

Assam is situated in the North Eastern Region of India. The state spreads over an area of 78438 sq. km making it the 16th largest state in the country in terms of area (2.4 per cent). Agriculture is an important sector forming the back-bone of Assam economy. It provides livelihood to more than two-third of the of the state's population. The net cultivated area of the state was 28.11 lakh hectares in 2011-12. As per the Agricultural Census, Assam, 2010-11, the average operational holding is 1.10 hectare and more than 85 per cent of the farmers are small and marginal farmers.

Role of Agriculture in Assam Economy:

Assam heavily depends on agriculture in terms of contribution to state income, employment generation etc. Agriculture is also an important source of export and revenue earning. Role of agriculture in Assam economy is discussed below:

Contribution to State Income: There has been significant contribution of agriculture and allied sectors to the state income. It contributed 52.2 per cent to state income in 1950-51. With gradual development of industries and tertiary sector its contribution has declined. The contribution declined to 44.2 per cent in 1980-81, then to 20.78 per cent in 2006-07 and to 18.4 per cent in 2010-11. Table 2.1 reveals that contribution of agriculture to Gross State Domestic Product has declined in recent years.

Table: 2.1
Growth trend of Agriculture Sector in terms of contribution to GSDP at constant (2004-05) prices

Year	Contribution to GSDP (in percentage)	Annual growth over the previous year
	21.4	1.9
2005-06	20.8	1.7
2006-07	20.4	3.0
2007-08	19.6	1.2
2008-09	19.1	6.5
2009-10	18.4	3.3
2010-11	18.3	4.8
2011-12 (P)	18.0	4.4
2012-13 (Q)		

Source: Directorate of Economics and Statistics, Assam.

Source of Food Supply: Agriculture is an important source of food supply. Production of foodgrain in the state was 16.79 lakh tonnes in 1960-61 which rose to 52.79 lakh tonnes in 2012-13. However, insufficient irrigation support, natural calamities and inconsistent weather are some impediments in the way of attaining self sufficiency in food production.

Role in Industrial Development: Agriculture provides raw material to various industries and thus helps in industrial development in the state. Tea industry, jute industry, sugar industry, paper industry get the raw material from agriculture.

Foreign Trade: Agriculture helps to promote and expand domestic as well as international trade. Agricultural produce of Assam such as tea, ginger, rice, wheat, maize, cereals, pulses, fruits etc. are getting tremendous popularity in the domestic and international market.

Employment Generation: Assam being an agrarian state agriculture plays a significant role in employment generation. Agriculture occupies an important place in the economy of Assam and it is the main source of occupation in the state. As per 2001 census there are 9538591 labours in the state out of which 74.58 per cent labour engage in agricultural activity. On the other hand in 2011 out of total 10969690 labours 72.58 per cent engage in agriculture.

Revenue Earning: One of the important sources of public revenue of the state is agriculture. Assam government earns huge amount of land revenue from the agriculture land particularly tea garden and other crops land as a whole.