Manuscript ID:
IJEBAMPSR-2025-020629

Volume: 2

Issue: 6

Month: December

Year: 2025

E-ISSN: 3065-9140

Submitted: 06- Nov.-2025
Revised: 10-Nov.-2025
Accepted: 15- Dec.-2025
Published: 31-Dec.-2025

Address for correspondence:
Atish Gulab Gajbhe
At: Kawadshi (Desh) Post: Shankarpur Taluka: Chimur District: Chandrapur
Email: atishgajbhe\@gmail.com

DOI: 10.5281/zenodo.23944733

DOI Link:
https://doi.org/10.5281/zenodo.23944733

Creative Commons (CC BY-NC-SA 4.0):
This is an open access journal, and articles are distributed under the terms of the Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International Public License, which allows others to remix, tweak, and build upon the work noncommercially, as long as appropriate credit is given and the new creations ae licensed under the identical terms.

Viksit Bharat 2047: Opportunities and Challenges for the Indian Economy

Atish Gulab Gajbhe
Kawadshi (Desh) Post: Shankarpur Taluka: Chimur District: Chandrapur

Abstract

Viksit Bharat 2047 represents India's long-term aspiration to become a developed, inclusive and sustainable economy by the centenary of independence. This paper examines the economic opportunities and structural challenges associated with this vision through a descriptive and analytical assessment of recent official statistics and relevant literature. It considers macroeconomic growth, sectoral transformation, employment, manufacturing, agriculture, services, trade, infrastructure, renewable energy, human capital and inclusive development. The latest provisional national accounts estimates available at the time of writing report real GDP growth of 7.7 per cent in FY 2025–26, compared with 7.1 per cent in FY 2024–25. The Periodic Labour Force Survey 2025 reports that the share of regular wage or salaried workers increased to 23.6 per cent, while unemployment among educated persons aged 15 years and above declined to 6.5 per cent. India's total exports reached approximately US$863.1 billion in FY 2025–26. Renewable energy capacity also expanded substantially, reaching 274.68 GW in March 2026. These indicators demonstrate significant economic momentum, but they do not by themselves establish that development is broad-based. Productivity, quality employment, regional balance, skills, export competitiveness, institutional capacity and climate resilience remain decisive conditions. The paper argues that the Viksit Bharat objective requires a coordinated strategy that converts economic growth into higher productivity, decent work, social mobility and environmental sustainability.

Keywords: *Viksit Bharat 2047; Indian Economy; Economic Growth; Employment; Structural Transformation; Manufacturing; Inclusive Development; Sustainability.*

Introduction

India's aspiration to become a developed nation by 2047 is not merely a target of increasing the size of national income. It involves raising per capita income, improving the quality of employment, strengthening public services, reducing poverty and inequality, expanding technological capabilities and protecting the natural resource base. A developed economy must combine sustained productivity growth with social inclusion and institutional reliability.

Since the economic reforms initiated in 1991, India has expanded its integration with the world economy and developed globally competitive capabilities in information technology, business services, pharmaceuticals, and finance and selected manufacturing activities. The services sector has become a major contributor to national output. At the same time, agriculture continues to support a large share of livelihoods, while manufacturing has not generated employment on the scale required by India's workforce. This uneven pattern of structural transformation is a central issue for the Viksit Bharat agenda.

The uploaded source document identifies ten interrelated dimensions: macroeconomic growth; structural transformation; education and skills; infrastructure; governance; trade and investment; inclusion; environmental sustainability; and short-, medium- and long-term policy pathways. This paper retains that broad framing and updates the discussion with selected official statistics available up to 3 November 2026. Historical figures from the source document are treated as contextual evidence rather than automatically assumed to be current.

How to Cite this Article:
Gajbhe, A. G. (2025). Viksit Bharat 2047: Opportunities and Challenges for the Indian Economy. International Journal of Economics, Business, Accounting, Agriculture and Management Towards Paradigm Shift in Research (, 2(6), 175–183. https://doi.org/10.5281/zenodo.23944733

Statement of the Problem

India has demonstrated the capacity to sustain relatively high economic growth. However, aggregate GDP growth does not automatically generate productive employment, balanced regional development or equitable access to opportunities. The persistence of informal work, skills mismatches, uneven industrial development, agricultural vulnerability, infrastructure gaps and environmental stress creates a gap between economic expansion and the lived experience of development. The central problem is therefore how India can translate its growth momentum into a broad-based transformation by 2047.

