



# GDP Analysis

CHANDRA SHEKHAR BANERJEE  
CHIEF DATA SCIENTIST



# Part – I: GDP Analysis of the Indian States

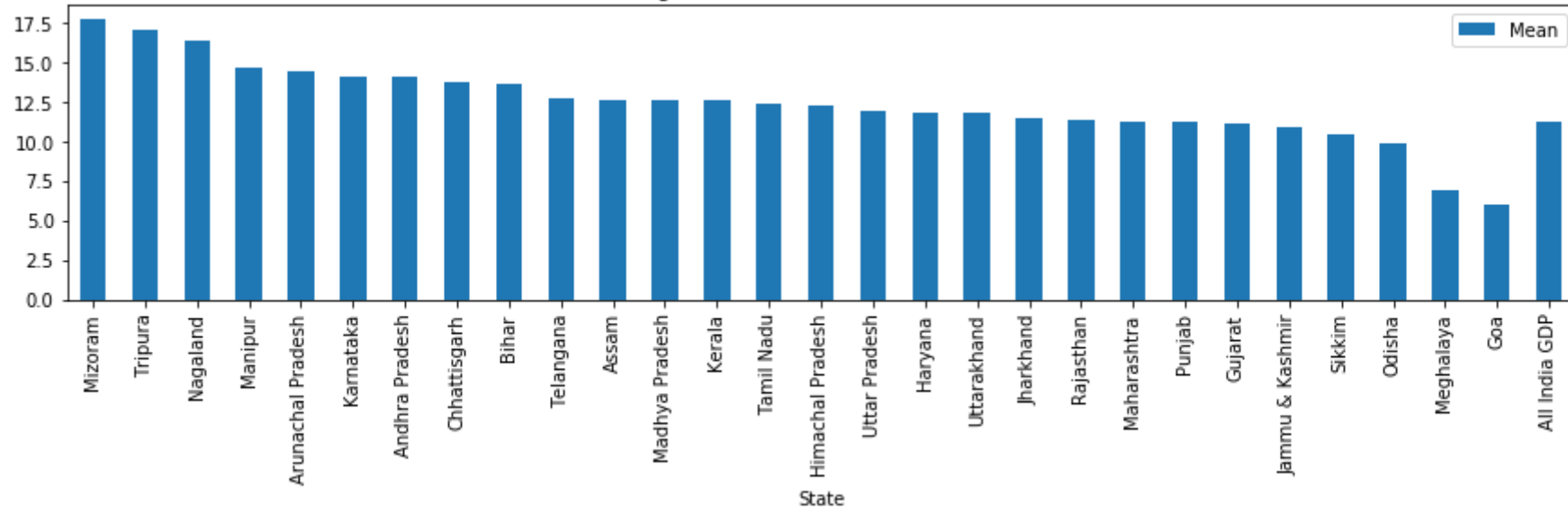
## Key Points:

- ▶ Analyse And Compare The GDPs Of Various Indian States (Both Total And Per Capita)
- ▶ Divide the states into four categories based on GDP per capita, and for each of the categories, analyse the sectors that contribute the most to the GDP

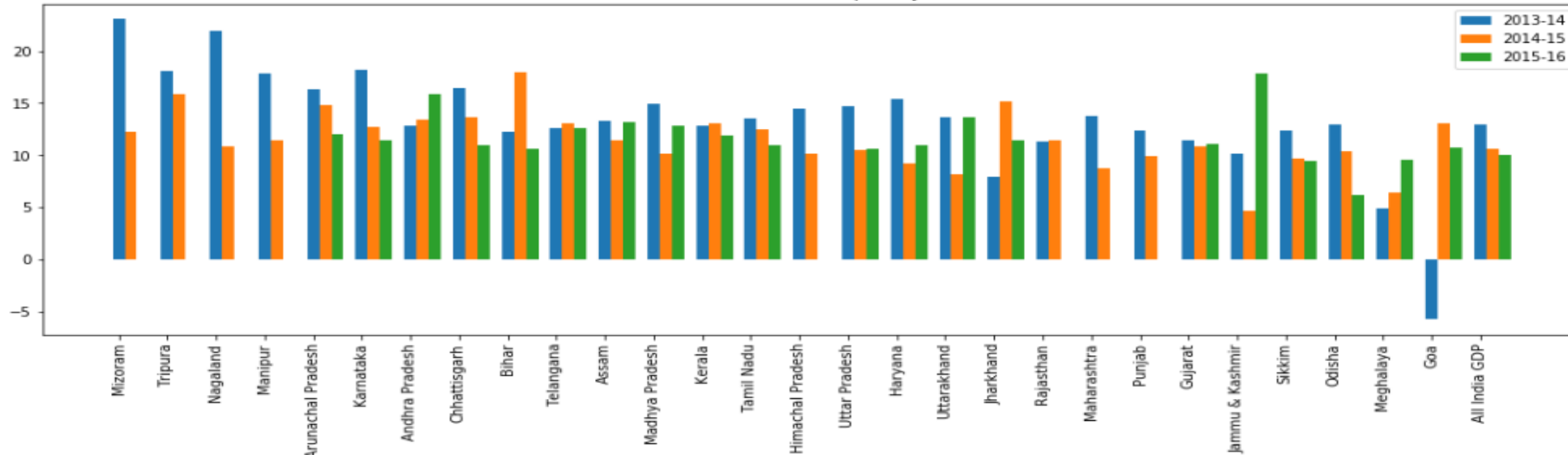
Part – I-A:

