

Monsoon Diary: All-India rainfall 2% above LPA by early Aug'25

Spatial unevenness poses downside risks to agri-GVA

- **Jul'25 rainfall stood at 105% of LPA in FY26:** All-India cumulative rainfall is 2% above its long-period average (LPA) as of 7th Aug'25. Last year, as of 7th Aug, it was 7% above LPA (*Exhibit 1*). India recorded above-normal rainfall at 104.8% of the Long Period Average (LPA) in Jul'25, slightly below the India Meteorological Department's (IMD) projection of over 106% of LPA for the month. The strong start to the month was followed by a softening in the latter half. Specifically, during July 1–15, rainfall was 11% above LPA, helping boost kharif sowing momentum across key crops. However, in the second half of July, precipitation slipped marginally to 0.5% below LPA, pulling down the overall monthly average. Despite this moderation, cumulative monsoon performance in Jun–Jul'25 remains favorable, supporting agricultural prospects and rural demand for the rest of the season (*Exhibit 2*).
- **Surplus rains in Northwest and Central India boost kharif sowing prospects amid a deficit in the East:** As of 7th Aug'25, the Northwest and Central regions of India have received substantially higher surpluses this year at 20% and 8% above normal, respectively, compared to -5% and 19% in 2024. This early and abundant rainfall in these agriculturally important zones has created favorable soil moisture conditions, supporting the timely sowing of kharif crops such as pulses, coarse cereals, and oilseeds. It also helps replenish reservoirs and groundwater levels, which are critical for irrigation continuity later in the season. In contrast, the Southern Peninsula has recorded a deficit of 4% below normal this year vs. a strong surplus of 25% last year. The East and Northeast regions continue to face the largest shortfall, with rainfall at -18% (i.e., 18% below LPA/normal) in 2025 compared to -12% in 2024 (*Exhibit 3*). These divergences highlight the uneven spatial distribution of monsoon rains this year, despite near-normal aggregate levels at the national scale.
- **Rainfall spread key to assessing monsoon health:** Spatially, rainfall distribution varies significantly across India's districts and meteorological subdivisions. Tracking the number of districts or subdivisions under each rainfall category—such as large excess, excess, normal, deficient, and large deficient—provides insights into the uniformity or skewness of the monsoon. A balanced distribution, with a higher number of districts in the "normal" and "excess" range and fewer in "deficient" categories, indicates a healthy monsoon phase. Conversely, a higher number of deficient or large deficient regions signals stress for agriculture, reservoirs, and rural livelihoods.
- **Jul'25 witnesses a sharp rise in large rainfall deficiencies across regions:** The regional rainfall distribution for July over the past four years shows a noticeable shift in 2025 towards deficit conditions. In Jul'25, 18 meteorological subdivisions experienced large deficiencies, significantly higher than in previous years, while 8 subdivisions faced normal rainfall and 7 saw excess rainfall. In contrast, Jul'24 had a more balanced distribution, with 12 subdivisions in the large excess category, 11 in excess, and only 3 experiencing large deficiencies (*Exhibit 4*).
- **Spatial unevenness poses downside risks to agri-GVA:** The pattern in 2025 points to greater spatial unevenness, with surpluses concentrated in fewer regions and widespread deficits elsewhere, despite overall near-normal national rainfall levels. This could lead to uneven agricultural performance and regional economic divergence. This could soften rural consumption in deficit-hit regions, even as surplus areas fare better. Localized supply constraints for pulses, coarse cereals, or oilseeds may also emerge, posing upside risks to food inflation later in FY26. In addition, poor rainfall in certain catchments could limit reservoir recharge, affecting rabi season irrigation and increasing production costs. If such spatial imbalances persist, they may modestly drag agri-GVA growth below current expectations.
- **Kharif sowing up 5.1% YoY, led by cereals:** As of 1st Aug'25, total kharif sowing stood at 93.3m hectares, up 5.1% YoY from 88.8m hectares last year. The growth was fueled by rice (+16.7% YoY) and coarse cereals (+4.7%), aided by favorable monsoon conditions in key growing regions. All food grains together recorded a healthy 9.8% rise in acreage. In contrast, sowing of oilseeds (-4.0%), cotton (-2.4%), and jute (-3.0%) declined, reflecting regional rainfall imbalances and possibly crop-switching decisions by farmers. The acreage of pulses was broadly stable (-0.3%), while sugarcane rose moderately by 2.9%. The overall expansion in sown area, particularly in staple cereals, bodes well for kharif output and agri-GVA growth in FY26, though deficits in some crops could still affect price stability and regional farm incomes (*Exhibit 5*).
- **Kharif acreage growth hits a five-year high in 2025:** The actual sown area of kharif crops has recorded a notable turnaround in 2025, rising 5.1% YoY, the strongest expansion in at least five years. This marks a sharp improvement from the modest 1.0% growth in 2024 and consecutive declines during 2021–2023 (-1.6% to -3.4%). The rebound in 2025

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reflects favorable monsoon conditions in most major crop-growing regions, particularly for rice and cereals, and improved reservoir levels supporting timely sowing. The sustained expansion in acreage is expected to bolster kharif output and contribute positively to agricultural GVA in FY26, although regional rainfall deficits and crop-specific declines in oilseeds and cotton may temper the overall gains (*Exhibit 6*).

