



Impact of Fisheries Sector on the Indian Economy Growth

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Introduction

The fisheries sector has been widely acknowledged as a significant contributor to income generation and employment opportunities, plays a crucial role in stimulating the growth of various subsidiary industries that depends on its activities. This sector occupies an important place in the socio-economic development of the country. Fisheries in India, a fast-growing sector, not only ensure nutrition and food security for a large population but also generate income and employment for over 28 million people, contributing more than 1% to the country's GDP in 2023. To reap the economic benefits of fishing, India has established an Exclusive Economic Zone that extends 200 nautical miles (370 km) into the Indian Ocean and covers more than 2 million square kilometers. In addition to this marine zone, India has about 14,000 km² of brackish waters for aquaculture, about 16,000 km² of freshwater lakes, ponds and marshes, and about 64,000 km² of rivers and streams.

Fisheries Sector in Indian Economy

The Indian economy holds the 6th position in the world's top economics. The fisheries sector contributes about 1.09% of the GDP, playing a vital role and supporting many livelihoods. India is a key player in fish production, with a notable presence in aquaculture. India ranks as the third largest fish producing country, contributing approximately 8% to global fish production. India ranks second in aquaculture production globally and is one of the largest shrimp producing and exporting countries. The Blue Revolution underscored the sector's significance. The government aims for rural development and sustainable growth, aligning with the Sustainable Development Goals. Challenges arise from the sector's reliance on production cycles. India's economy is fisheries-based, presenting complexities in production, distribution, and consumption cycles. Figure.1 showed the Fisheries

Sector's contribution to the Indian Economy.

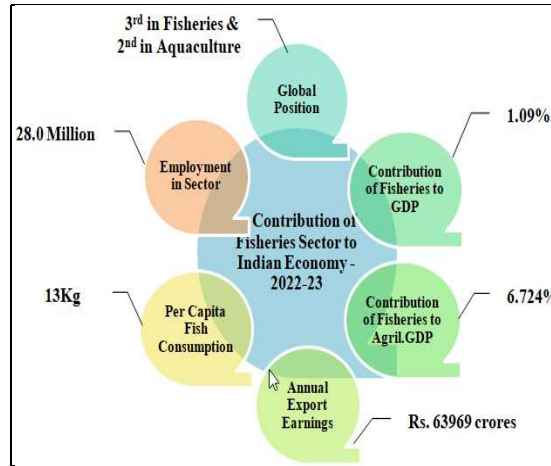


Figure. 1. Contribution of Fisheries Sector to Indian Economy

Economic Importance of Fisheries:

Fishing is the act of working, harvesting fish and other aquatic life. This included commercial freshwater fisheries (10%) and ocean fisheries (90%), like wild catches and fish farms. Globally, around 500 million people relied on fishing economically, making it significant for the economy. The following highlights of the economic significance of fisheries:

- Fish is a nutritious source of vitamins and minerals.
- Fishes generate a number of commercially valuable by-products. Fish oil, fish meat, fertilizer, fish glue etc., are these by-products. These by-products are used in paints, soaps, oils, and medicines.
- Fish is a good food source.

- Fish farming creates job opportunities and self-employment.
- Prawns and lobsters have high market value and export potential.
- Productivity and national economy is improved through fishery practices.

Importance of fisheries in the Indian economy: The fisheries sector holds an important place in the economy. A few of the important points are:

- Fisheries and aquaculture provides employment opportunities, investments in areas such as exports, post-harvest processing, and import substitution should be increased.
- It plays a significant role in international trade and import and export activities.

Fisheries Contribution to GDP:

The fisheries sector's contribution to the country's GDP has varied since independence, starting at 0.46% in 1950-51, peaking at 1.24% in 1997-98, and then dropping to just over 1% in 2007-08. In 2021-2022, it accounted for 1.07% of the national GVA and 6.86% of the Agricultural GVA, totaling Rs.1,47,519 crores. For FY 2022-23, the sector is expected to make up about 1.09% of the



country's GVA and over 6.724% of the agricultural GVA (PBI, 2023)

Employment Generation in Fisheries:

Fishing is one of the oldest professions of mankind. The fishing and aquaculture sector directly or indirectly provides excellent employment opportunities to millions of people India's coastal and inland regions, contributing significantly to livelihoods. The fishing sector provides livelihood to millions of people, especially in rural areas. Fishing is not only a source of income but also provides essential nutrients to our bodies. In addition, fisheries have an impact on local and national economy, create opportunities for rural women and rural farmers, reduce poverty through employment creation, and contribute to industrial development and infrastructure support, protected of aquatic ecosystems and biodiversity, etc., contribute to the development of a country. In India, there are four main types of employment generation for fishermen in the fishing sector as presented in Table 1.

In 1990, there were 5.3 million fishermen in India (1.7 million full-time, 1.3 million part-time, and 2.3 million occasional) (Anon, 1996). By 2020-2021, the number increased to 10.8 million (3.1 million full-time, 2.3 million part-time, 0.9 occasional, and 4.5 million unspecified) (Table.1).

