



# Contribution of the Agriculture sector to the economic growth of India with both being interdependent on each other

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## Abstract

India show an increase in the agriculture export by 23% from March to June 2020 , the agri share has increased by 20 % after 17 years in GDP . A self-supporting agriculture is an integral aim of Atmanirbhar Bharat . Over the years the government has introduced new schemes and policies for the development of agriculture sector .Today , India is the largest producer of a number of fruits ,vegetables . It is the leading producer of milk , cotton , bananas in the world . The agriculture sector contributes maximum to the GDP of India , it also provides raw material to many industries which has also growth over the years for instance textile industry which is emerging as one of the leading exporter . India is a leading exporter in the global market when it comes to agriculture products , over the years we have seen development in the sector of poultry industry , aquaculture , fishing , animal husbandry . from providing agricultural loans and bringing in new land reforms for farmers we see a rise in the agriculture sector . Indian economy is primary depended on the agriculture sector which constitutes more than 50 % of the workforce in India with maximum people living in the rural sector . Development in the rural economy can escalate the economy sector of India.

**Keywords :** Agriculture , economy , GDP , Atmanirbhar Bharat , self- supporting , export , agri share , raw materials

## Introduction

Agriculture plays a prominent role in the growth of economic of any country be developed , developing or under developed .The green revolution in India shows it helped to boost agriculture which affected the overall economic growth of the country in a positive way . Agriculture sector provides raw material for the industrial sector and food to people, demand for good purchase by the non-agricultural sector also

strengthen the produce demand , providing surplus in the form of saving and taxes which be used for non agricultural sector , agriculture sector also contributes to the foreign exchange business through exports . Agriculture development and economy growth go hand in hand for many countries especially for countries which are underdeveloped and highly depend on agriculture as the primary source of economy . Agriculture contributes to National Income , in most of the South Asian countries Agriculture provides maximum GDP in Bangladesh and India , the leading industrialized countries even once depended on agricultural.

Agriculture is the sole food supplier to the world as the population is increasing demand for food is also increasing if agriculture is unsuccessful in providing people with the basic needs the outcome is huge loss of economy , agricultural upgradation is important improving the of organic matter for agro driven industries particularly for undeveloped and developing countries .The agriculture product shortage has an equal consequences on the industrial product which results in high cost of the price , indirectly influencing the economic growth of the country . The four mills , oil , pulse , jute everything depends on raw material from agricultural . It also provides progress in surplus for escalating the agricultural products , more production provides opportunity for greater exports of agricultural products . The development in agriculture sector has reduced the load of many developed countries who face scarcity of foreign funds , agriculture doesn't require high funds for growth thus it solving the issue of foreign funds .Agriculture sector also helps in reducing the gap between the urban and rural by providing utmost important to agriculture sector , it also create effective demand . Coming to India which is a agricultural country and has the second largest population in the world . With a population of 1.3 billion , agriculture sector is the fundamental component for economy development with the rise in population demand for food also increases . In India 70% of the population live in rural India where agriculture is the main source of income and 90% are farmers .In fact in India 28% of the GDP comes from the agricultural sector which is the second highest after Bangladesh . Agriculture is required in almost all industries including textile . Almost all growing industries are directly or indirectly dependent on agriculture for raw material , where today India is trying to improve the agricultural sector and make the life of farmers comfortable and provide them maximum facilities for the development of infrastructure and other requirement for promoting of the agricultural sector .

### **Research Methodology**

For the purpose of this exploration , I have used a amalgamation of two of the archetypical social sciences research tools application –as they are authentic and brilliant method to assemble statistics from multiple appellant in an methodical and convenient way . Question were asked to the common youth , farmers , rural people ,survey , interviews –consisting of several interrogation which were dispersed among representative of each contender group .

## Objective of the Research Paper

The main areas of exploration in this paper incorporates

- 1.Relation between agriculture and economy growth in India .
2. Agriculture revolution since Independence in India.
3. India's growth in agriculture export over the years.
- 4.The future perspective of agriculture sector in the growth of Indian economy .