# Part – I: GDP Analysis of the Indian States

Average Growth rate of states of India(%)



Growth Rate for 3 consecutive years (%)

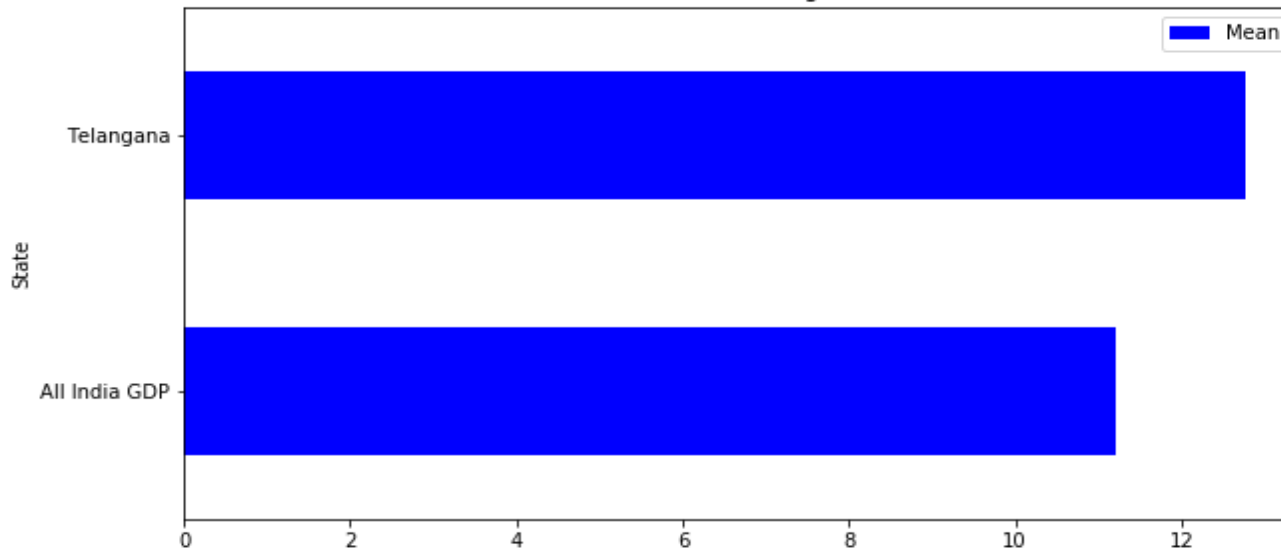


# Part – I: GDP Analysis of the Indian States

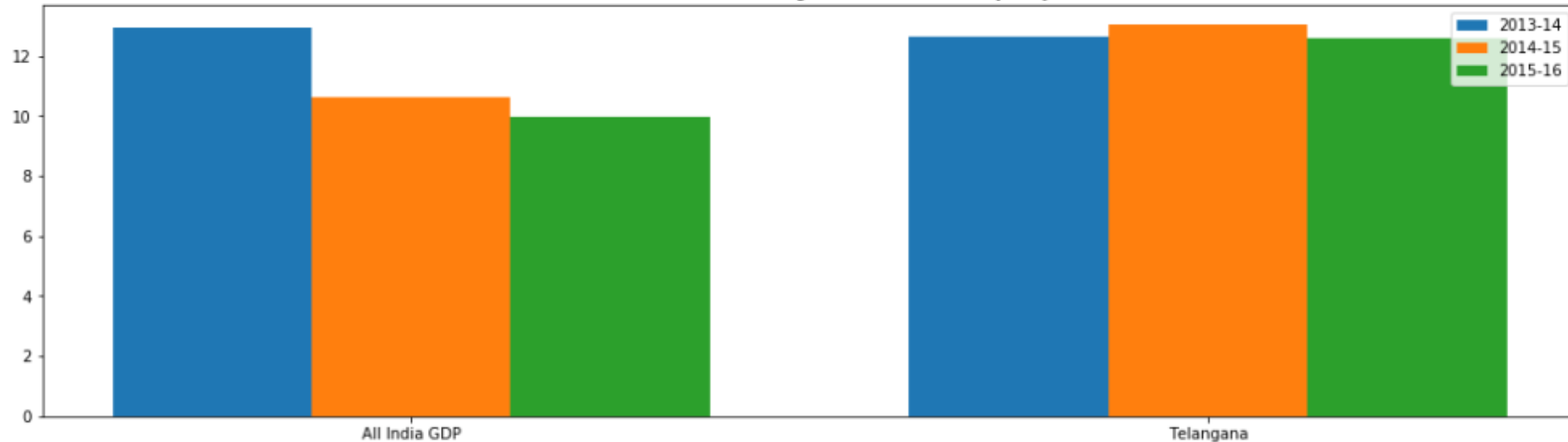
- Average growth rate (for the years from 2013 to 2016) of all states is plotted on the first graph in descending order. As per the first graph, Mizoram is highest in terms of average growth Rate followed by Tripura, Nagaland & Manipur
- However, if we further drill-down to the second graph, it is clear that there is a sharp decrease in growth rate for Mizoram where 2013-14 had seen a huge Growth compare to previous year, which is actually making the state to top the list though they do not have latest year data available. This trend can be seen for Nagaland & Manipur too
- States, which are growing consistently are Andhra Pradesh (15.85% in 2015-16; +2.45 Percentage Point YoY) & Meghalaya (9.58% in 2015-16; +3.17 Percentage Point YoY). Though there was a dip in growth rate in 2014-15, Jammu & Kashmir has shown a huge increase in 2015-16 (17.91%, +13.21 Percentage Point YoY)
- For most of the state's growth is in struggling phase.
- States where continuing decline in growth is in place: Goa, Odisha, , Sikkim, Tamil Nadu, Chhattisgarh, Karnataka
- States where the trend is inconsistent: Bihar, Telangana, Assam, Madhya Pradesh, Kerala, Haryana, Uttarakhand, Jharkhand