Objectives of the Study

• To examine India's recent macroeconomic performance and long-term growth prospects.
• To analyse the changing roles of agriculture, industry and services in the Indian economy.
• To assess employment, skill development and the use of the demographic dividend.
• To examine opportunities in manufacturing, digital services, exports, infrastructure and renewable energy.
• To identify major economic, social, institutional and environmental challenges.
• To suggest policy measures for achieving inclusive and sustainable development by 2047.

Research Methodology

The study is based on secondary data and follows a descriptive, analytical and interpretative research design. Information has been drawn from the Ministry of Statistics and Programme Implementation (MoSPI), the Periodic Labour Force Survey (PLFS), the Economic Survey 2025–26, the Ministry of Commerce and Industry, the Ministry of New and Renewable Energy, and the source document supplied for this assignment. The statistical period primarily covers FY 2024–25 and FY 2025–26, with earlier years used where necessary for comparison.

The analysis uses percentage growth rates, sectoral shares, comparisons across financial years and simple descriptive interpretation. No primary survey has been conducted. The paper does not claim causal relationships from descriptive statistics. Some FY 2025–26 values are provisional, advance estimates or estimates based on the latest available monthly/annual releases; these are identified accordingly. National accounts data are sensitive to base-year revisions. Therefore, figures drawn from different national-accounts series should not be combined without checking their price base and revision status.

Macroeconomic Performance and Growth Prospects

The latest provisional estimates released by MoSPI on 5 June 2026, using the new national accounts series with base year 2022–23, placed real GDP at ₹323.12 lakh crore in FY 2025–26, compared with ₹299.89 lakh crore in FY 2024–25. Real GDP growth was estimated at 7.7 per cent in FY 2025–26, up from 7.1 per cent in the previous year. Nominal GDP was estimated at ₹346.36 lakh crore, registering nominal growth of 8.9 per cent [1].

Indicator	FY 2024–25	FY 2025–26	Interpretation
Real GDP (₹ lakh crore, constant prices)	299.89	323.12	Increase in real output
Real GDP growth	7.1%	7.7%	Acceleration of 0.6 percentage point
Nominal GDP (₹ lakh crore, current prices)	318.07	346.36	Current-price value
Nominal GDP growth	—	8.9%	Includes price changes

Table 1. Selected macroeconomic indicators. Source: MoSPI provisional estimates, 5 June 2026 [1].

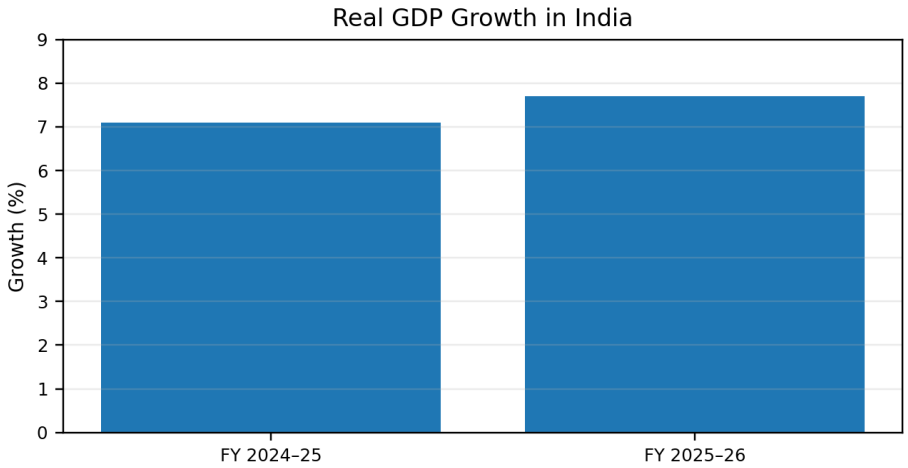

Figure 1. Real GDP growth, FY 2024–25 and FY 2025–26. Source: MoSPI [1].