## Literature Review

After Independence in the 1960s and 70s, India adopted the green revolution which provided a output of 131 million tonnes in 1978-79 , yield improved by 30 % since 1947 , it also helped to reduce poverty by 50 % by providing employment opportunities to people which maximized the production of wheat and rice . Land reforms was also made by the government to end zamindari system and which was part of the First Five years plan . The government brought in new schemes to protect the crops against floods , droughts and fires. Cooperative banks, regional rural bank and the most important National Bank for agricultural and rural development which is the apex bank in rural area , it provides agricultural loans to farmers and funds for purchasing pesticides , fertilisers , seeds , equipment and machines for agriculture modernization , In India labour based farming is still practised where maximum human labour is involved , only a few states have adopted machines in the agriculture sector . The government has introduced online platforms which provide knowledge on pesticides , soil health , soil nutrition we have the eNam platform , the government has distributed soil health cards to farmers by which they will get to know about the soil health and how much fertilisers to use . The rural Banks also provide warehouse benefits to the famers .The government is constructing infrastructure for cold storage to store crops for the whole year , as lack of cold storage has resulted in wastage of food and the rest of the time it resulted in food shortage which has an affect on the economy . India also adopted the white revolution which has increased our dairy production , followed by yellow revolution to escalate the production of edible oils particularly mustard and sesame a record of 25 million tonnes of oil seeds was produced .Blue revolution which includes making aquaculture an integral and productive agricultural activity , today India stands second in the world when it comes to fish production.

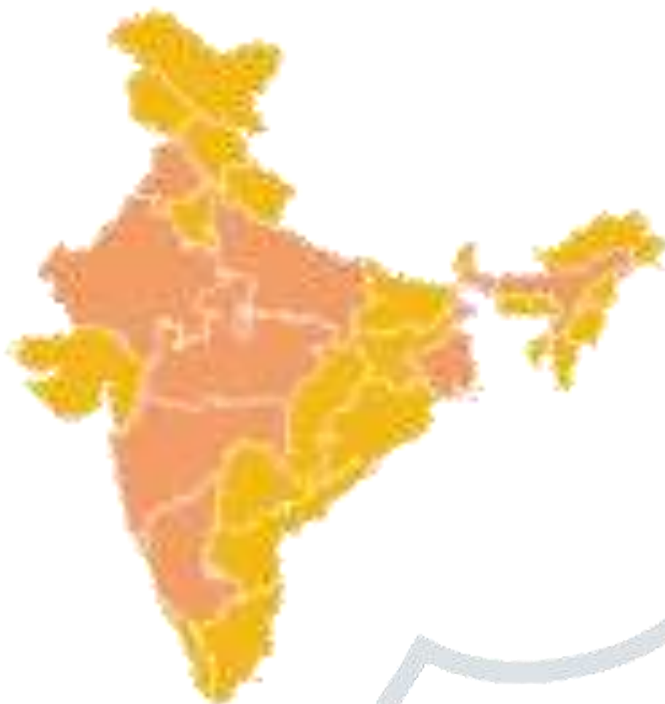
Golden revolution which India adopted from 1991 to 2003 , advancement in fruits and vegetable which made India world producers of Mangoes and Bananas which also provides sustainable living and nutrition options which is also similar to silver revolution which escalated the poultry industry with production of eggs was increased , which was increased due to ,medical sciences Golden Fiber revolution which is related to jute production providing raw materials which has enhanced the textile industry .Today India is the second largest producer of Jute after Bangladesh , with so many revolution in India in the agricultural has provided people with maximum jobs opportunities and also made India one of the leading exporter of agriculture product . India's agriculture sector has developed over with years, with now we are promoting digital facilities in the sector .Individual state have also taken initiatives to develop and modernize the sector where each state has different budget allocated for the agriculture sector .