# Part – I: GDP Analysis of the Indian States

Home State vs National Average Growth Rate (%)



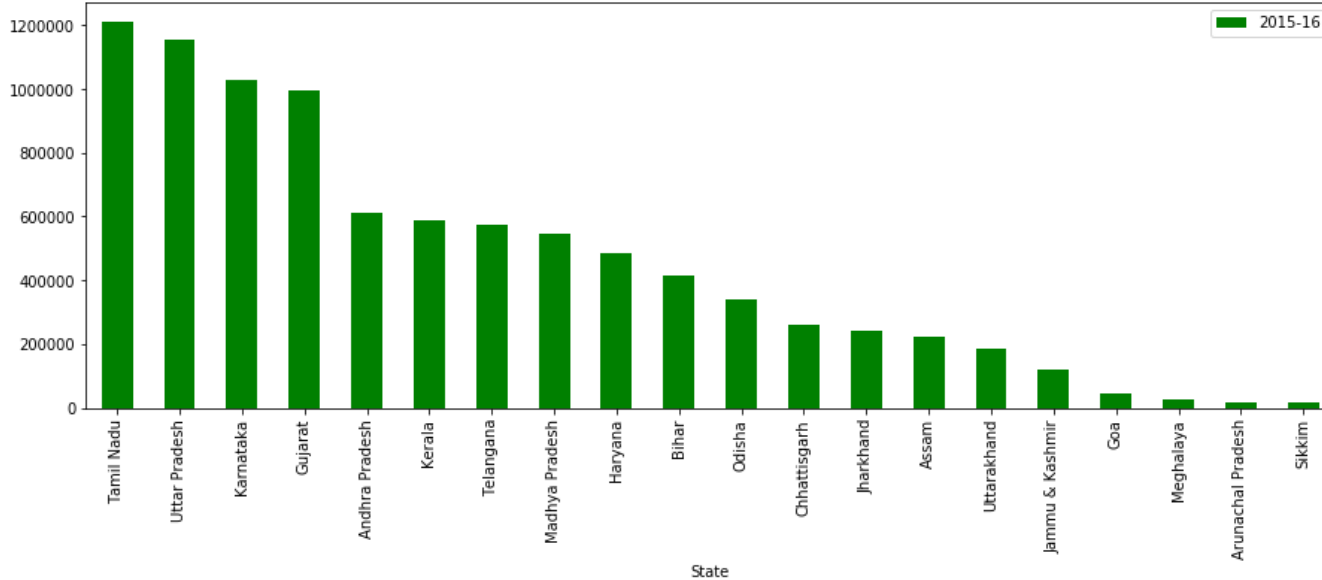
Home State vs National Average Growth Rate (%) - yearly View



- As our own home state, Telangana (12.76%) is doing comparatively little good in terms of average growth rate when compared to a national growth rate (11.20%). However, if we look further in detail by month wise growth rate view, the national average is continuously decreasing while Telangana is unstable.

# Part – I: GDP Analysis of the Indian States

Total GDP of Indian states for the year 2015-16 (in Crore)



- Tamil Nadu is highest in total GDP followed by Uttar Pradesh and Karnataka. However, Sikkim & Arunachal Pradesh are at last.
- Hence, there is a lot of opportunity of progress and betterment for the states which are at bottom at the list

Top 5 States on Total GDP (2015-16)

Sl#	State	Total GDP( in Crore)
1	Tamil Nadu	1212668
2	Uttar Pradesh	1153795
3	Karnataka	1027068
4	Gujarat	994316
5	Andhra Pradesh	609934

Bottom 5 States on Total GDP (2015-16)