The growth rate indicates a strong macroeconomic base, but the long-term challenge is to sustain productivity-led growth. Investment in infrastructure, technology adoption, research and development, competitive manufacturing, human capital and efficient institutions will influence whether current growth momentum can be maintained. Growth should also be assessed through per capita income, employment quality, household consumption and regional outcomes rather than GDP alone.

Structural Transformation: Agriculture, Industry and Services

Structural transformation involves the movement of labour and resources from low-productivity activities towards higher-productivity agriculture, manufacturing and modern services. India's transition has been uneven: services have expanded rapidly, manufacturing's employment-generating capacity remains constrained, and agriculture continues to support a substantial workforce despite its smaller contribution to national output.

The Economic Survey 2025–26 presents an advance-estimate sectoral composition for FY 2025–26 in which services account for 51.1 per cent of nominal GDP, industry 24.3 per cent and agriculture, livestock, forestry and fishing 15.2 per cent [2]. These figures are reported as the Survey's advance-estimate composition and should be read with the relevant national-accounts vintage.

Broad sector	Share of nominal GDP, FY 2025–26 (FAE)	Economic significance
Agriculture, livestock, forestry and fishing	15.2%	Food security, rural livelihoods and raw materials
Industry	24.3%	Manufacturing, construction, mining and utilities
Services	51.1%	Trade, finance, transport, IT and public services

Table 2. Broad sectoral composition. Source: Economic Survey 2025–26, Table I.2b [2].

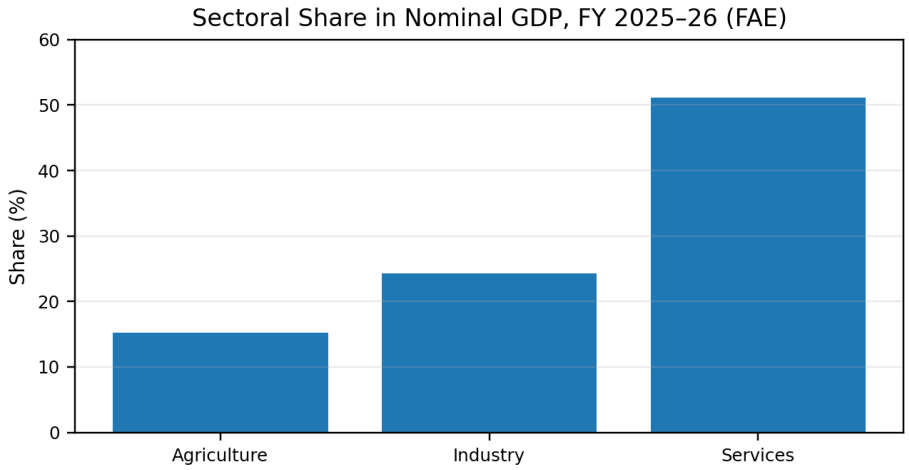

Figure 2. Broad sectoral composition, FY 2025–26 (FAE). Source: Economic Survey 2025–26 [2].

1 Agriculture and Rural Transformation

Agriculture remains essential for food security, rural employment, agro-processing and the stability of rural demand. The central policy task is to raise farm productivity and incomes while reducing vulnerability to rainfall variability, price volatility, fragmented holdings and limited access to modern storage and markets. Investment in irrigation efficiency, soil health, agricultural research, extension services, farmer-producer organisations, cold chains, food processing and rural roads can strengthen the link between farm and non-farm activity.

Agro-processing can create additional value within rural regions by connecting farmers with food manufacturing, packaging, logistics and retail. Diversification into horticulture, dairy, fisheries and other high-value activities can improve income opportunities, provided that market access, quality standards and risk management are strengthened.

2 Manufacturing and Industrial Development

Manufacturing is important because it can absorb workers transitioning out of agriculture, generate exports, support technological learning and create linkages with small enterprises. The source document notes that manufacturing's share of employment historically expanded only modestly and highlights low productivity and the dominance of informal establishments as persistent constraints. The policy focus should therefore move beyond production incentives alone towards technology upgrading, reliable infrastructure, logistics efficiency, access to credit, quality certification and predictable regulation.