## Findings

India produces ample amount of milk , pulses , jute compared to the rest of the world and second big producer of cotton , fruits , vegetables , wheat , rice and sugarcane and major spices .Let's talk about them in details Rice is the chief crop of India , the maximum rice comes from India to the world , the major states who produce rice in India are West Bengal , Punjab , Odisha, Uttar Pradesh and Assam they are 5 largest producer followed by which we have Buffalo Milk –India produces humongous amount of Buffalo Milk , India is also the largest exporter of Buffalo milk and produces ample amount of milk compared to other countries , this industry has amplified after the white revolution . Cow Milk : India has a vast agricultural sector when it comes to milk and it also has immense amount of herds of buffalo and cattle , it has the largest growing industry when it comes to Viticulture, poultry and Aquaculture . India ranks second when it comes to the production of wheat and the ain contributes are Punjab , Madhya Pradesh , Haryana and Uttar Pradesh .When it comes to fruits , Mangoes are growing in ample amount and it is also the national fruit of India , 50% of the world's mango are grown here and Alphonso Mangoes are the superior variety produced in Maharashtra .India also produces Guavas in ample amount in comparison to the rest of the world .After Brazil , India produces the maximum amount of sugarcane which is used to produce sugar , alcoholic beverages and jaggery. India is also the largest producer of cotton which is used to manufacture cloth and is a natural fiber the major producer of cotton are Karnataka , Gujarat , Madhya Pradesh , Punjab , Maharashtra .

Today India is the largest producer of Bananas in the word , with 297 lakh MT on a land of 8.4 hectare the major producer are from South Indian sates and west which includes Gujarat , Maharashtra , Kerala , Tamil Nadu , Karnataka . India also producers 37% of the world's potatoes and also second largest producer of tomatoes producing 18 % of the world tomatoes .After China ,India is the maximum producer of peanut : edible seeds .Okra commonly referred to as Lady Finger has is exporter to different countries from India . India also produces ample amount of onion along with China around 19.4 % .Chicken peas , around 64% of the chicken peas in the world are produced in India and these are of different types .

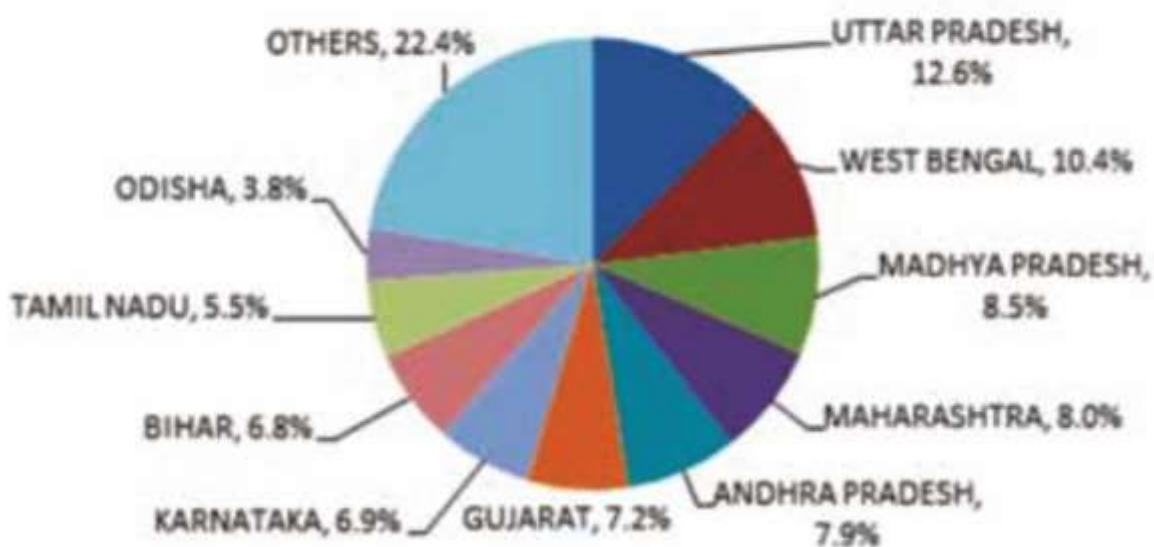
Coming to the states which producer maximum agriculture products are rice in West Bengal , wheat in Uttar Pradesh , Cotton in Gujarat , Sugarcane in Uttar Pradesh , Vegetables in West Bengal , Jute in West Bengal , Tea in Assam , Coffee in Karnataka , Pulses in Madhya Pradesh , Rubber in Kerala , Bananas in Tamil Nadu . Kerala is also the largest producer of Black pepper , cardamom , cloves .

