

Inclusive growth can ensure targeted development of physical infrastructure which is crucial for creation of large scale employment opportunities for the unskilled/semi-skilled workers in India.

- **Improving healthcare, water and sanitation facilities:** Inclusive growth can lead to massive extension of affordable healthcare, control of drug prices, free availability of drinking water and sanitation facilities. This will help in tackling the issues like high infant and maternal mortality, high out-of-pocket health expenditure etc.
- **Enhancing the education sector:** According to 2011 Census Data, nearly 26% Indians were not literate which is far below world average which is around 14%. Hence, inclusive growth by erasing illiteracy and massive expansion of primary and technical education can enhance labour productivity and gainful employment opportunity of the excluded agents in the current growth process. It will also lead to optimisation of India's demographic dividend potential.
- **Inclusive agriculture:** Since agriculture is the largest employment sector in India, its development has a direct correlation with the welfare of millions. Inclusive agriculture will help to tackle the challenges of low income for farmers, lack of access to institutional credit etc.
- **Environmental sustainability:** Sustainable environmental development is one of the crucial elements of inclusive growth. Thus, inclusive growth will promote environmental sustainability by overcoming the problems like degradation of land, pollution etc.

The government has undertaken several initiatives in this context such as **Jan Dhan Yojana, MGNREGA, Sarva Siksha Abhiyan, Ayushman Bharat Yojana, PM-KISAN scheme** etc. However, more measures are needed to attain multi-dimensional inclusive growth. Further, hitherto marginalised groups such as specially-abled, transgenders, elderly etc. need to be made active participants in the development process going forward.

#### 8. *Highlight the potential, significance and challenges facing the food processing sector in India.*

##### **Approach:**

- Start with a short note on the importance of the Food Processing Sector in general.
- Discuss the potential of Food Processing Industry in India and make use of facts and figures.
- Highlight its significance and present challenges facing this sector in India.
- Conclude with a short way forward.

##### **Answer:**

The food processing sector offers a vital linkage between agriculture and industry. . With India moving from a position of scarcity to surplus in food production the prospects for increasing processing levels are enormous.

##### **Potential of Food Processing Sector in India:**

- **Sunrise industry:** Less than 10% of India's agri-output is processed and most of it is primary processing that offers lower value-addition. India's significant agricultural production strength, along with low levels of current processing offer huge opportunities for growth.
- **Promising growth pattern:** The sector grew at an Average Annual Growth Rate (AAGR) of around 8.5% from 2014-18 and constituted as much as around 9 per cent and 11 per cent of Gross Value Added in the Manufacturing and Agriculture sector respectively. Also, cheaper workforce availability can be effectively utilized to setup large low cost production bases for domestic and export markets.
- **Market composition:** India's large and growing market, rising income, changing consumption patterns due to urbanization, changes in the gender composition of workforce, growing household consumption (which is expected to double by 2020) etc. are likely to give boost to growth of this sector.
- **Increased Investments:** From 2014-19, FDI inflow into Indian food industry has been increasing steadily to the tune of USD 3.28 billion at a CAGR of more than 4%.