



**Examining the Impact of Economic Growth and Policy Stability on India's
Vision for Viksit Bharat by 2047**

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Abstract:

India has established long-term objectives, aspiring for development by 2047, referred to as "Viksit Bharat." This paper examines significant economic factors pertinent to India's trajectory towards this vision, including growth, investments, employment, and the global technological shift. The study examines India's fiscal fundamentals, structural transformation, investments in clean technology, and financial inclusion to empower its populace. It also delineated the concept of corporate social responsibility (CSR), the obligation to invest in MSME businesses, and the transition to sustainable practices across various industries. This study evaluates the present success and future growth prospects by utilizing secondary data and reports to provide policy recommendations for India as it strives for a sustainable and inclusive future. The study indicates the necessity for inter-sectoral collaboration and the formulation of progressive policies that promote Viksit Bharat pathways and development while maintaining environmental sustainability.

The Case Scenario:

India aims to evolve into a "Viksit Bharat" by 2047, focusing on inclusive development, enhanced living standards, and a sustainable economy. Notwithstanding significant socioeconomic and political transformations since independence, unemployment, underdevelopment, and the transition to clean energy persist as fundamental challenges for the nation. To sustain growth, India must generate employment, particularly in the organized sector, and enhance investment in social infrastructure, notably in transportation and communication networks, rapid urbanization, and digital platforms. The shift to a green economy centered on renewable energy can address climate change challenges while achieving favourable economic growth. The cyclical nature of the economy and its performance during the most recent crises including COVID-19 pandemic draws attention to flexibility. The early adoption of technology and innovation will be one of the critical success factors to the economy when it comes to increasing productivity, employment opportunities hence economic output. The country can aspire to establish Viksit Bharat only if these challenges are addressed through strategic reforms.

Introduction:

India has experienced remarkable economic growth over the past few decades, emerging as one of the largest economies globally. With a projected growth rate of 6.5-7% in FY25, India is steadily progressing toward its goal of becoming the third-largest economy in the world by 2047. However, this path is fraught with challenges, including geopolitical tensions, environmental sustainability, and technological disruptions. This paper examines the economic

aspects that contribute to India's vision for 2047, focusing on the nation's growth strategies, investment trends, and employment dynamics.

India has been through some economic development in the recent past decades to become one of the biggest economies in the world. With the journey towards the dream of becoming the third-largest economy by 2047, the country has a fortunate trajectory with probably a growth rate of 6.5 to 7% in FY25. The following factors have triggered this impressive growth; embrace of policies reforms, a large and expanding home market and the expanding service industries. Recent liberalization initiatives in India have proven beneficial, emphasizing digital entrepreneurship and infrastructure, thereby securing the nation's competitive stance in the global economy.

The pursuit of becoming a developed nation is fraught with challenges. Political risks encompass geopolitical uncertainties and environmental and technological concerns that hinder growth in India. Security threats stemming from political instabilities both regionally and globally may jeopardize trade and investment; additionally, climate change and other sustainability issues necessitate heightened focus and long-term strategies. The shift to renewable energy within the green agenda is essential for fostering sustainable and environmentally stable growth.

Therefore, in addition to these external challenges, there exist internal structural issues such as the generation of employment opportunities, income disparity, and infrastructure deficiencies. On one hand, there exists a substantial pool of consumers and prospective employees that may enhance job creation, particularly in the formal sector. Conversely, the large population generates significant demands, particularly regarding job creation in the formal sector. The presence of efficient infrastructure, transportation, urbanization requirements, and digital connectivity is crucial for equitable economic development and the sustained continuity of economic growth.

The purpose of this paper is to identify and discuss various economic factors influencing developmental vision of India up to 2047. The discussion will encompass growth and investment trends, employment conditions, and elucidate the policy commitments and investments required to tackle these challenges and realize India's future vision.

Need and Significance of the Study:

India's aspiration to establish a Viksit Bharat by 2047 envisions a future characterized by an advanced economy, elevated living standards, social equality, and minimal environmental impact. To realize this vision, it is essential to understand certain fundamental principles of Development Economics that drive growth. This includes investment cycles, employment opportunities, fiscal policies, and infrastructure. This paper aims to investigate these economic drivers to enhance understanding, particularly concerning the dynamics within the Indian context.

India faces numerous substantial risks that could negatively impact its growth trajectory, which can be mitigated through geopolitics, technological disruption, and environmental sustainability. This potential decision necessitates the country to reconcile short-term economic growth rates with long-term environmental transformation objectives, particularly regarding green goals and the implications of climate change. Technological advancements promised innovation; however, they also led to disruptions in investment sectors and the labour market, impacting employment generation and skills development pathways. Furthermore, prospective employment risks and geopolitical uncertainties may impact trade and investment prospects to bolster India's economy.