- **Early August reservoir levels at a decadal high in FY26:** As of early August 2025, India's reservoir storage has reached 73% of live capacity, the highest level in at least a decade and well above last year's 65%. This sharp improvement is driven by healthy monsoon inflows and offers a strong water buffer for both ongoing kharif cultivation and the upcoming rabi season. Regionally, significant gains are evident in the northern region (72% vs. 46% last year) and in the western and southern regions (75% and 78%, respectively), while the central region has risen to 73% from 66%. The eastern region has also improved to 55%, up from 47% a year ago. These elevated storage levels are expected to support irrigation, stabilize crop yields, and mitigate risks from any late-season rainfall shortfalls, thereby providing a cushion for agricultural output and rural incomes in FY26 (*Exhibits 7 and 8*).
- **Outlook for agri GVA in FY26:** The monsoon performance in FY26YTD presents a broadly positive backdrop for agricultural activity, with cumulative rainfall slightly above the long-period average, kharif sowing at a five-year high, and reservoir storage at decadal peaks. These factors, coupled with strong gains in acreage for rice, cereals, and coarse grains, position agri-GVA to register healthy growth in the range of 3.5–4.0% this year. Elevated water storage levels will also provide an important buffer for irrigation during the remainder of the kharif season and into the rabi sowing period, reducing vulnerability to short-term rainfall variability. However, the pronounced spatial unevenness in rainfall distribution poses meaningful downside risks. Large deficiencies in parts of the South Peninsula, East, and Northeast could depress yields for pulses, oilseeds, and cotton, dampen rural incomes in deficit-hit regions, and potentially create localized supply shortages. If such imbalances persist, they may exert upward pressure on food inflation later in FY26 and weigh modestly on overall agri-GVA growth. While the national outlook remains favorable, sustained monitoring of regional rainfall patterns, crop progress, and market prices will be essential to safeguard the agricultural growth momentum.

Exhibit 1: All-India rainfall surpasses LPA by 2% as of 7th Aug'25

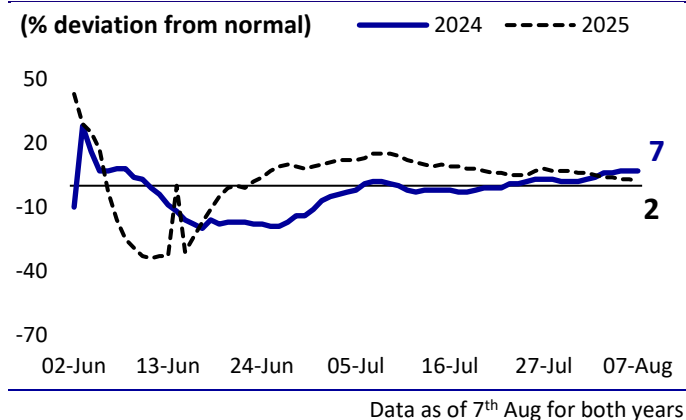


Exhibit 2: Jul'25 rainfall stood at 105% of LPA in FY26, the lowest in four years

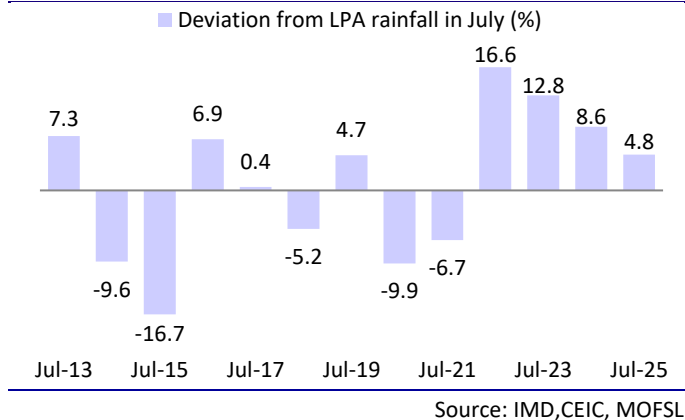


Exhibit 3: Rainfall in Northwest and Central India stood at a surplus of 20% and 8%, respectively (as of 7th Aug'25)

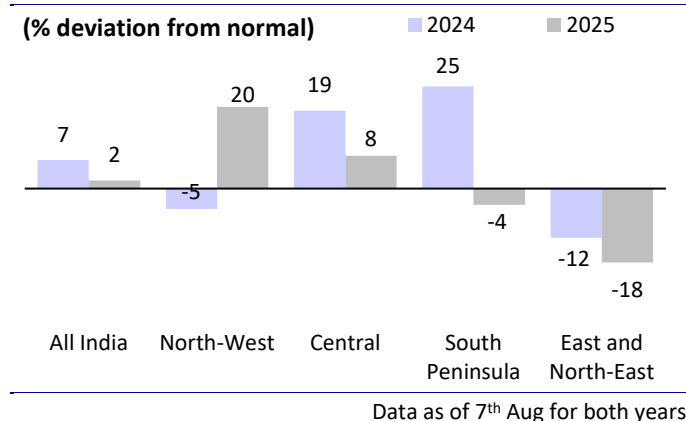


Exhibit 4: Jul'25 rainfall shows the most uneven distribution in the last four years

