

Agriculture GVA sees 3.5% increase

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The gross value added (GVA) in agriculture, forestry and fishing recorded a growth of 3.5 per cent in real terms in the second quarter of the financial year 2026 (Q2FY26), against 4.1 per cent reported during the same period last year, with nominal growth collapsing steeply, the quarterly GDP estimates released on Friday showed.

The data showed that in nominal terms, GVA for agriculture and allied activities grew by just 1.8 per cent in the quarter under review, down from 7.6 per cent in the corresponding quarter of previous year largely due to sharp dip in inflation. In Q1FY26, the GVA for agriculture and allied activities in nominal terms was 3.2 per cent, which too was down from 7.5 per cent in the corresponding period of FY25.

"Agriculture was expected to do well and growth at 3.5 per cent is supported by a good kharif harvest expectations, which will reflect more in Q3," Madan Sabnavis, chief economist at Bank of Baroda said.

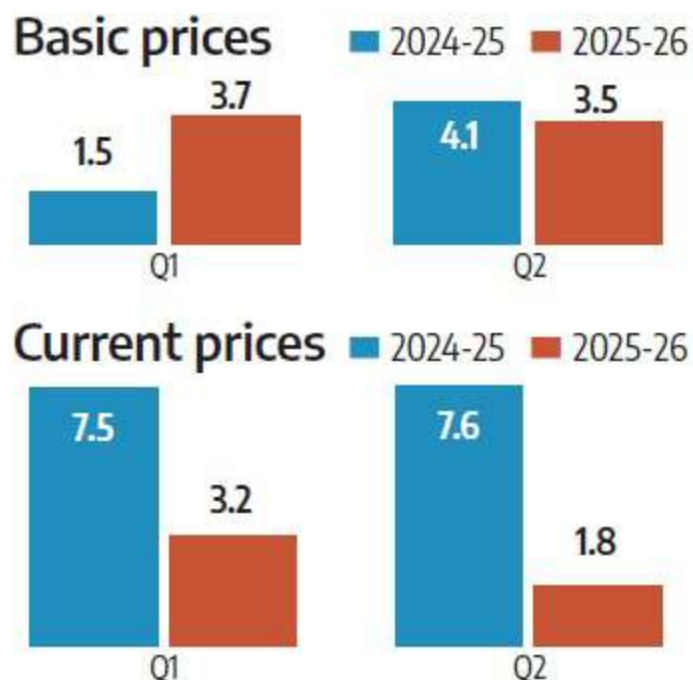
Earlier in the day, agriculture secretary Devesh Chaturvedi, speaking at a panel discussion on Ficci's 98th Annual General Meeting, said that no major spike in food inflation is expected in the next six months on the back of strong kharif harvest and expected bumper rabi production. "Reservoir levels are full, while the soil moisture is also adequate and due to this rabi sowing is progressing well, whatever dip in production was seen in kharif due to floods will be more than offset in rabi and we will have a good crop," he said.

The July to September quarter is usually the time when the kharif crops are sown and the rabi harvest from the previous season is on its way out. Sowing for kharif crops starts around June with the advent of monsoon and harvesting starts from October onwards.

The GVA data meanwhile also reflects

Tracking the trends

Growth of agri and allied activities (%)



Source: Mospi

the partial impact of the early kharif harvest.

A clearer picture of the farm sector and the impact of bumper monsoon in 2025 will be felt in subsequent quarters. The southwest monsoon in 2025 ended the season with eight per cent surplus rains but more than that the showers continued to last several parts of the country well into the months of October. This not only delayed kharif harvest but also impacted initial rabi sowing.

Meanwhile, the first advanced estimate of food grains production for the 2025-26 crop season released by the agriculture ministry few days back showed that India's rice production in the 2025 kharif season is estimated to be at a record of around 124.50 million tonnes which is 1.73 million tonnes or 1.4 per cent more than the 2024 kharif season.

The crop season runs from July to June.

Overall total kharif foodgrains production for 2025-26 is estimated to be 173.33 million tonnes which is around 3.9 million tonnes or 2.3 per cent more than the kharif season of 2024-25.



“AT A TIME OF GLOBAL HEADWINDS, A GROWTH RATE OF 8.2% IS VERY IMPRESSIVE. DOMESTIC DEMAND AND DEREGULATION CAN TAKE IT TO DOUBLE DIGITS. WE ARE STRENGTHENING OUR POSITION AS THE WORLD'S FASTEST-GROWING MAJOR ECONOMY”

Anil Agarwal
Chairman, Vedanta



“INDIA'S 8.2% GDP GROWTH IN Q2 UNDERSCORES THE ECONOMY'S INHERENT RESILIENCE AND DEPTH OF DOMESTIC DEMAND. EVEN AMID HEADWINDS SUCH AS US TARIFFS, OUR MANUFACTURING AND SERVICES SECTORS HAVE DEMONSTRATED EXTRAORDINARY MOMENTUM”

Anish Shah
Group CEO & MD, Mahindra Group