Priority opportunities include electronics, pharmaceuticals, medical devices, automobiles and components, defence production, textiles, food processing, machinery, green technologies and semiconductor-related supply chains. Small and medium enterprises require affordable finance, digital tools, skilled workers and access to domestic and international markets.

3 Services and the Digital Economy

Services are a major source of output and export earnings. Information technology, business-process services, financial services, professional services, tourism, education, health and logistics offer opportunities for high-value employment. Artificial intelligence, cloud computing, data analytics, cybersecurity and digital public infrastructure can raise productivity across sectors. However, digital expansion must be accompanied by affordable connectivity, data protection, cybersecurity, digital literacy and access for rural and disadvantaged communities.

Employment, Demographic Dividend and Skill Development

India's demographic profile offers a potential advantage, but a large working-age population becomes an economic dividend only when people can access productive work and acquire relevant skills. The source document emphasises three conditions: availability, employability and productivity. These remain useful criteria for assessing labour-market performance.

The PLFS Annual Report 2025, covering January–December 2025, reports that the share of regular wage or salaried workers in usual-status employment increased to 23.6 per cent in 2025 from 22.4 per cent in 2024. The unemployment rate among persons aged 15 years and above with secondary education or higher declined to 6.5 per cent in 2025 from 7.0 per cent in 2024. Urban female unemployment in usual status declined to 6.4 per cent from 6.7 per cent [3].

Labour-market indicator	2024	2025	Change
Regular wage/salaried workers (share)	22.4%	23.6%	+1.2 percentage points
Unemployment among educated persons, age 15+	7.0%	6.5%	−0.5 percentage point
Urban female unemployment, age 15+	6.7%	6.4%	−0.3 percentage point

Table 3. Selected PLFS indicators. Source: PLFS Annual Report 2025 [3].

These improvements are encouraging, but the quality of employment remains important. Formalisation, social security, safe workplaces, wage growth, women's labour-force participation and opportunities for young people require continued attention. Skill programmes should be linked to local labour demand and employer requirements. Apprenticeships, vocational education, digital skills, STEM learning and lifelong training can reduce the mismatch between education and employment.

Trade, Investment and Global Value Chains

International trade can expand markets, generate foreign exchange, support economies of scale and expose firms to technology and quality standards. India's total exports of merchandise and services reached approximately US$863.1 billion in FY 2025–26, comprising merchandise exports of US$441.8 billion and services exports of US$421.3 billion, according to the Ministry of Commerce and Industry's July 2026 release [4].

Export category	FY 2025–26 (US$ billion)	Approximate share of total
Merchandise exports	441.8	51.2%
Services exports	421.3	48.8%
Total exports	863.1	100.0%

Table 4. India's exports in FY 2025–26. Source: Ministry of Commerce and Industry, 28 July 2026 [4].

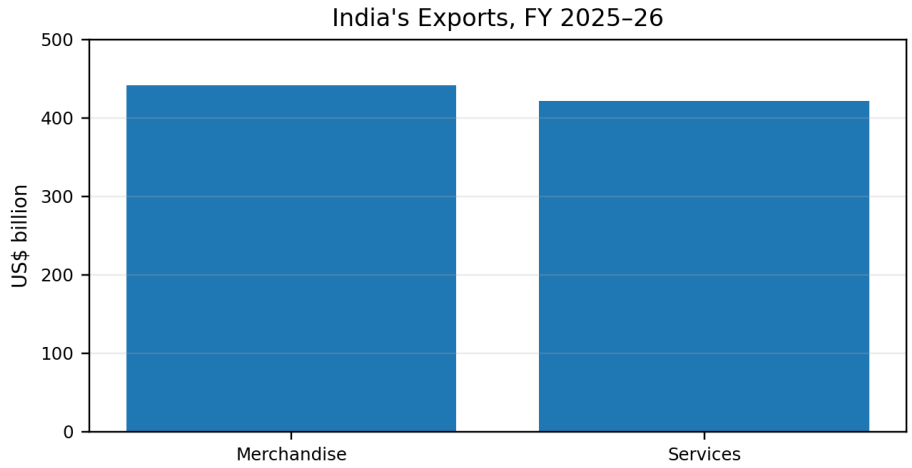

Figure 3. Merchandise and services exports, FY 2025–26. Source: Ministry of Commerce and Industry [4].