The research is significant as it offers comprehensive insights into the challenges and concurrently presents practical policy solutions. With reference to the main economic activities

and impediments, the study seeks to offer the path for sustainable development of India. The implications obtained from the suggested research will prove to be useful to the key players affecting the country's development including policy makers, investors, among other stakeholders as the country pushes for inclusive and sustainable growth in line with its aspiration to achieve targets set for 2047.

Review of Literature:

Research conducted in line with the economic development of India explains the advancement of this nation in different economic areas, and the issues that hinder it in achieving its goal and become developed country by 2047. Scholars like Panagariya (2008) are optimistic for the Indian economy to become one of the world's major economic power with the assessment of various structural reforms and liberalisations in trade, taxation and governance. According to Panagariya, liberalisation process of the Indian economy in 1990s put the strong economic growth process which remains the dominant development paradigm of India. As Raghuram Rajan noted in his recent speech, financial sector reforms will continue to encourage benefits from both globalisation and liberalization, and also strike a proper balance between free economy and social equity, and has discussed about fiscal prudence and monetary stability.

Moreover, the studies conducted by the RBI and the IMF provide insights into India's prospective economic growth. These institutions view poststructuralism as essential, considering private investment and technology pivotal to economic growth. In this instance, it is prudent to examine sources such as the RBI's annual reports and the IMF's cross-country assessments, which offer a quantitative overview of India's financial sector reforms, policies to encourage FDI, and the development of a robust banking industry. The IMF has indicated that India must address its infrastructure deficit to improve efficiency, effectiveness, and connectivity in transport, electricity, and broadband.

The significance of renewable energy and the shift to green industries is also highlighted in the literature. Research indicates that India must invest in cleaner energy to mitigate the effects of climate change and ensure the nation's stability. According to documents from the Ministry of Finance, the advancement of digital governance and financial systems is essential for fostering growth, which must be founded on equitable opportunities and the imperative to enhance the accessibility of banking services, mobile payments, and digital identity. Consequently, the government's strategies to enhance monetary value and guarantee fiscal representation aim to bridge the disparity between rural and urban populations, thereby facilitating equitable growth between affluent and impoverished sectors.

These critical points serve as the foundation for analysing India's economic prospects and challenges on its path to reaching its 2047 objectives.

Summary of the Literature & Major Observations + Identification of the Problem:

The literature on India's economic growth underscores that the country has exhibited remarkable performance due to reforms in trade, taxation, and financial sectors. Additional significant studies examined by Panagariya (2008) and Rajan (2017) indicated that structural reforms, fiscal equilibrium, and private investments are essential factors. Nonetheless, numerous adjustments continue to pose risks, particularly concerning employment rates, sectoral investment requirements, and geopolitical uncertainties. Renewable energy, technology, and social inclusion issues represent the next critical areas requiring increased focus. Recent disclosures from the RBI and the IMF emphasized the persistent advocacy for infrastructure financing as essential for sustained growth, while also investigating funding opportunities for renewable energy. Despite substantial private foreign investment inflows to India, sectors such as manufacturing, green

technologies, and the gig economy remain inadequately financed. The identified problem is insufficient investment in these areas, which may impede India's aspiration to evolve into a "Viksit Bharat" within the next 25 years.

Objectives:

1. To assess the key drivers of India's economic growth toward "Viksit Bharat" by 2047.
2. To examine the role of public and private investments in sustaining economic growth.
3. To evaluate the employment trends and the impact of technological disruptions on the labour market.
4. To provide policy recommendations for achieving inclusive and sustainable growth by 2047.

Methodology:

This study utilizes secondary data to examine the trajectory of India's economy towards Viksit Bharat 2047. Reliable sources were employed to enhance government publications, economic surveys, and high-quality financial reports and research; international entities such as the IMF and the World Bank, along with various other materials, were taken into account in the depiction of economic realities.

Participants:

The study does not necessitate participants completing questionnaires; instead, it utilizes data and reports from the Indian government, various agencies, and industry experts. This methodology guarantees that the conclusions are grounded in robust economic data, thereby enhancing the results.

Method of Data Collection/Assessments:

The initial data collection method involves analysing secondary data from economic bulletins, national surveys, and various secondary sources, including the Reserve Bank of India, Ministry of Finance, International Monetary Fund, World Bank, and other reputable industrial reports. The aforementioned documents illuminate Indian investment, employment, fiscal matters, and structural changes.

