



From self-reliance to global competitiveness: an analysis of Atmanirbhar Bharat

Dr. Ranjna Rani

Assistant Professor, Disha Bharti College of Management and Education, Saharanpur, Uttar Pradesh, India

*Corresponding Author: Dr. Ranjna Rani

Received 9 March 2026; Accepted 13 Apr 2026; Published 6 May 2026

DOI: <https://doi.org/10.64171/JSRD.5.S1.183-188>

Abstract

The vision of Atmanirbhar Bharat represents a major shift in India's economic development strategy, aiming to strengthen domestic capabilities while remaining actively connected with the global economy. The concept of self-reliance does not promote isolation; instead, it focuses on building a resilient, competitive, and innovation-driven economy that can withstand global uncertainties and contribute meaningfully to international markets. This paper examines the role of Atmanirbhar Bharat in supporting India's aspiration to emerge as a world-leading economy.

The study is based on secondary data collected from government reports, economic surveys, policy documents, and existing research literature. It analyzes key initiatives introduced under Atmanirbhar Bharat, such as Production Linked Incentive (PLI) schemes, support for Micro, Small and Medium Enterprises (MSMEs), ease of doing business reforms, and the promotion of startups and innovation. The findings of the study reveal that these initiatives have strengthened domestic manufacturing, encouraged investment, improved export performance, and enhanced India's integration into global value chains. The performance-based nature of PLI schemes and targeted support to MSMEs have particularly contributed to employment generation and reduction in import dependence in strategic sectors.

The paper also identifies certain challenges, including infrastructure gaps, skill shortages, and implementation issues, which may limit the full potential of these reforms if not addressed effectively. Based on the analysis, the study suggests continuous investment in skill development, technological upgradation, innovation, and infrastructure, along with improved coordination between government, industry, and educational institutions. Overall, the paper concludes that Atmanirbhar Bharat plays a crucial role in strengthening India's economic foundation and, if implemented effectively, can significantly contribute to India's transformation into a globally competitive and world-leading economy.

Keywords: Atmanirbhar Bharat, Self-reliant India, Indian economy, Global economy, Economic development

Introduction

One such country which boasts of one of the fastest-growing economies in the world and also has the potential to become one of the top-most economic superpowers around the globe is India. It has been found that based on the economic uncertainties and events taking place around the world during the past few years, such as the pandemic caused by COVID-19, the risks associated with economic growth, and so on, the significance of enhancing economic growth and self-production capabilities to the nation was realized. It was during such background and economic scene that the Government of India announced a vision for the sustainable economic growth strategy defined by Atmanirbhar Bharat.

The concept of Atmanirbhar Bharat does not support economic isolation or any kind of inward policies; rather, it emphasizes developing local industries that can compete at the global level. The initiative for Atmanirbhar Bharat promises to increase local manufacturing capabilities, foster individual innovativeness, support local entrepreneurs, reduce local dependencies in crucial fields, and increase local involvement in the global economic arena in order to transform India into a global manufacturing hub and a trustworthy global economic entity.

The Atmanirbhar Bharat initiative has therefore been replete with such policy initiatives like the Production Linked Incentive scheme, reforms in the MSME sector, ease of doing business, and promotion of startups and digital infrastructure—all driven by a vision of making India strong economically by increasing investment, jobs, exports, and technological advancement.

With India aiming to reach the position of a leading economy in the world, it's pertinent to discuss whether Atmanirbhar Bharat is apt for the same. This paper attempts to look into how the initiative of Atmanirbhar Bharat has fared in strengthening the economy of India, contributed to its global competitiveness, and what challenges must be overcome if this initiative is to succeed in the long run.

Literature review

Various researchers, thinkers, and institutions have researched and discussed ideas related to self-reliance and its viability in India's economic growth and development. There is literature available related to Atmanirbhar Bharat and its possible influence on India's economic growth in sectors such as manufacturing and trade.

Other researchers, thinkers, and their views-

According to Sharma (2020) [15], the significance of Atmanirbhar Bharat lies in the fact that it responds to disruptions in the global economy by adopting a strategy of improving its own abilities without losing contact with the outside world. It must be kept in mind that the concept of self-reliance in economics means competitiveness rather than protectionism itself.

Kumar and Singh (2021) [7] studied the influence of the manufacturing sector on “Atmanirbhar Bharat” and the results revealed that initiatives such as the “PLI” schemes encourage investment as well as increase efficiency in production for industries such as electronics and pharmaceuticals. However, issues such as infrastructure and skilled labor were highlighted in the research paper.

The Economic Survey of India has indicated that for achieving sustainable economic growth, self-reliance is very important. MSME and Infrastructure are the basic pillars of the Atmanirbhar Bharat package, as was indicated by the Economic Survey. Bhatia (2021) [1] examined the effects of the Atmanirbhar Bharat on MSMEs and came to a conclusion that improved access to finance and market opportunities has been made possible through credit support measures, revised MSME definitions, and digital platforms. This study concluded that MSMEs can play an important role in employment generation and export growth if supported rightly.