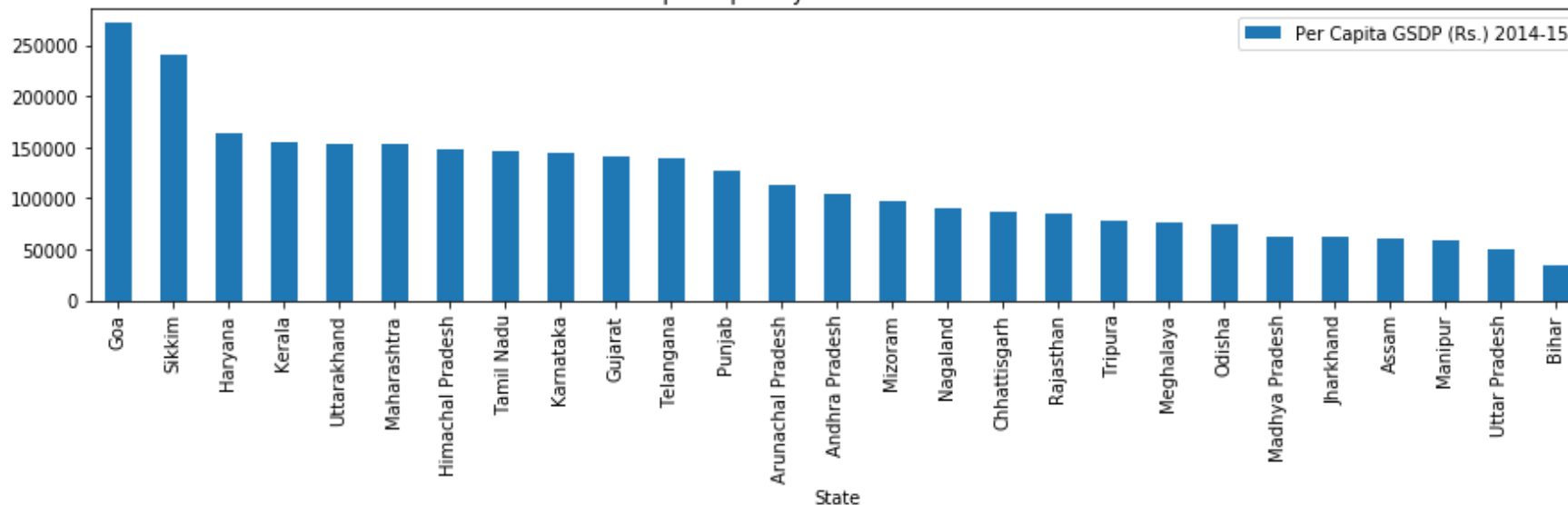
Sl#	State	Total GDP( in Crore)
1	Sikkim	16637
2	Arunachal Pradesh	18784
3	Meghalaya	26745
4	Goa	45002
5	Jammu & Kashmir	118387

Part – I-B:



# Part – I: GDP Analysis of the Indian States

GDP per capita by Indian States - 2014-15



In 2014-15, highest GDP per Capita is from Goa where as lowest is from Bihar

Ratio of per capita GDP for Goa against Bihar was 8:1

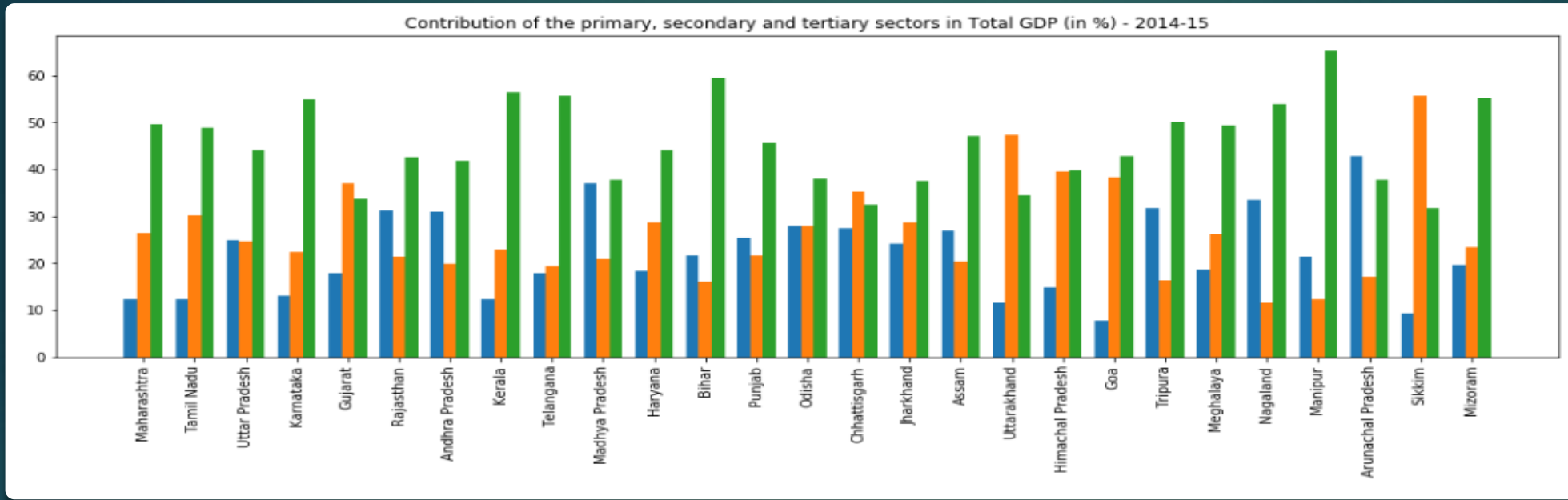
Top 5 States on Total GDP (2014-15)

Sl#	State	Total GDP( in Crore)
1	Goa	271793
2	Sikkim	240274
3	Haryana	164077
4	Kerala	154778
5	Uttarakhand	153076

Bottom 5 States on Total GDP (2014-15)