Procedure:

The procedure involves utilizing literature research and data analysis to integrate results derived from existing data. The focus is on comprehending and forecasting investment trends, employment shifts, and technological progress to assess alignment with the projected India and growth objective for 2047.

Data Analysis:

The data is predominantly qualitative, emphasizing trends, patterns, and correlations related to investment, employment, and fiscal stability. The analysis results are juxtaposed with those of other developing economies, and recommendations for improved practices beneficial to India's growth are delineated. It aids in identifying sectors where India must enhance its economic strategies and practices to realize the vision of 2047.

Ethical Considerations:

This study exclusively utilizes secondary data, and none of the authors referenced advocate for the use of horses in racing; therefore, ethical considerations are upheld through proper citation of sources. It acknowledges the ownership rights of authors and organizations that created and published the data and reports utilized. The research guarantees that it does not distort the results or alter its findings to support a particular perspective. The researchers uphold stringent ethical standards consistently and honour the contributions of others throughout the study.

Results:**● Economic Growth:**

It has been noted that India has one of the best recoveries in the world realizing a growth of 8.2 per cent in FY24. This growth trend presents an upward trend and is a positive trend from the string shocks elicited by COVID-19 pandemic that affected almost all economies across the world. Strong consumption demand exports and revival of sectors like manufacturing agriculture and services are visible clearly in FY24 leading to healthy growth. The diversification of business activities in India has served as a buffer against volatility from external factors, including fluctuations in foreign markets. Government spending has increased, and coupled with the eventual recovery in consumption, India's GDP has been enhanced. Consequently, India's ranking among the fastest-growing major economies remains unchanged.

● Investment Trends:

Consequently, public investment has become the principal catalyst for reform in India in recent years, particularly in infrastructure development, notably within the health care and social security sectors. During the pandemic, the government increased expenditure of public investment to cut the loss and boost the economy. However, the future course of Indian growth critically rests in the private investments as machinery, infrastructure, and renewable energy. In the last couple of years, the government has implemented several policies under 'Ease of doing business' and 'Ease of governance', and to induce FDI. They have led to favourable outcomes for private investments. In the technology sector and green energy infrastructure, particularly within developing nations, private investment has consistently emerged as a pivotal driver of sustainable economic growth. Advanced digital technology, manufacturing, and sustainable development initiatives are expected to be the primary sectors that will benefit from augmented private capital.

● Employment Trends:

Current analyses of the unemployment situation in the country indicate that India's labour market has transitioned to a positive state. This has been linked to the resurgence of key sectors, including agriculture, construction, and the digital services industry. Furthermore, government initiatives in skill development, particularly in entrepreneurship, have demonstrated vigorous efforts to generate employment opportunities. A significant trend is the pronounced rise in female participation in the labour force. Despite remaining below global averages, women's participation in the workforce has increased due to altered cultural expectations and perceptions, supportive governmental policies at all levels, and the traditional employment prerequisite of remote work. This may indicate enhanced productivity and income growth, suggesting a potential for significant economic expansion evidenced by the rise in female labour participation. Youth unemployment persists as a significant concern; however, employment is anticipated to increase as India invests in reforms in the educational system and vocational training.

● Global Outlook:

India has demonstrated resilience in navigating the global crisis, encompassing trade fluctuations, conflicts, and supply chain disruptions. However, these external influences have not overly influenced the economic growth of India as will be discussed below. Based on the RBI and IMF estimates and forecasts, India is set to achieve the growth rate of 6.5-7% in FY25 to rank among the world's high-growth economies in the following years. An increase in exports especially in the IT, pharmaceuticals as well as agricultural produce plays a critical role in the continuing growth of the economy. Also, India's strategic priority in improving manufacturing capabilities, incentives to innovation and shift toward clean economy are critical to sustain strong growth in the long-term perspective. The future sustainability of the Indian economy will primarily rely on its ability to address current international challenges and to optimize the utilization of technological advancements and foreign investment.

Discussion:

The sustained economic growth in India is fundamentally supported by strategic investors in infrastructure, digital governance, and renewable energy sources. These investments anchor the nation's growth prospects by establishing the foundations for sustainable development. The paramount sector pertains to Structural Investments and Communications, encompassing the construction of roads, transportation systems, and urban utilities to facilitate trade and connectivity among regions. Concurrently, the transition to digitized governance systems has resulted in enhanced procedural efficiency, thereby improving service delivery and overall transparency. This shift has resulted in increased utilization of financial services and has facilitated financial liberalization, thereby enhancing enterprise.

