

Topic “IMPACT OF PRIMARY SECTOR ON INDIAN ECONOMY”

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ABSTRACT:

The purpose of this study was to analyze the effect of sectoral economic growth on labour absorption, analyze the effect of economic growth on the welfare of society, analysis of the influence of labour absorption on community welfare. As we know that India is developing nation. There are three sectors which plays a significant role in the development of nation: agricultural sector, industrial sector and service sector. As we know that the dependents in agricultural sector is more and their per capita income is less. But, most part of our rural India is still depending up on Agricultural sector only. This paper explains about the economic growth of India can be accelerated by strength Henning our agricultural sector in India. As we know that India is second largest populated country and seventh largest country in geographical level. The economy of the country is scattered in various areas like manufacturing industries, agriculture, textile, services etc., Doing agriculture re is a major livelihood activity in India. Mahatma Gandhi said “Indian economy lives in rural villages”. The great economists and other great people must think about how to economically strengthen our nation by strengthening agricultural sector in India. It is evident that major portion of agricultural based food products are exporting from India. The consumer market products exist due to work performed across a range of job sectors, from primary to quaternary. The primary sector is the first phase of any manufacturing process covering raw material acquisition. Primary sector jobs comprise a variety of industries, ranging from mining to agriculture.

Key words: Development, Indian Economy, Primitive Sector, Role of Agriculture.

Importance of Agriculture in Indian Economy

Agriculture is the backbone of Indian economy. Though, with the growth of other sectors, the overall share of agriculture on Gross Domestic Product (GDP) of the country has decreased. In India agriculture is still continuing to play a dominant part in the overall economic scenario. Food is a basic need for life. People depend on agricultural yields for food requirements. India produces huge quantity of food grains such as millets, cereals, pulses, etc. A major share of the food-stuffs produced and consumed within the country. Our farmers work day and night to feed our population that counts over 1.21 billion (census 2011)

Agriculture is the most predominant sector of Indian economy. Indian agriculture sector accounts for 18 percent of India’s gross domestic product (GDP) and provide employment to 50 percent of the country’s workforce.

Agriculture is the basic occupation for majority of the main-workers in India. A huge number of rural women are also occupied in agriculture. According to 2011 census, over 77.8% of the main workers in India are engaged in agricultural and allied activities. 32.8% women are being as an agriculture labour in India. A number of industries are agro-based industries, such as jute, cotton, sugar, tobacco, etc., are raw materials for such industries are supplied from agricultural sector.

The productivity of land increased enormously which leads to huge economic boost to the nation. With this concern most of the people, especially in rural areas selected agriculture as their main occupation. Among those, SC women are dominated in the number.

Agricultural product is the fourth largest exported principal commodity with a share of 10 % of total exports of the country. According to ministry of agriculture, total food grains production was 273.38 million tons in the year 2018.

Agriculture is more a way of life than other activities. It is the prime sector of the country's economy and occupies a place of pride, where 70% of the rural people are living in villages and mostly working as agriculture laborer's. An important aspect of the role of agriculture can be seen from its large contribution it makes to the country's national income increases and creates more job opportunities and raise the volume of development in agriculture as well as in the industry. So indeed both ways of employment opportunities can. be expended in larger number. Thus, large expansion of agriculture could generate more income to rural people which can stimulate industrial growth

Objectives of the study:

- To discuss the importance of the agriculture in India.
- To analyze the role of primitive sector in Indian economy.

Scope of the study

This paper discusses the features of the Indian agriculture and the role and importance of the agriculture in Indian economy.

Features of Indian Agriculture:

- (i) Source of livelihood: Agriculture is the main occupation. It provides employment to nearly 61% persons of total population. It contributes 25% to national income.
- (ii) Dependence on monsoon: Agriculture in India mainly depends on monsoon. If monsoon is good, the production will be more and if monsoon is less than average then the crops fail. Sometimes floods play havoc with our crops. As irrigation facilities are quite inadequate, the agriculture depends on monsoon.
- (iii) Labour intensive cultivation: Due is increase in population the pressure on land holding increased. Land holdings get fragmented and subdivided and become uneconomical. Machinery and equipment cannot be used on such farms.
- (iv) Under employment: Due to inadequate irrigation facilities and uncertain rainfall, the production of agriculture is less, farmers find work a few months in the year. Their capacity of work cannot be properly utilized. In agriculture there is under employment as well as disguised unemployment.
- (v) Small size of holdings: Due to large scale sub-division and fragmentation of holdings, land holding size is quite small. Average size of land holding was 2.3 hectares in India while in Australia it was 1993 hectares and in USA it was 158 hectares.
- (vi) Traditional methods of production: In India methods of production of agriculture along with equipment are traditional. It is due is poverty and illiteracy of people. Traditional technology is the main cause of low production.
- (vii) Low Agricultural production: Agricultural production is low in India. India produces 27 Qtls. wheat per hectare. France produces 71.2 Qtls per hectare and Britain 80 Qtls per hectare. Average annual productivity of an agricultural labourer is 162 dollars in India, 973 dollars in Norway and 2408 dollars in USA.
- (viii) Dominance of food crops: 75% of the cultivated area is under food crops like Wheat, Rice and Bajra, while 25% of cultivated area is under commercial crops. This pattern is cause of backward agriculture.

Roles of agriculture in Indian economy.