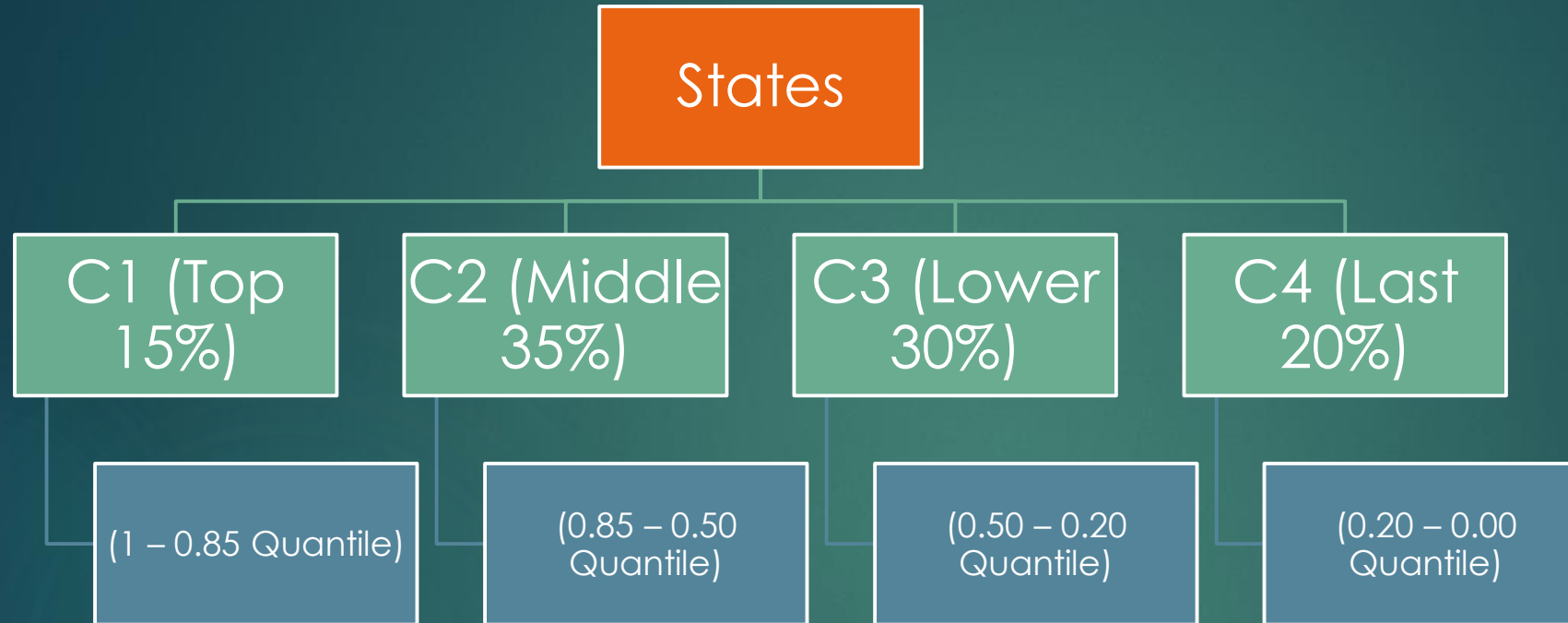
Sl#	State	Total GDP( in Crore)
1	Bihar	33954
2	Uttar Pradesh	49450
3	Manipur	58442
4	Assam	60621
5	Jharkhand	62091

# Part – I: GDP Analysis of the Indian States



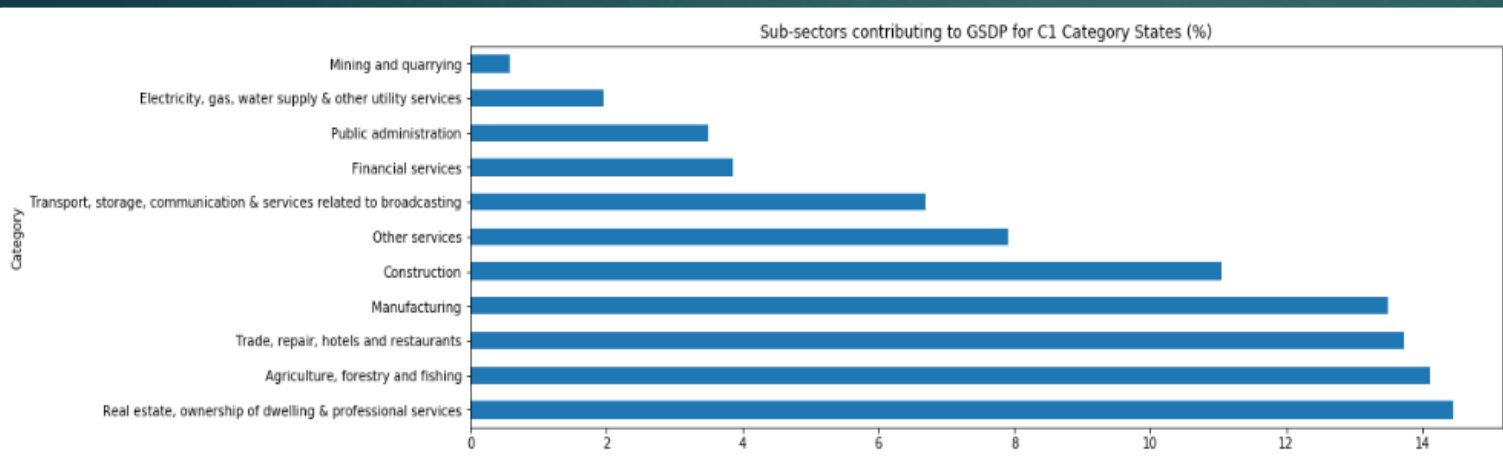
- In 2014-15, Tertiary sector had a major contribution in GDP. Which means service sector had dominated more on GDP contribution where Agricultural sector or Primary sector was least productive. However, secondary or Industry sector was performing in between.
- Hence, it can be seen that Service Industry is growing in India rapidly compared to other two sectors. However, it also indicates that workforce from other sectors may moved to this industry in terms of for better opportunity which further can decrease the contribution of Primary and Secondary Sector's contribution.
- Hence, there are opportunity to grow in primary sector by developing agricultural sector in rural India and also there are opportunity in Mining sector to increase productivity