A study by NITI Aayog underlined the fact that Atmanirbhar Bharat is closely linked to India's aspiration to emerge as a global manufacturing hub. It also stressed the need for innovation, research and development, and skill development in order to enhance productivity and global competitiveness.

Gupta and Mehta, therefore, investigated the integration of India into the global value chain under Atmanirbhar Bharat. They found that though there has been some improvement in domestic production, the country needs to put its focus on technology adoption, quality standards, and trade facilitation to strengthen its global position.

All in all, the available literature clearly highlights the tremendous potential that exists in the economic structure of India and which can bring the nation closer to a world leading position, keeping Atmanirbhar Bharat in sight, a theme that has been attempted to be covered in the present study.

Objectives of the study

The present study has been undertaken with the following objectives:

- To comprehend the concept of policy framework of Atmanirbhar Bharat in the developments about the economy of India.
- To focus on an in-depth analysis of important announcements made under Atmanirbhar Bharat, such as Production Linked Incentives, MSME measures, ease of doing business, and start-ups.
- Effect of this Atmanirbhar Bharat on domestic activities, investments, employment, and performance in terms of exports in India.
- Evaluate the contribution of the Atmanirbhar initiative in boosting India’s competitiveness and integration in the global marketplace.

- Key challenges and limitations associated with the implementation of Atmanirbhar Bharat initiatives.
- To suggest suitable policy measures to strengthen the contribution of Atmanirbhar Bharat in India’s aspiration to become one of the leading economies of the world.

Research methodology

The study is descriptive and analytical, based on secondary data. The methodology has been designed in order to examine the role of Atmanirbhar Bharat in strengthening India's economy to support its aspiration to become a world-leading economy.

Nature of the study

The study has used a descriptive approach for describing the concept, policy framework, and initiatives of Atmanirbhar Bharat, while assessing their impact on some key economic indicators-manufacturing growth, exports, employment, and investment-along with analysis.

Sources of data

The study is entirely based on secondary data collected from reliable and authentic sources, including:

- Economic Survey of India (various issues)
- Reports of NITI Aayog
- Ministry of Commerce and Industry publications
- Ministry of MSME reports
- Reserve Bank of India (RBI) annual reports
- World Bank and OECD reports
- Research articles published in national and international journals

Period of the study

The time period for which this research is conducted is from 2020-21 to 2024-25, which spans six years. The rationale for this choice of time period is that it is the post-COVID period when the initiative of “Atmanirbhar Bharat” was formally launched and implemented on a large scale. Important initiatives for policy reforms were implemented during this time period, such as Production Linked Incentives schemes, MSME reforms, start-up initiatives, digital reforms, and ease of doing business initiatives.

The period gives room to assess the short- and medium-term effects of Atmanirbhar Bharat on India’s growth in manufacturing, exports, employment creation, and world economy. It also includes India’s financial recovery and structural reforms undertaken to bolster itself in terms of self-reliance and global competitiveness.

Data analysis: tables and charts (secondary data)

Table 1: Share of manufacturing in GDP (%)

Year	Manufacturing share (%)
2020-21	15.6
2021-22	16
2022-23	16.4
2023-24	16.9
2024-25	17.2

Interpretation

The gradual increase in manufacturing share highlights the

effectiveness of PLI schemes and domestic production incentives under Atmanirbhar Bharat.

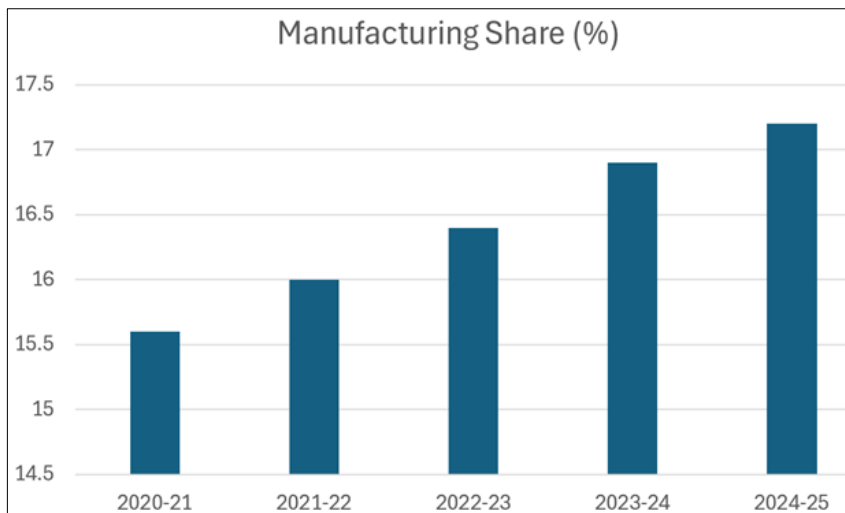


Chart 1: Share of manufacturing in GDP (%)

