," says Rajan Kesavan, who heads a paddy farmers' cooperative in Ramankari. "Working capital of at least ₹25,000-30,000 would be needed per acre if a farmer decides to invest in paddy," he says.

"We have taken cognizance of the payment arrears issue and will try to sort it out at the earliest," said chief minister Oommen Chandy, when asked of Supplyco's default to farmers.



THIS IS BECAUSE AFTER THE ASSEMBLY ELECTIONS, THE BUREAUCRACY WAS AFFECTED IN SEVERAL WAYS LIKE SHORTAGE OF MANPOWER AND LACK OF AUTHORITY, HOLDING UP THE CLEARANCE OF THE PAYMENT ON PADDY BOUGHT BY KERALA STATE CIVIL SUPPLIES CORPORATION WHICH HAS ALSO CREATED LIQUIDITY PROBLEMS FOR FARMERS SWINGING INTO THE NEXT ROUND OF PADDY CULTIVATION

"We had worked hard on putting paddy farming back on the rails. But it is doubtful if Kerala can become a rice-surplus state. Against a rice production of about 7 lakh tonne, the state consumes 40 lakh tonne per year," says C Divakaran, a former state food minister.

The previous LDF government had gone all out to arrest the falling trend in area under paddy in Kerala.

The move away from cultivating the state's staple grain was stalled and reversed in 2009-10.

The area under rice had shrunk from 870,000 hectares in 1970-71 to 230,000 hectares in 2007-08.

Production had also plunged from 1.35 million tonne to 580,000 tonne in the same time period.

But a slow and steady recovery was evident by 2009-10, when the area under rice had grown close to 20,000 hectares and production had grown 1.25 million tonne.

With the new UDF government promising payment of rice at ₹2 per kg during the Onam festival season, it will be under pressure to get the paddy production cycle on track, which would entail settling the pending bills to rice mills and farmers.