# Part – I: GDP Analysis of the Indian States



- For further analysis of the data let us categorize the states into 4 categories as per the GDP per capita as C1, C2, C3 & C4

# Part – I: GDP Analysis of the Indian States



## C1 States (Top 15%)

Goa

Sikkim

Haryana

Kerala

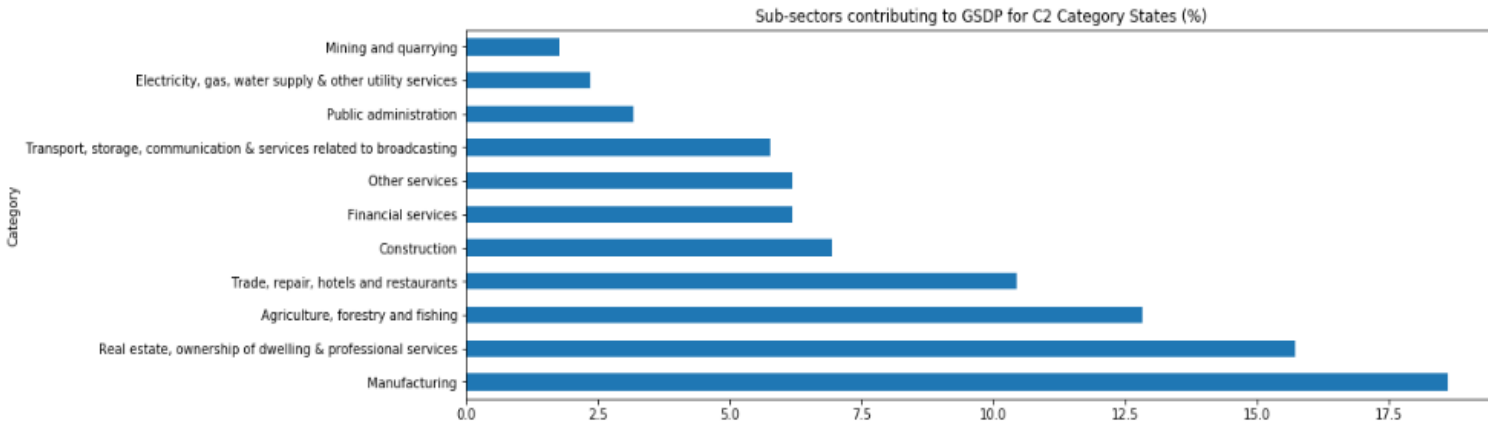
Category	Category	C1	Cumulative_SUM
0	Real estate, ownership of dwelling & professio...	14.461049	14.461049
1	Agriculture, forestry and fishing	14.119213	28.580261
2	Trade, repair, hotels and restaurants	13.730076	42.310337
3	Manufacturing	13.498187	55.808524
4	Construction	11.051090	66.859614
5	Other services	7.907258	74.766872
6	Transport, storage, communication & services r...	6.689409	81.456281
7	Financial services	3.861928	85.318209
8	Public administration	3.503648	88.821857
9	Electricity, gas, water supply & other utility...	1.963097	90.784954
10	Mining and quarrying	0.577805	91.362759

- For C1 states or the states with highest per capita GDP, Tertiary sector is majorly contributing.
- However, Primary and Secondary sectors are also present towards this contribution.
- Categories those are contributing ~80% to the total GDP are majorly from tertiary sector.

## Recommendation:

- Subsectors like 'Mining and quarrying', 'Electricity, gas, water supply & other utility services', 'Public administration' & services required more attention
- Financial Service needs boost up as Tertiary sector is already leading in this states. Thus improved financial service might help them to grow more faster

# Part – I: GDP Analysis of the Indian States



Category	Category	C2	Cumulative_SUM
0	Manufacturing	18.622130	18.622130
1	Real estate, ownership of dwelling & professio...	15.710184	34.332314
2	Agriculture, forestry and fishing	12.825977	47.158291
3	Trade, repair, hotels and restaurants	10.443537	57.601828
4	Construction	6.932967	64.534795
5	Financial services	6.189947	70.724742
6	Other services	6.182617	76.907359
7	Transport, storage, communication & services r...	5.755616	82.662975
8	Public administration	3.166513	85.829489
9	Electricity, gas, water supply & other utility...	2.357408	88.186896
10	Mining and quarrying	1.769047	89.955943

- Most contributing sub sector for C2 category states is Manufacturing. However, towards the ~80% contribution for total GDP, most of the sub sectors are from Tertiary sectors

Recommendation:

- Subsectors like 'Mining and quarrying', 'Electricity, gas, water supply & other utility services', 'Public administration' & services required more attention
- Improvement in Transport will further help to grow sub sectors like Real Estate as well as Trade, repair, hotels and restaurants