The transition to green energy is a crucial strategic category. India has concurred with the global consensus that environmental protection is essential, as it addresses issues such as climate change; consequently, it has adopted renewable energy sourcing. The nation has recently intensified initiatives to enhance its solar and wind energy production in order to become a global leader in renewable energy by 2047. This transition not only mitigates environmental processes but also generates employment through the utilization of green technologies, contributing to the economy and curbing environmental degradation.

Nonetheless, India faces numerous challenges that could jeopardize its aspirations to emerge as a significant economic power (Hayes, Mansfield, and Eckert, 2011). The two critical issues that require resolution are unemployment and the unemployment impacting the unincorporated area. The gig economy, which currently employs millions of workers in India, has not swiftly recovered from the pandemic's impact and is grappling with the pursuit of stable employment. The challenge remains how to transition informal workers into more structured F-form employment arrangements as the formal sector experiences growth. Therefore, the government must prioritize comprehensive skill development, training, and employment generation initiatives to address this deficiency. Neglecting the issue of the informal sector in India could deprive millions of individuals of consistent economic opportunities, ultimately hindering the nation's development.

India is confronting significant geopolitical risk factors that jeopardize cooperation in international relations, trade, foreign direct investment, and supply chain networks. Inflation, persistently elevated oil prices, increasing protectionism in global trade, and rising geopolitical tensions among major world economies may jeopardize India's liberalization process. The predominance of exports and foreign direct investment in the country renders India significantly vulnerable to fluctuations in the global economy and political instabilities. These risks must be

mitigated to avert circumstances that threaten geopolitical stability in the region and undermine the strategic partnerships essential for the nation's continued development.

Regarding employment, corporate sector is a major and influential employer with substantial commitments to invest in green technologies. The private sector's role in the Indian economy is substantial, particularly regarding technology manufacturers and service sectors in recent times. However, as a mechanism that aids in the eradication of unemployment and as a catalyst for the advancement of innovative environmentally sustainable technologies, its significance in the contemporary world is progressively increasing. Transitioning from brown industries necessitates technological advancements, research, and the development of green industries and occupations, including renewable energy, electric vehicles, and environmental engineering. Given the aforementioned reasons, the corporate sector must be incentivized to enhance its contributions to these areas, as its role will be crucial for India's sustainable development in the future.

Potential advantages and disadvantages stemming from technological disruptions encompass the application of technologies, particularly AI and automation, within India's labour market. These technologies may enhance productivity and foster innovation; however, they will... Splash poses a threat to conventional organizational employment, particularly in low-skilled, manual labour sectors. Artificial intelligence and automation are expected to displace employees in sectors such as manufacturing and agriculture that employ a significant workforce. Nonetheless, this risk can be mitigated, especially by prioritizing technologies that augment labour utilization to offset the skills and capabilities of human capital. Investing in technologies that enhance human capital productivity in India can maintain the competitiveness of the workforce. Furthermore, it is essential to facilitate education and retraining to equip workers for success in a post-industrial economy.

The narrative of India's growth is developing through a strategic interplay of investments and innovations, occurring alongside employment dynamics and geopolitical crises in the background. The capacity of this nation to navigate these complexities will determine its prospects of achieving developed status by 2047. To address these challenges, it is essential that the government, corporate sector, and workforce collaborate to ensure that economic growth is both sustainable and inclusive.

Conclusion:

India is progressively advancing towards the aspiration of becoming a "Viksit Bharat" by 2047; however, its path is fraught with turbulence, necessitating the resolution of numerous economic challenges. A significant issue is job creation, particularly in the casual sector, where a substantial portion of the workforce remains vulnerable. The country therefore has to work towards generating decent employment, which does not only pay well but is also secure for citizens and companies in the both the formal and informal economy. There are investment deficits in strategic areas including manufacturing, environment friendly technologies, and infrastructure; these gaps should be closed if balanced growth and wealth creation across the different regions is to be achieved.

There is a dual-edged sword in this area of the technological disruptions that make productivities to go high when using AI and automation and the other side is job threats particularly to people without higher skills. To avert such a scenario, India must concentrate on technologies that enhance labour demand and on educating individuals for employment in emerging sectors. Furthermore, fostering private wealth-generating initiatives, particularly in the advancement of renewable energy and sustainability resources, will be crucial to India's

economic development. Government spending on physical infrastructure and digital administration will continue to be a crucial factor in establishing a conducive environment for business activities.

Subsequent research should concentrate on the correlation between innovations and employment as well as sustainability, potentially providing enhanced insights into strategies that could promote economic growth inclusive of all societal groups.

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