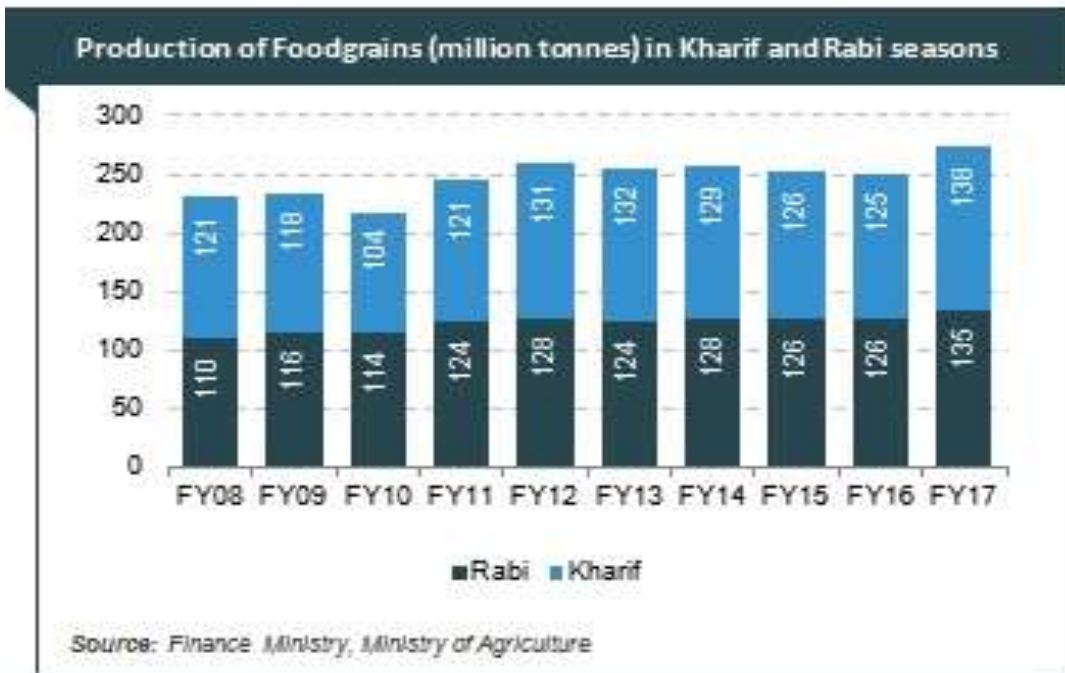


- Uttar Pradesh
- West Bengal
- Madhya Pradesh
- Karnataka
- Maharashtra
- Punjab
- Rajasthan
- Assam

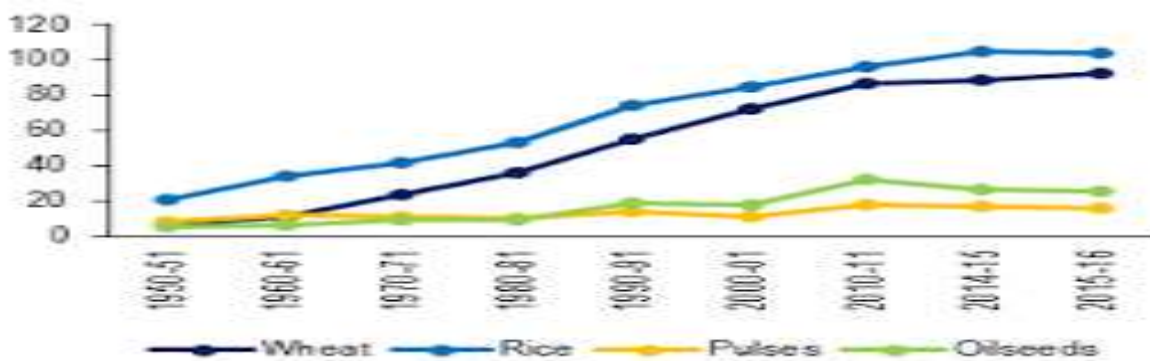


**Major Horticulture Producing States**





The Indian government has introduced new schemes and policies to boost the agriculture sector and the agriculture exports, we have seen a growth of 2.7% in the last 50 years. Under Prime Minister Modi, the government has set a target of 2.1% and also introducing policies to double the income of farmers by 2022, the main reason behind this to maximise the agriculture export business.