## C2 States (Mid.35%)

Uttarakhand

Maharashtra

Himachal Pradesh

Karnataka

Gujarat

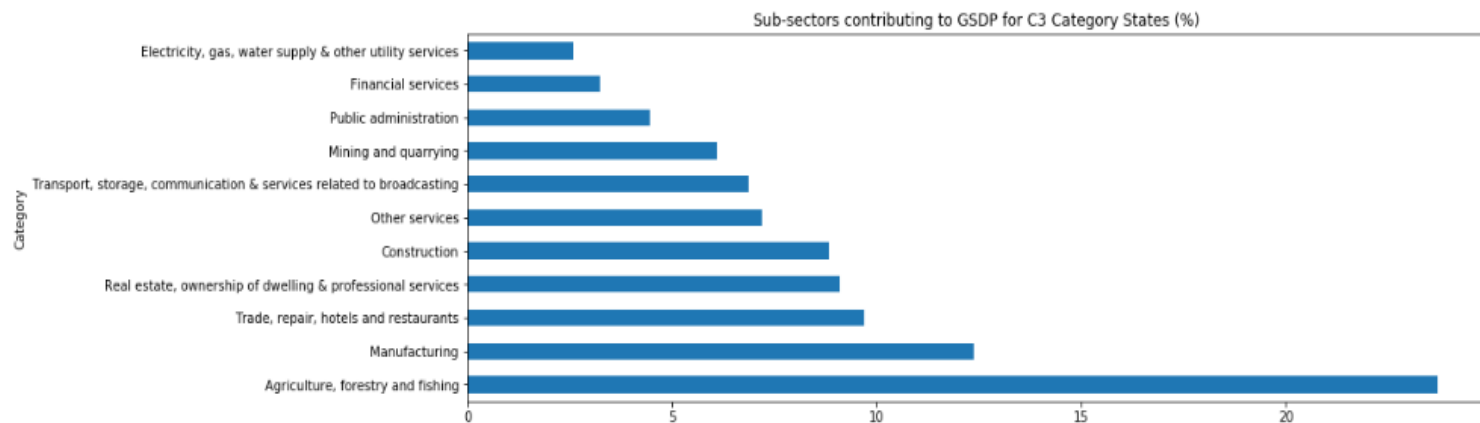
Telangana

Punjab

Arunachal Pradesh

Tamil Nadu

# Part – I: GDP Analysis of the Indian States



## C3 States (low 30%)

Andhra Pradesh

Mizoram

Nagaland

Chhattisgarh

Rajasthan

Tripura

Meghalaya

Odisha

- For C3 states, Primary and Secondary sectors are majorly contributing.
- In this category of states we have opportunity to increase or provide growth option for Service sectors or Tertiary sector.

### Recommendation:

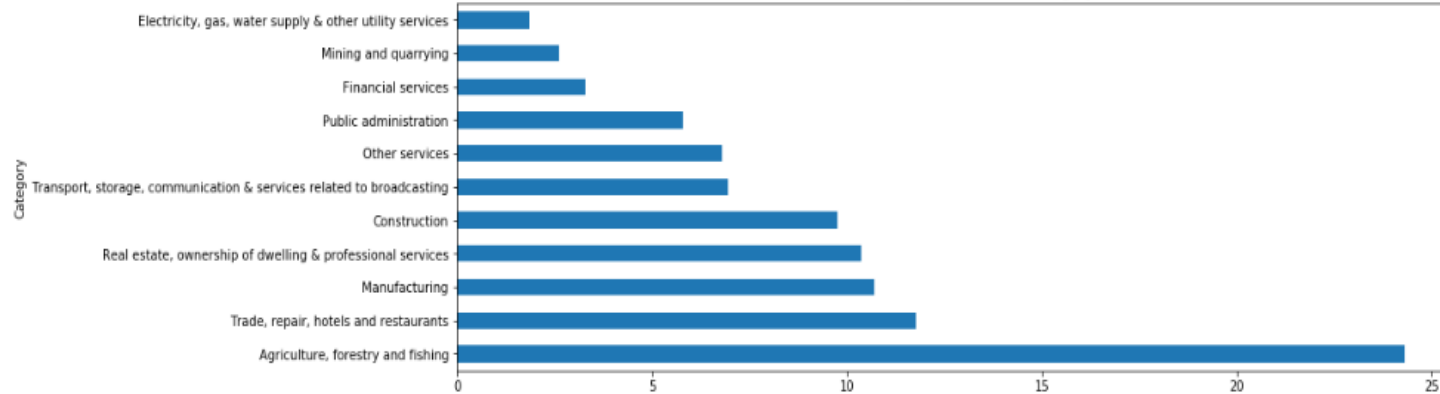
- This states are majorly contributing by Agriculture & Manufacturing. Hence better Electricity, gas, water supply & other utility services help to grow Agriculture and Production.
- Public admin. And Financial Services needs to be taken care to grow

Category	Category	C3	Cumulative_SUM
0	Agriculture, forestry and fishing	23.727451	23.727451
1	Manufacturing	12.383423	36.110875
2	Trade, repair, hotels and restaurants	9.690206	45.801080
3	Real estate, ownership of dwelling & professio...	9.116395	54.917475
4	Construction	8.826341	63.743816
5	Other services	7.201032	70.944849
6	Transport, storage, communication & services r...	6.872918	77.817767
7	Mining and quarrying	6.088662	83.906428
8	Public administration	4.454309	88.360737
9	Financial services	3.240065	91.600802
10	Electricity, gas, water supply & other utility...	2.587440	94.188242



# Part – I: GDP Analysis of the Indian States

Sub-sectors contributing to GSDP for C4 Category States (%)