The near-equal contribution of merchandise and services exports demonstrates the importance of a diversified export base. Further gains require lower logistics costs, reliable ports and transport, quality infrastructure, trade facilitation, standards compliance and stronger participation by MSMEs. Global value-chain integration should focus on domestic supplier development, technology transfer, workforce skills and predictable trade policy. Export growth must be evaluated alongside import dependence and the trade balance.

Infrastructure, Energy And Digital Connectivity

Infrastructure is a foundation for productivity and competitiveness. Roads, railways, ports, airports, logistics parks, electricity, water supply, urban transport and broadband reduce transaction costs and connect firms to markets. Infrastructure investment should be planned with attention to maintenance, climate resilience, financial

sustainability and coordination between central, state and local governments.

1 Renewable Energy and Green Transition

The energy transition offers opportunities to improve energy security, reduce exposure to imported fossil fuels and create new industries. Government data indicate that renewable energy installed capacity reached 274.68 GW in March 2026, compared with 76 .38 GW in March 2014. Solar capacity reached 150.26 GW and wind capacity 56.09 GW by March 2026 [5].

Renewable source	Installed capacity (GW), March 2026
Solar	150.26
Wind	56.09
Bio-power and other bio-energy	11.75
Hydro	56.58
Total renewable energy	274.68

Table 5. Renewable energy capacity. Source: Ministry of New and Renewable Energy / PIB [5].

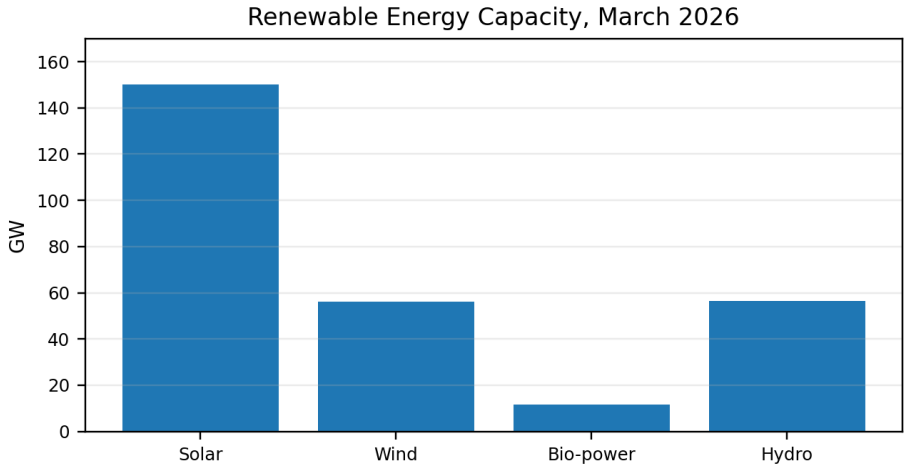

Figure 4. Selected renewable energy capacity, March 2026. Source: MNRE/PIB [5].

The transition requires grid modernisation, energy storage, transmission capacity, reliable distribution, domestic manufacturing of clean-energy equipment and just-transition measures for affected workers and regions. Renewable energy growth should be complemented by energy efficiency in buildings, transport, agriculture and industry.

2 Digital Infrastructure

Digital public infrastructure and broadband connectivity can lower the cost of payments, identity verification, public-service delivery and business transactions. Digital inclusion requires reliable rural networks, affordable devices, local-language services, accessible platforms and robust safeguards against fraud and data misuse. Cybersecurity and digital trust are essential for the long-term resilience of the digital economy.

Governance, Institutions And Public Investment

The ease of doing business depends on clear regulations, contract enforcement, property rights, transparent taxation, efficient dispute resolution and predictable public administration. India's federal structure makes coordination among Union, state and local governments particularly important. Public investment is most productive when projects are selected through evidence-based appraisal, implemented on time and monitored for outcomes.