1. Contribution to National Income:

From the very beginning, agriculture is contributing a major portion to our national income. In 1950- 51, agriculture and allied activities contributed about 59 per cent of the total national income. Although the share of agriculture has been declining gradually with the growth of other sectors but the share still remained very high as compared to that of the developed countries of the world. For example, the share of agriculture has declined to 54 per cent in 1960-61, 48 per cent in 1970-71, 40 per cent in 1980-81 and then to 18.0 per cent in 2008-09, whereas in U.K. and U.S.A. agriculture contributes only 3 per cent to the national income of these countries.

2. Source of Livelihood: In India over two-thirds of our working population are engaged directly on agriculture and also similarly depend for their livelihood. According to an estimate, about 66 per cent of our working population is engaged in agriculture at present in comparison to that of 2 to 3 per cent in U.K. and U.S.A., 6 per cent in France and 7 per cent in Australia. Thus the employment pattern of our country is very much common to other under-developed countries of the world. Agriculture is the only major source of food supply as it is providing regular supply of food to such a huge size of population of our country. It has been estimated that about 60 per cent of household consumption is met by agricultural products.

3. Role of Agriculture for Industrial Development: Agriculture in India has been the major source of supply of raw materials to various important industries of our country. Cotton and jute textiles, sugar, Vanaspati, edible oil plantation industries (viz. tea, coffee, rubber) and agro-based cottage industries are also regularly collecting their raw materials directly from agriculture. About 50 per cent of income generated in the manufacturing sector comes from all these agro-based industries in India. Moreover, agriculture can provide a market for industrial products as increase in the level of agricultural income may lead to expansion of market for industrial products.

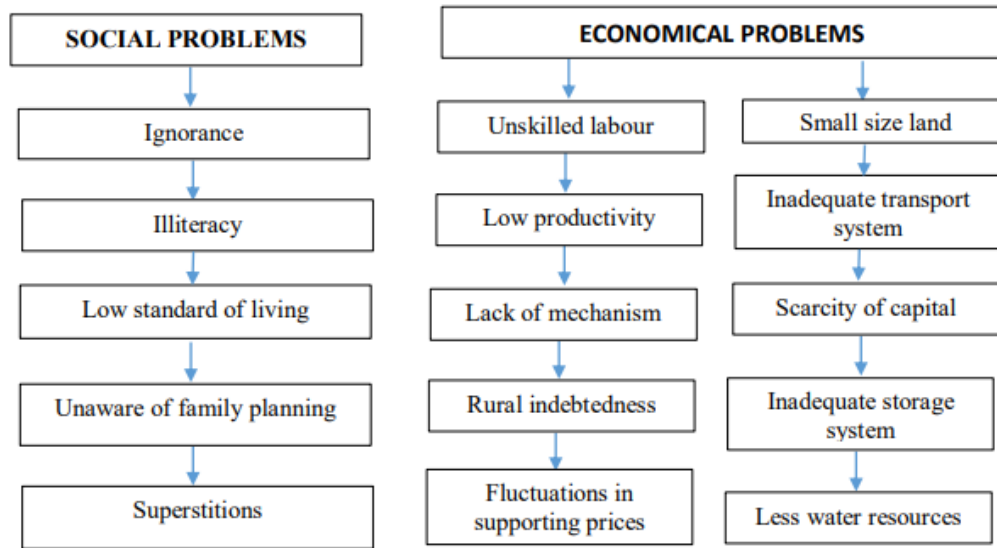
4. Commercial Importance: Indian Agriculture is playing a very important role both in the internal and external trade of the country. Agricultural products like tea, coffee, sugar, tobacco, spices, cashew-nuts etc. are the main items of our exports and constitute about 50 per cent of our total exports. Besides manufactured jute, cotton textiles and sugar also contribute another 20 per cent of the total exports of the country. Thus nearly 70 per cent of India's exports are originated from agricultural sector. Further, agriculture is helping the country in earning precious foreign exchange to meet the required import bill of the country.

5. Source of Government Revenue: Agriculture is one of the major sources of revenue to both the Central and State Governments of the country. The Government is getting a substantial income from rising land revenue. Some other sectors like railway, roadways are also deriving a good part of their income from the movement of agricultural goods.

6. Role of Agriculture in Economic Planning: The prospect of planning in India also depends much on agricultural sector. A good crop always provides impetus towards a planned economic development of the country by creating a better business climate for the transport system, manufacturing industries, internal trade etc.

A good crop also brings a good amount of finance to the Government for meeting its planned expenditure. Similarly, a bad crop lead to a total depression in business of the country, which ultimately lead to a failure of economic planning. Thus the agricultural sector is playing a very important role in a country like India and the prosperity of the Indian economy still largely depends on agricultural sector. Thus from the foregoing analysis it is observed that agricultural development is the basic precondition of sectoral diversification and development of the economy.

Problems of Indian Agriculture



Recommendations:

- Provide agro training centers for formers
- provide micro credits
- Establish more agro based industries
- Introduce land reform for democratic distribution and scientific cultivation of land and improve irrigation facilities.
- Provide transport and infrastructure facilities

Conclusion:

Most of the Indians are directly or indirectly depending on the agriculture. Some are directly attached with the farming and some other people are involved in doing business with these goods. India has the capacity to produce the food grains which can make avast difference in Indian economy to achieve targeted marks by the government it needs to provide support in care of land.

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