## C4 States (last 20%)

Madhya Pradesh

Jharkhand

Assam

Manipur

Uttar Pradesh

Bihar

Category	Category	C4	Cumulative_SUM
0	Agriculture, forestry and fishing	24.323490	24.323490
1	Trade, repair, hotels and restaurants	11.783216	36.106707
2	Manufacturing	10.712459	46.819166
3	Real estate, ownership of dwelling & professio...	10.365410	57.184576
4	Construction	9.764521	66.949097
5	Transport, storage, communication & services r...	6.941761	73.890858
6	Other services	6.799089	80.689947
7	Public administration	5.781998	86.471945
8	Financial services	3.294504	89.766449
9	Mining and quarrying	2.613661	92.380110
10	Electricity, gas, water supply & other utility...	1.847900	94.228010

- Again for C4 category states Agriculture or Primary sector is majorly contributing followed by Tertiary and Secondary sectors

### Recommendation:

- Like C3 Category, these states also required attention for Electricity, gas, water supply & other utility services .
- Financial Sectors needs to grow in order to help Agriculture

# Part – I: GDP Analysis of the Indian States

- Tertiary sectors specially 'Real estate, ownership of dwelling & professional services', 'Trade, repair, hotels and restaurants' are majorly contributing to the total GDP
- Through out all the categories of the states, 'Electricity, gas, water supply & other utility services', 'Financial services', 'Public administration' and 'Mining and quarrying' are very poorly performing in terms of contributing towards the total GDP.



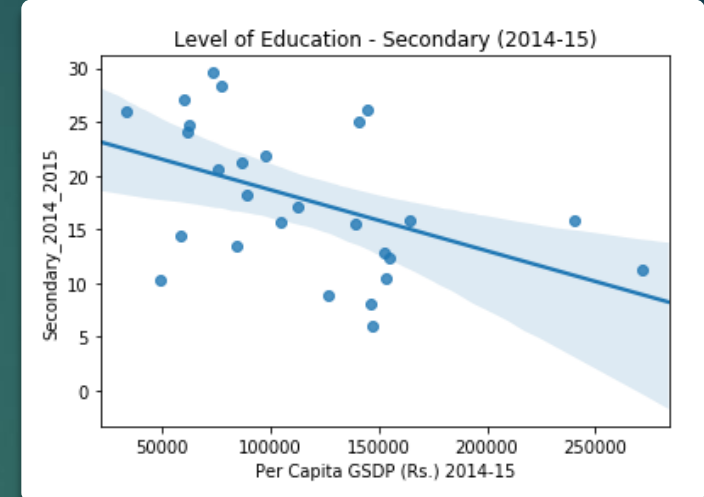
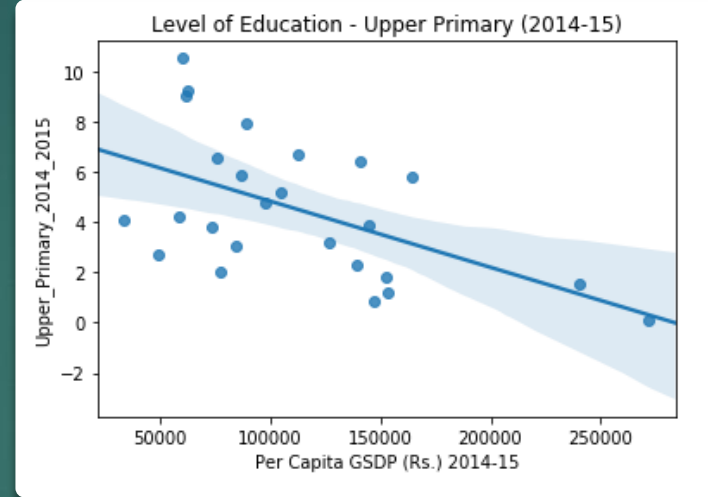
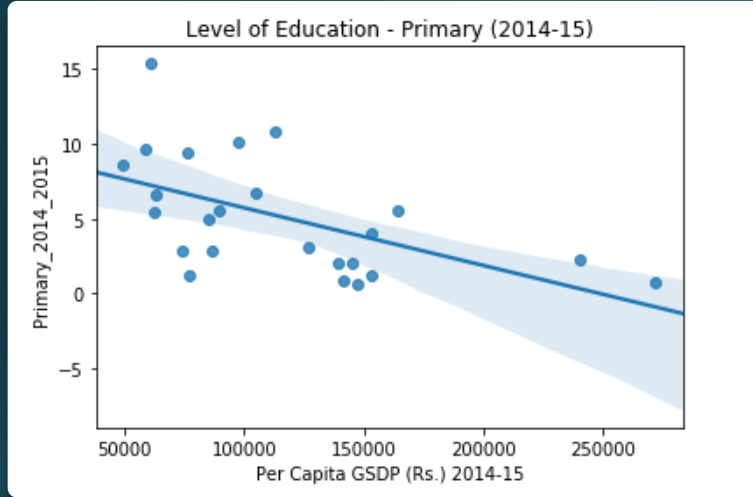


# Part – II: GDP and Education Dropout Rates

## Key Points:

- ▶ Analyse the relationship between dropout rates in education and per capita GDP

# Part – II: GDP and Education Drop Out



- For all Primary, Upper Primary and Secondary grade, drop out rate is more when per capita GDP is less.
- Hence drop out from school is negatively correlated with GDP. Along with economical growth literacy rate will also grow.

Thank You