Fiscal federalism should enable states to address local infrastructure and human-development needs while maintaining sound public finances. Transparent procurement, timely release of funds, local-government capacity and independent evaluation can improve public expenditure efficiency. Regulatory institutions should be adequately resourced and accountable, with consultation processes that allow businesses, workers and citizens to participate.

Inclusive Development, Poverty Reduction And Regional Balance

A developed India must ensure that the benefits of growth extend to rural households, women, young people, informal workers, persons with disabilities and historically disadvantaged communities. Access to quality education, healthcare, nutrition, housing, sanitation, clean water, transport and digital services contributes directly to human capability and productivity.

Regional disparities require place-based strategies. Industrial clusters, agricultural value chains, tourism, local services and connectivity projects should be developed according to the economic

strengths of each region. Smaller cities and towns can serve as growth centres if they receive adequate transport, water, sanitation, affordable housing and digital infrastructure. Migration should be supported through portable social protection, safe housing and access to public services.

Environmental Sustainability And Climate Resilience

Climate change creates economic risks through heat stress, floods, droughts, water scarcity, crop losses, coastal hazards and damage to infrastructure. These risks can widen inequalities because low-income households and climate-sensitive occupations have fewer resources to adapt. Environmental sustainability is therefore not separate from economic development; it is a condition for durable growth.

Policy priorities include watershed development, rainwater harvesting, efficient irrigation, soil conservation, agroforestry, climate-resilient crops, urban green spaces, clean public transport, waste management and pollution control. Climate adaptation should be integrated into public investment appraisal and district-level development planning. Green finance and technology innovation can help mobilise private investment.

Major Opportunities And Challenges

Opportunities	Corresponding challenges
Large domestic market and expanding consumer demand	Income inequality and uneven purchasing power
Demographic potential and a young workforce	Skills mismatch, job quality and labour-market informality
Digital services, AI and fintech	Digital divide, cybersecurity and displacement risks
Manufacturing and global value-chain integration	Logistics costs, productivity gaps and technology dependence
Agriculture and agro-processing	Climate risk, fragmented holdings and price volatility
Renewable energy and green manufacturing	Storage, grid integration and financing needs
Infrastructure and urbanisation	Land, finance, coordination and environmental pressures
Trade agreements and export diversification	Global uncertainty, standards and external competition

Table 6. Summary of major opportunities and associated challenges. Source: Author's synthesis.

Policy Recommendations

• Adopt a productivity-centred growth strategy that combines public infrastructure investment with private innovation, research and technology adoption.

• Strengthen labour-intensive manufacturing and MSME competitiveness through affordable credit, skills, technology extension, logistics and market access.

• Raise agricultural productivity and farmer incomes through irrigation efficiency, diversification, storage, processing, market reforms and climate adaptation.

• Link education and vocational training to employer demand through apprenticeships, industry partnerships, STEM learning and lifelong upskilling.

• Improve the quality of employment by supporting formalisation, social security, workplace safety, wage progression and women's participation.

• Expand export competitiveness through reliable logistics, standards infrastructure, trade facilitation and stronger domestic supplier networks.

• Accelerate renewable energy while investing in storage, transmission, energy efficiency and a fair transition for workers and regions.

• Strengthen cooperative federalism, local-government capacity, transparent regulation and outcome-based public expenditure.

• Make health, education, nutrition, housing and digital connectivity core components of economic policy rather than residual welfare concerns.

• Integrate climate-risk assessment and natural-resource conservation into agriculture, infrastructure, urban planning and industrial policy.

Findings of the Study

• India recorded estimated real GDP growth of 7.7 per cent in FY 2025–26, indicating strong recent macroeconomic momentum [1].

• Services represented the largest broad sectoral share in the Economic Survey's FY 2025–26 advance-estimate composition, while agriculture continued to play a major livelihood role [2].

• PLFS indicators show an increase in regular wage/salaried employment share and reductions in selected unemployment rates between 2024 and 2025 [3].

• Services exports are now a major component of India's export earnings, alongside merchandise exports [4].