Fish Production of Indian Economy in the Fishing Sector:

Fish production in India surged from 800,000 tons in 1950-51 to 4.1 million tons by the early 1990s. In 2006, the Indian central government launched a dedicated fisheries organization under the Ministry of Agriculture. By 2010, Indian fish industry accelerated, reaching a total marine and freshwater fish production to about 8 million metric tons. Significant efforts were made to boost inland and coastal fish farming, leading to over fourfold growth in coastal fish production from 520,000tons in 1950-51 to 3.35 million tons in 2013-14. The increase in inland fish production was even more dramatic, increasing almost eightfold from

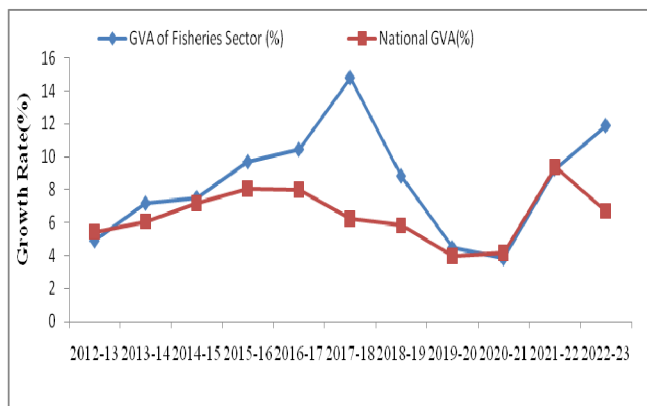
Table 1. Employment Generation in Fishery Sector of India for the period 2020-21

Types of Fishermen	Male Employment	Female Employment	Total Employment
Full time Fishermen	2151121	914011	3065132
Part time Fishermen	1434007	906226	2340233
Occasional Fishermen	661218	233881	895099
Unspecified Fishermen	2343866	2187555	4531421
Source: Hand book of fisheries statistics-2023, Govt. of India			

218,000 tons in FY 1950-51 to 131.13 lakh tons in FY 2022-23. The value of fish and processed fish exports increased from less than 1% of total exports in FY 1960 to 3.6% in FY 1993. Between 1990 and 2007, fish production in India surpassed growth rates of other food items. Indian inland waters contribute 62–65% of total fisheries production.

In India, regarding to Table 2, the contribution of the fisheries sector to the Indian economy for the period 2011-12 to 2022-23. The GVA of the fisheries sector was observed Rs.68027 Crore in 2011-12, which increased to Rs.165075 Crore during the period 2022-23. However, the national GVA value was Rs.8106946 Crore in 2011-12, which increased to Rs.14804901 Crore during the period 2022-23.

The Mean, growth rate, and CAGR of the fisheries sector and national GVA in the Indian economy were also presented in Table 1. The compound annual growth rate (CAGR) of the GAV of fisheries sector contributed to 7.67%, and the national GVA was 5.15% in the Indian economy during the period from 2011-12 to 2022-23.



Growth Rate of GVA of Fisheries Sector and National GVA to Indian Economy

In 2012-13, the GVA growth rate for the fisheries sector was 4.90%, which had risen significantly to 11.90% by 2022-23. Similarly, the national GVA growth rate increased from 5.42 in 2012-13 to 6.69% in 2022-23. The average GVA values were observed at 108701.83 for fisheries sector and 11385192.75 for national GVA, respectively.

Table 2. GVA and Growth Rate from 2011-12 to 2022-23 at Constant Price

Year	GVA of Fisheries Sector (Rs.in Crore)	Growth Rate (%)	National GVA (Rs.in Crore)	Growth Rate (%)
2011-12	68027	-	8106946	-
2012-13	71362	4.90	8546275	5.42
2013-14	76487	7.18	9063649	6.05
2014-15	82232	7.51	9712133	7.15
2015-16	90205	9.70	10491870	8.03
2016-17	99627	10.45	11328285	7.97
2017-18	114370	14.80	12034171	6.23
2018-19	124468	8.83	12733798	5.81
2019-20	130037	4.47	13236100	3.94
2020-21	135013	3.83	12687345	-4.15
2021-22	147519	9.26	13876840	9.38
2022-23	165075	11.90	14804901	6.69
Mean CAGR	108701.83 7.67		11385192.75 5.15	

Conclusion:

The fisheries sector is acknowledged as a significant source of income and employment, playing a crucial



role in the socio-economic development of the nation. The GVA of fisheries sector was Rs.68027Crore in the FY 2011-12, which increased to Rs.165075 Crore during the year 2022-23. Similarly, the national GVA was Rs.8106946 Crore in 2011-12 and increased to Rs.14804901Crore in the FY 2022-23. The fisheries sector has been one of the most significant contributors of foreign exchange earnings with India being one of the leading seafood exporting nations in the world. The Indian economy depends highly on the fisheries sector. Despite just supporting the Indian Economy, the fisheries sector also supports the industrial sector and international trade in imports and exports.

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