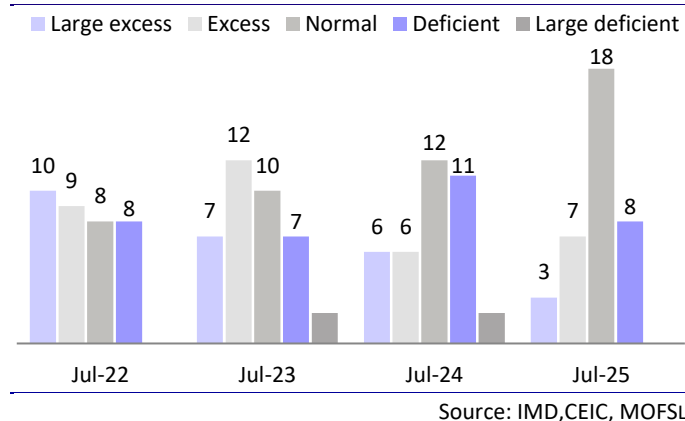
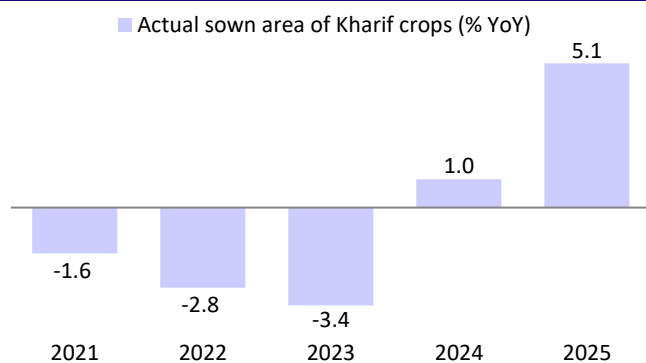


Exhibit 5: Area sown under kharif crops up 5.1% (as of 1st Aug'25), led by rice and coarse cereals

Area sown under Kharif crop			
(m hectare)	01-Aug'24	01-Aug'25	(% YoY)
Rice	27.4	31.9	16.7
Coarse cereals	16.5	17.3	4.7
Total cereals	43.8	49.2	12.2
Pulses	10.2	10.1	-0.3
All food grains	54.0	59.3	9.8
Oilseeds	17.8	17.1	-4.0
Sugarcane	5.6	5.7	2.9
Jute	0.6	0.6	-3.0
Cotton	10.8	10.6	-2.4
All crops	88.8	93.3	5.1

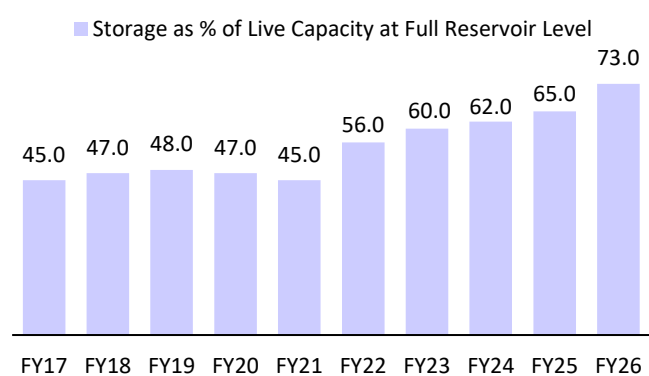
Data as of 1st Aug for all years

Exhibit 6: Kharif acreage growth hits a five-year high in 2025



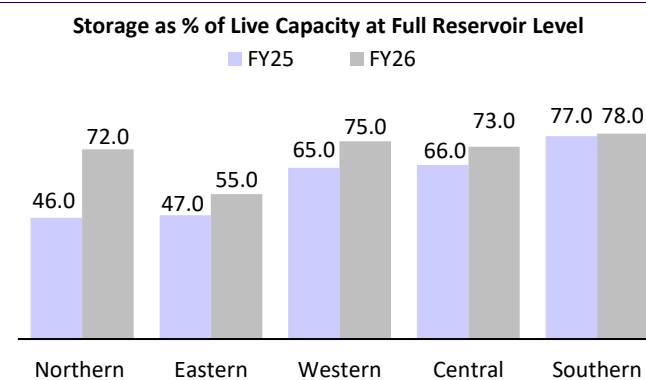
Source: IMD, CEIC, MOFSL

Exhibit 7: Water reservoir levels at 73% of live storage capacity as of 7th Aug'25, the highest in at least a decade...



Data around 7th Aug for all years

Exhibit 8: ...mainly led by Northern, Western, and Central regions



Source: CEIC, MOFSL

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