

II

Growth in Agriculture Sector and Crop Agriculture

8.11 Agriculture and allied sector is anticipated to grow by about 0.9 per cent in 2000-01, which is marginally better than 0.7 per cent growth in the preceding year. Adverse climatic conditions have dampened considerably the growth prospects of crop agriculture, which is expected to decline by 3.5 per cent mainly because of 4.7 per cent decline in production of foodgrains.

Growth in Agriculture (Per cent)

	1998-99	1999-2000	2000-2001
Agriculture & Allied (GDP at 1993-94 prices)	7.1	0.7	0.9
Agricultural Production (Index of agricultural production with base triennium ending (1981-82=100))	7.7	-0.7	-3.5
Foodgrains production	5.8	2.7	-4.7

8.12 Trend of growth in agriculture should, however, be seen over a large time span in order to even out annual seasonal effects on growth. The country's performance in agriculture during the last two decades has been reasonably satisfactory. The average annual growth recorded in agriculture and allied sector (agriculture, forestry and fishing) during the post reform years 1992-93 to 1999-2000 was 3.6 per cent compared to 3.9 per cent in the period 1980-81 to 1991-92 (at 1993-94 prices). It is important to search for indications pointing toward structural change in the agri-output mix. Even if growth in foodgrains, the most dominant segment of crop agriculture, decelerated from

2.9 per cent to 2 per cent in the post reform period, (which is still higher than population growth of 1.6 per cent), there has been high growth maintained in wheat (3.6 per cent) and even rice (2.2 per cent) leading perhaps to the problem of the excess stock of foodgrains (Table 8.4). Decline in coarse cereals (-1.6 per cent) conformed to the trend of no growth even before the reforms, indicating producers' and consumers' preference for higher value foodgrains. All crops (46 crops) including plantation crops have registered 2.2 per cent annual growth in the post-reform period compared to 3.4 per cent in eighties. This deceleration is obviously due to decline in coarse cereals production and lack of any growth in pulses production. Annual growth in rice and wheat has been fairly robust.

TABLE 8.4		
Pre-reform and Post-reform growth in Agriculture (Annual Average Growth Rates at 1993-94 prices) (per cent)		
Crop	1980-81 to 1991-92	1992-93 to 1999-2000
Agriculture and Allied	3.9	3.6
Agriculture (all crop, animal husbandry, dairying)	4.2	3.7
Forestry	-0.1	0.8
Fishing	5.4	5.5
Annual Compound Growth of Crop Agriculture (Base : Triennium Ending 1981-82)		
Crop Agriculture	3.4	2.2
Foodgrains	2.9	2.0
Cereals	3.1	2.1
Rice	3.7	2.2
Wheat	3.6	3.6
Coarse Cereals	0.0	-1.6
Pulses	1.4	0.8
Non foodgrains	4.3	2.4