Globus An International Journal of Management & IT
A Refereed Research Journal
Vol 9 / No 2 / Jan-Jun 2018 ISSN: 0975-721X

A CRITICAL STUDY ON GDP AND AGRO-INDUSTRY IN INDIA

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Abstract

Agriculture is important part as more that fifty percent population of India is still dependent on agriculture. To improve agriculture productivity and streamline it with manufacturing and services sector, there is a strong need to adopt many measures. The most important and beneficial approach is to promote FDI inflow in agriculture sector in Indian economy.

Keywords: GDP, Agro Industry, Plantation.

Introduction

To sustain and development of India there are so many factors specially agriculture and that's why it has always been the prominent sector. Agriculture alone holds almost 18% approximately gross domestic products (GDP) of India. Milk, jute, organic fibers, and pulses are produced in India in maximum amount. For the production of various crops like fruits, rice, etc, the country has at second number in the world. Certain plantation crops and spices are also produced by India in highest number. Besides these products India is also an efficient producer of livestock, poultry, and fisheries too. These are also very much dependent on agriculture.

India is a great market and attracting other countries for trading foreign policies which discuss about the trading methods and techniques. It explains how to trade at foreign level and discuss the strategies and maintain a policy. The market explores so many things with keep in mind the thought that we should have a control over it as there are so many technologies in the market and because of Indian culture government of India should access so many things and should control over it on funds and money and expenses etc. There are so many difference in government and private firms mentality their working styles and in different matters because private firms only invest their money with the thought only hat if there is benefit in that trade. We are not saying that government will always fail but private firms knows how to gather profit.

The main reason for the government policy failure is because of our Indian politics that's why FDI in India is always preferable only in the case of developed countries not by developing country like India as politics exploit the India with the reason of non credibility and does not allow them to make profitable.

Review of Literature

Gazioglou and Causland (2000), debated that the economic growth and development with the help of foreign investment and discussed the model of nation as micro base by calculating the impact of foreign investment. The author also implemented his conclusions into macro level analysis. Different effects of FDI due to profit repatriation were also highlighted in the study. During the study it was also estimated the international profit and loss is totally depends on FDI and net international

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trading and real exchange rate in developed economics policy is compared to developing countries economic policy.

Maulik C. (2014) suggested by their study that the economy of any country can be classified into three major categories. These categories are: Agriculture sector, Industrial sector and Service sector. India is a developing country and in a developing country agriculture imparts a vital face. All other industries get their basic input from the agriculture sector. That is why it is necessary that this particular sector should be continuously developed from all dimensions. This sector was the major point of concern for the Indian government during different five year planning, but today in the age of competitive environment and information technology.

Deepak Kumar Adhana (2016), examined the economy of the nation with the relation agriculture and policy formed in India. According to the area of residence where the location based population impact on majority on agriculture. There is growing evidence that investing in Indian agricultural sector is among the most efficient ways to reduce poverty and hunger. An investment in the profession of food production that means agriculture or farming the recent trends in the farming that should be sharpen the declaration of major cause of agriculture sector.

Nirmala Chavan (2016) in her study described that the processing of food production and its consumption are not separate but they are connected with each other through agricultural marketing. Agricultural marketing has transformed the agriculture into a commercial activity rather than a stable activity. There are various limitations in the marketing of traditional agriculture. These limitations are large number of intermediaries, archaic and nontransparent systems, limited information dissemination, etc. It is because of this that there is need of to implement the new marketing strategies.

These strategies are farmers' cooperatives, big business retail, contract farming, and producer companies. These are new and alternative forms of agricultural marketing. Model APMC Act was developed by The Government of India in 2003. It was the state of Maharashtra that for the first time that has adapted this model APMC and implemented the policy in 2005. This has changed the landscape of agricultural marketing in Maharashtra.

Agricultural Scenario in India

The present research fulfills the two purposes: first purpose is to make outline the importance of FDI and second is the challenges of FDI that country faces in the development of agriculture. As a result of which some potential tools of FDI were measured to expediting the process of development.

In Indian Policy of development programmes first priority was given to agro industry. It is a part of overall development of Indian villages and job opportunities generation for that rural society. This particular aim was focused on the concept of Mahatma Gandhi's in which agro-industry should be in village at the time of India's independence movement. Not only at that time is it also a prime component of development plan of the nation. It was estimated by both the report from FAIDA and analyzed that in the country the future prospects is best for food processing organization in the overall development of the society of the nation which were based on agriculture.

However, Indian agro industry faces some challenges in its development. These obstacles are: expensive raw materials, inefficient chain for supply and constraints in market demand. There are always a contradiction and a debate is always running in the mind of people that multinational firms will help the farmers and small scale agricultural products units or they hurt them by using destroying policies and strategies. It is always a question that whether agro-industrial development for small firms can be promoted by the cooperative movement. Both the private sector and government sector are trying to develop the best model the development in agro industry. Although various methods have been developed, still there is question that which model is best suited for the challenges faced by the present agro industry. It is also a matter of question that these modes will contribute in the development of the rural societies and the interest of farmers of the country.

Conclusion

The country like India is a very big country and is developing in stage there is a huge population that's why in spite of so much production and productive lands and rivers we find that most of the people are poor looking to hardly survival and fight for it. There is a lot of budget sanctioned by the government for education and the best to improve the status of women Hence Swami Vivekananda said, that country which did not respect women have never become great nor will ever in of freedom and respectability given to women to move about and take part gives a good idea of the nature of the society to which they belong. The status is in which women are treated by the members of that civilisation.

Challenges and opportunities due to greatly influenced the skill development for policy discourse. There is a lot of improvement and sources after the traditional comparative advantages in activities to complete the status of education and women which will bring the revolution in India and will definitely help in change in India. There are so many skill development programs to develop the skills with the help of technology upgradation. The fast growth in industries in few countries is not followed by other developing countries. This is because there is a wide gap or differences between Asia and Africa highlights. Strategies for exploiting the potential for development of industries should be supported by government investors besides applying new strategies to make development in agro industry. This approach will give traditional comparative advantage, "agriculture".

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