• Renewable energy capacity has expanded significantly since 2014, creating opportunities in clean power and associated manufacturing [5].

• Persistent structural concerns include the quality and productivity of employment, manufacturing competitiveness, skills mismatch, regional inequality and climate vulnerability.
• Achieving Viksit Bharat requires coordinated progress in economic growth, human development, institutional quality and environmental sustainability.

Conclusion

Viksit Bharat 2047 is an ambitious but meaningful national development vision. India enters this period with important advantages: a large domestic market, a substantial workforce, strong capabilities in digital services, expanding infrastructure, growing export potential and rapid progress in renewable energy. Recent official indicators show that the economy has maintained high growth, selected labour-market indicators have improved, exports have reached a new high and clean-energy capacity has expanded.

Nevertheless, the transition to a developed economy cannot be measured by GDP growth alone. The decisive test will be whether growth generates productive and secure employment, raises agricultural and industrial productivity, improves public services, reduces regional and social inequalities and protects the environment. Policy consistency, effective institutions, cooperative federalism and evidence-based public investment will be essential.

The study concludes that India's route to 2047 should be based on a balanced development model: competitive and employment-intensive production; modern and inclusive services; productive and resilient agriculture; high-quality education and healthcare; efficient infrastructure; strong domestic innovation; and climate-conscious resource management. If these priorities are pursued together, economic expansion can be converted into broad-based prosperity and a genuinely developed India.

Acknowledgement

I would like to express my sincere gratitude to all those who have directly or indirectly contributed to the successful completion of this research study entitled "Viksit Bharat 2047: Opportunities and Challenges for the Indian Economy."

First and foremost, I express my heartfelt gratitude to my research guide for valuable guidance, continuous encouragement, constructive suggestions, and academic support throughout the research work. Their knowledge, expertise, and motivation have played an important role in shaping this study.

I am deeply thankful to the Head of the Department and all faculty members for their cooperation, valuable insights, and academic assistance during the preparation of this research work.

Financial support and sponsorship

Nil.

Conflicts of interest

The authors declare that there are no conflicts of interest regarding the publication of thesis paper.

References

1. Ministry of Statistics and Programme Implementation (MoSPI). (2026, June 5). Provisional Estimates of Annual Gross Domestic Product for 2025–26 and Quarterly Estimates of GDP for the Fourth Quarter. Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2269286
2. Government of India, Ministry of Finance. (2026). Economic Survey 2025–26, Table I.2b: Sectoral contribution to GDP. https://www.indiabudget.gov.in/economicsurvey/
3. Ministry of Statistics and Programme Implementation (MoSPI). (2026, March 27). Periodic Labour Force Survey (PLFS) Annual Report, 2025 (January–December 2025). Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2246009
4. Ministry of Commerce and Industry. (2026, July 28). India's Exports Scale Record US$ 863.1 Billion in FY 2025–26, Driven by Strong Trade with UAE, UK and Australia. Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2290437
5. [52026. Government of India. https://mnre.gov.in/
6. [6] Basole, A. (2022). Structural Transformation and Employment Generation in India: Past Performance and the Way Forward.
7. [7] Keshari Parida, J., & Madheswaran, S. (2023). Harnessing demographic dividend before it is lost forever in India.
8. [8] Okada, A. (2013). Skills Development for Youth in India: Challenges and Opportunities.
9. [9] Sapovadia, V. (2015). Indian Manufacturing Sector: Competitiveness at Stake.
10. [10] Rehman, S., & Hussain, Z. (2017). Renewable energy governance in India: Challenges and prospects for achieving the 2022 energy goals.
11. [11] Swamy, V. (2014). Domestic Debt Market in India—Its Resilience in Funding Infrastructure.
12. [12] Tripathi, S., & Kaur, H. (2017). Determinants of Rural to Urban Migration in Large Agglomerations in India: An Empirical Analysis.

13. Note: References 6–12 are retained from the supplied source document. Full journal, volume, issue, page range or DOI details were not available in that document and should be completed after checking the original publications.
14. Data cut-off: 3 November 2026. FY 2025–26 figures are provisional/advance estimates where indicated. Percentages may not total exactly due to rounding.