



**Original Article**

**INCLUSIVE ECONOMICS GROWTH IN INDIA**

**Dr. Sonawale Shailendra Mohan**

*Assistant Professor*

*Department of Economics, Karmaveer Baurao Patil Mahavidyalaya, Pandharpur*

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**Corresponding Author:**  
**Dr. Sonawale Shailendra**  
**Mohan**

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**Introduction:**

Indian economy is the one of the fastest growing economy in the global level. It is fifth largest economy GDP with the 3.5 trillion USD. Aftersome time it is expected that it will be third rank economic GDP with 5 trillion USD. This growth leads with all sectors in India. Some sector were fast growing like infrastructure, Public investment, foreign service ext. but some sector not archive expected targeted. It was education, social justice, Employment ext. In this sector we not achieve inclusive economic growth. According to Human Development report 2023-24 Indies Human Development Index (HDI) ranking was 134 out of total 193 countries. It is not good sine to the fifth largest country with the GDP. So it's clear that there is not proper or inclusive economic growth.

In country around one fourth of population is living in the rural area. Thereis highly an inequality between the rural and urban area in terms of asset distribution. In the survey reports of RBI in 1991-92 in rural area around 27 percentage households having only 2.4 per cent of income to the total nationalasset. 24 percentage households having 7.5 percentage share of total asset. So this implies that around 51 percentage households of the having only around 10 percentage of total asset. To reducing this inequality and to achieving inclusive economic growth in India it's required a comprehensive policy and multi-dimensional approach. So the advantage of inclusive economic growth is positive spired to the society as well as all components of the economy.

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**Objectives:**

1. To study the current economic condition of Indian economy.
2. To examine the economics growth in India.
3. To study concept of inclusive economic growth.
4. To study the actual condition of inclusive economic growth in India.

**Inclusive Economic Growth:**

Currently the Indian economy was celebrating the 75 anniversary of independent. In this period Indian economy was fast growing economy. But it is question that this growth or development is inclusive growth. Asian



development bank (ADB) stated the concept about the inclusive economic growth that is the process of growth or development which is benefits of development reach to all specially those who neglected or excluded in economic growth and development. And poor section in the country it was especially women, children, labour and backward class in the rural area. It is ensure that to equal benefits of economic and social also it was shared equal asses and opportunity all sections of society. According the Organisation for Economic co-operation and development (OECD) the inclusive economics growth means the growth that is the resource of country is distributed fairly and creates equal opportunities among the society. The UNDP given the definition about the inclusive growth that is the process of growth and the outcome where all groups of society have participated in growth and earning equal benefited from all.

All above description it clear that the inclusive economic growth mines simply refer that the benefit of growth and developments equally distributed to the all segment of the society, ensuring equal opportunity and outcomes for individuals regardless of their socio economic backgrounds or circumstance. In the country to making inclusive development in 10<sup>th</sup> five year plan focused on the inclusive growth and equitable development. After that is was extended that in 11<sup>th</sup> five year plan that is to words ‘faster and more inclusive growth’

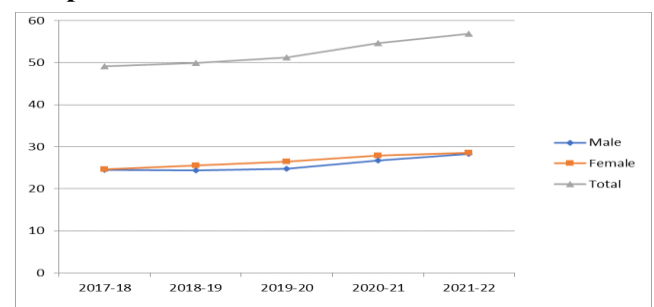
#### **Major component of Inclusive economic Growth:**

**Education:** the education system in the country is the largest system in the world because India is having largest population country and the young population is majored. Around 260 million of young population incised every year in the country. To providing education all segment to the society its very challenging to the policy maker.

Following chart show that the drop out ratio in the country. It is show that in 2017-18 to 2021-22 not major change in the drop out of the education. There is difference between the male and female drop out ratio. The female drop out ratio is high compare to mail. The total male and female drop out is near about 50 percentage which is increase in 2021-22.

For improving the quality of education and reducing the drop out ratio in the country. It is necessary to make proper policy and strategy especially female weal fear, backword class and rural areas. so increasing capabilities and employability to the all factor in the country.

#### **Drop Out Ratio in India:**



(Source: AISHE 2021-22)

#### **Financial Inclusion:**

Financial inclusion is the most important pillar of inclusive economics growth in the Indian economy. Government was giving most priority to financial sector for making proper policy in India. After corona pandemic the financial and digital inclusion become more essential. Because number of people suffer financial problem in this period. Government Expanding financial and banking facility to empowered small farmer and small industrialist for more equitable economic growth.

#### **Employment:**

The nature of Indian economy is unemployment economy. Indian economy was not getting benefit of Industrial growth. In India



Agricultural is the dominant sector of the economy. But in agricultural sector found disguised unemployment. India is highest youth population country. In the country around 50 percentage population is young which is below 25 year age.

**Labour Force Participation Rate and Unemployment Rate:**

Year	LFPR	UR
2017-18	49.8	6.0
2018-19	50.2	5.8
2019-20	53.5	4.8
2020-21	54.9	4.2

(Source: Employment and unemployment scenario in India 2021-22)

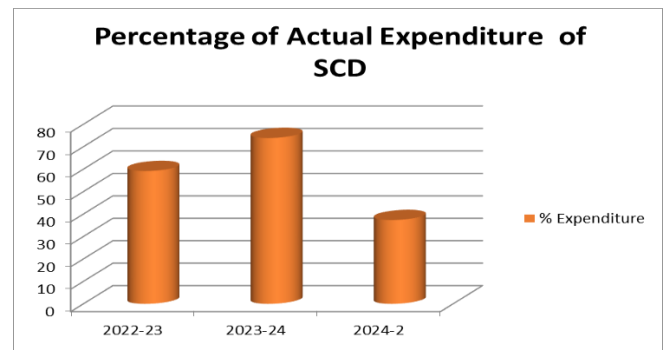
Above table show that the labour force participation rate and unemployment rate in India from 2017-18 to 2020-21. It is show that the labour force participation rate was increase. Comparatively Unemployment rate was decline.

**Agricultural:**

In India around 70 percentage population was living in rural area. In rural area main source of income is agricultural. Agricultural sector provided around 60 present employments of total work force. The share of national income in the agricultural is also significance. Agricultural is the backbone of the Indian economy. But agricultural has backward in the economy. For achieving inclusive economics growth it was necessary to use modern technology in agriculture and suitable market access.

**Social Justice:**

For creating social inclusion and equitable development was the society in India. Indian government is getting efforts to ministry of social justice and empowerment. This ministry was initiatives for lunched number of scheme and policy for achieving social justice.



(Source: Report of social justice and empowerment 2025-26)

More budgets allocated for scheduled caste development to social justice. But actually expenditure was not done. In 2024-25 only 30 percentage amount was expenditure. In 2023-24 high amount expenditure it was around 70 percentages.

**Conclusion:**

Indian government was giving initiatives and some efforts to making some strategies for achieving social and economic inclusive in the country. In the economy found more inequality to the asset distribution. To reducing the inequality and to achieving inclusive economic growth in India is important. Government was with ministry doing high budgetary provision. But at the time of actually expenditure was comparative very less. Agricultural sector is more significant in the economy. To develop this sector it's required a comprehensive policy and multi-dimensional approach. So the advantage of inclusive economic growth is positive spired to the society as well as all components of the economy.

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