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India agriculture output lone bright spot in an economy set to shrink

Farm sector growth will top 3 per cent in the year started April 1, Ramesh Chand, an adviser to PM Narendra Modi, said in an interview.

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An agricultural labourer harvests wheat crop at a farm during the nationwide lockdown in the wake of coronavirus pandemic, on the outskirts of Noida, UP. Photo: PTI

India's agriculture output is seen growing faster than expected in the current financial year, emerging as the lone bright spot at a time when the coronavirus pandemic is taking out the economy's growth engines one after another.

Farm sector growth will top 3 per cent in the year started April 1, Ramesh Chand, an adviser to PM Narendra Modi, said in an interview. The sector is expected to have expanded 2.8 per cent last year and 2.9 per cent the year before.

"Agriculture growth rate this year will be intact," said Chand, a member in NITI Aayog. "In fact, agriculture will be a big support to an otherwise sagging economy."

The economy is seen headed for a rare annual contraction, as a more than month-long lockdown to prevent the virus's spread effectively puts a lid on consumption — which makes up about 60 per cent of gross domestic product. Chand's comments mark the first assessment of the farm sector, which employs about 800 million people directly or indirectly, and accounts for less than a fifth of the national output.

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