India exports Basmati and non-Basmati Rice to the world, In 2016-17 India exported rupee 21,605 crore of rice that is 400480 MT of Basmati rice. Saudi Arabia, Iraq, UAE, Kuwait and Iran have been the main importers, which amounts to 45%. Non-Basmati Rice is exported to Nepal, Senegal, Iraq and Guinea, 4305592 MT which is equal to 1027510 lakhs.

In the year 2016-17 India exported 5922 crore rupees fresh vegetables. Countries like UK, Bangladesh, Saudi Arabia, Malaysia, UAE, Netherlands are many more countries are importer of fresh vegetables from India. Fresh fruit exported was 4448.88 crore. India is the biggest producer of Bananas, Mangoes and Papayas and India exports to Sri Lanka, UAE, Qatar, Pakistan and many more. India exported 725803.35 Million Tonnes of ground nut which is equal to 544433 lakh. India exports maximum amount of groundnut to Indonesia 185902 Million Tons costing 144495 Lakhs, other countries are Pakistan, Philippines, Vietnam etc being the top exporters. India also exports processed fruits and juices. In 2017 India export was 8.3% with a total export of 460 Billion dollar. India export of processed juice has amplified and fresh fruits have reduced.

India exports cereals and cereal preparations like bread , biscuits corn flakes . India exported 340873.188 MT of cereal preparation with a profit of 3572.61 crores to USA , UAE , Nepal etc .Guargram , India exported 419948.39 Million Tons in the year 2017 which is equal to 310662.07 .India exporter maximum to USA which was 178001.42 Million tons , China, Norway , Germany and Russia are the importers .

India also exports processed meat and meet juice , processed meat profit was 4.58 crore from the year 2016-17 . Animal Casings is exporter to South Africa , Albania , Turkey , Lebanon , Portugal it exporter 173.24 Million Tons equal to 13.84 crore .

Coming to Pulses , largest producer of pulses India main export countries are Sri Lanka , Pakistan , Algeria , UAE , Saudi Arabia , 114.13 crore was exported for the year 2016-17 .It is also the exports of cocoa products , Poultry , milled product . India exported 265909.25 million tonnes of wheat to the world of rupees 448.4 crore .India exports many agricultural products which many India powerful and also amplified the economy growth of the country .

### Future Perspective

Over the years , India is boosting it agriculture sector with modernized machines , construction of warehouse to reduce the food security crisis and boost the export market , providing maximum comfort to the farmers , by providing agricultural loans , giving them knowledge on seed quality , facilities for online platform to train them , introducing workshops . Bringing in new land reforms and also the use of renewable energy in agricultural sector . We see a rapid growth in the aquaculture , poultry industry followed by animal husbandry . With this development in agriculture we see a rapid increase in job opportunities , there is a vast improvement since independence in the agriculture sector ,Today , India is the leading producer of agriculture products in India which also provides raw material for many industries in particular Textile Industry , cotton , jute , wool and silk all the fiber comes from plant and animal husbandry . Agriculture sector is the cornerstone of India economy and in the upcoming years , the agriculture sector is going to amplify the production rate with new techniques and technology being used in the development of the industry which will indeed escalate the global export market for India , making India a global super power , with the world moving towards no plastic use , the jute industry can be the center for development where incident plastic bags , jute bags can be used .

### Conclusion

Indian economy mostly depends on agriculture sector for their overall development .Rural economy is paramount for sustainable development of India , with the agriculture sector contributing to 28% of the national income and constitutes more than 50 % of the workforce , the industry is the yardstick of Indian economy . The agriculture sector also provides raw material for many industries . The textile industry is the leading industry in the world and a major exporter of clothes which is highly dependent on raw material from the agriculture sector . India export of agriculture has amplified over the years , increase foreign trade ,Today India is one of the largest exporter in the global market for rice , wheat , milk , cotton , fruits and vegetables .

For the year 2017 the agriculture export contribution to GDP was 9.4 % which increase to 9.9% from the year 2018-2019 .India's export of agri-business has escalated from 149 crore to 2.53 Lakh Crore in the year 2019-2020 .With an increase in green economy we also see an increase in the agriculture production .

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