

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5054
ANSWERED ON:27.08.2010
EFFECT OF MONSOON FAILURE
Lal Shri Kirodi

Will the Minister of FINANCE be pleased to state:

(a) whether agriculture production and Gross Domestic Product of the country has been declined as a consequence of the monsoon failure; and

(b) if so, the details thereof along with the reaction of the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a)and(b): As per the Second Stage Long Range forecast for the South West Monsoon 2010 issued by the Indian Meteorological Department (IMD) on 25-06-2010, the monsoon season rainfall for the country as a whole is likely to be 102 per cent of long period average (LPA) with a model error of plus or minus 4 per cent. As reported by IMD, the cumulative seasonal South West Monsoon rainfall upto 24-08-2010, has been 651.2 mm which represents a deviation of only (-) 3 per cent from normal average rainfall of 668.0 mm. The area sown under all crops during kharif 2010 is 923.02 lakh hectares (as on 20-08-2010) compared to 839.75 lakh hectares during the corresponding period of 2009 and 911.5 lakh hectares during the corresponding period of 2008. The agricultural production and GDP statistics for the current year 2010-11 are not yet available. However, good monsoon and increased cropped area would positively influence the agricultural production. Nevertheless, the year 2009 witnessed deficient South West Monsoon to the extent of 23 per cent below the Long Period Average (LPA). The total foodgrains production in 2009-10, as per the Fourth Advance Estimates, released by Ministry of Agriculture on 19-07-2010, is 218.20 million tonnes compared to 234.47 million tonnes (Final Estimates) in 2008-09. During 2009-10 the GDP growth from agriculture (at factor cost at constant prices) was 0.2 per cent compared to 1.6 per cent in 2008-09.

State Governments are primarily responsible for undertaking relief measures in the wake of natural calamities. Government of India supplements the efforts of State Governments by providing financial and logistical support. Contingency crop plan guidelines have been issued to the states for the preparation of crop plans for three scenarios of excess, normal and less rainfall conditions.