

## Growth rate of agricultural GSDP and its forecasting — A case study of developing India

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**ABSTRACT :** Growth Rate of Agriculture in India GDP in the share of the country's GDP remains the biggest economic sector in the country. The present paper discussed the growth rate in agriculture sector at state level in India for the period 1993-94 to 2015-16 from different published sources by Government of India. The analysis revealed that the growth rate in agriculture sector has changed significantly over time. The rate of agriculture growth is decreasing over the time in each state. The growth rate in 2015-16 of this sector is 4.1 per cent in India. The performance of every state is declining so the performance of whole India also decreases in agriculture sector. The agricultural sector has had low production due to a number of factors such as illiteracy, insufficient finance, and inadequate marketing of agricultural products. Further the reasons for the decline in Agriculture Growth Rate in India GDP are that in the sector the average size of the farms is very small which in turn has resulted in low productivity. Also the Growth Rate of the Agricultural Sector in India GDP has declined due to the fact that the sector has not adopted modern technology and agricultural practices.

**Key Words :** Gross state domestic product (GSDP), gross domestic product (GDP), compound annual growth rate (CAGR), agricultural states.

$$\text{CAGR} = \left[ \frac{\text{Value of GSDP at the last year of time period}}{\text{Value of GSDP at the beginning year of time period}} \right]^{\left( \frac{1}{\text{total no. of years} - 1} \right)} - 1$$