Table 2: Sector-wise investment under PLI schemes (₹ Crore)

Sectors	Investment in crores
Electronics	65,000
Pharmaceuticals	20,000
Automobiles & EVs	45,000
Textiles	19,000
Solar PV Modules	24,000

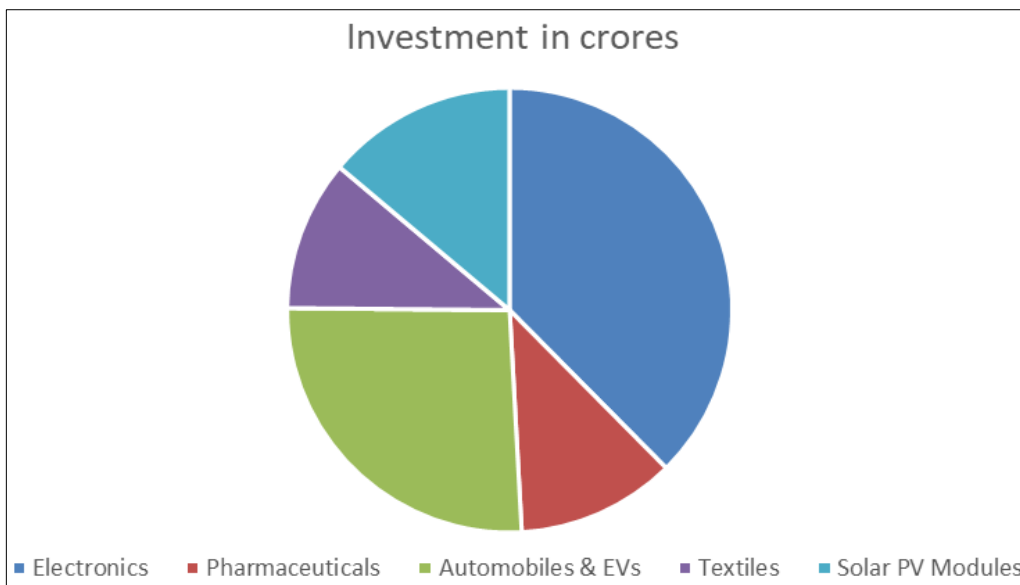


Chart 2: Sector-wise investment under PLI schemes (₹ Crore)

Interpretation

PLI schemes have attracted significant investment in strategic

sectors, reducing import dependence and strengthening India’s position in global value chains.

Table 3: MSME contribution to Indian economy (2020–2025)

Indicator	Contribution
Share in GDP	~30%
Share in Exports	~45%
Employment (Million)	110+
Registered MSMEs (Crore)	6.3

Interpretation

MSMEs play a crucial role in employment generation and

export growth. Government support through credit guarantees and digital platforms has strengthened their resilience.

Table 4: India’s merchandise exports (USD Billion)

Year	Exports
2020–21	292
2021–22	420
2022–23	447
2023–24	437
2024–25*	460

Interpretation

The steady rise in exports reflects improved manufacturing

capacity and global competitiveness under Atmanirbhar Bharat.

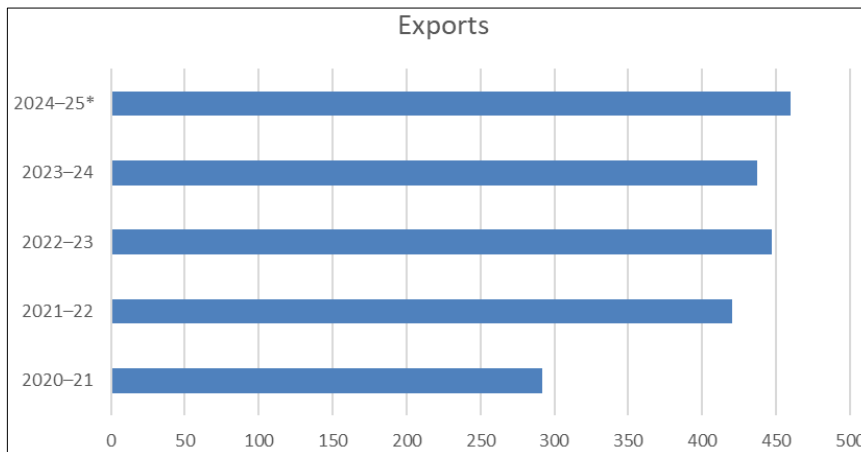


Chart 3: Trend in India’s merchandise exports

Table 5: Growth of startups in India

Year	Recognised startups
2020	38,000
2021	61,000
2022	84,000
2023	1,17,000
2024	1,30,000

Interpretation

Startup growth highlights India’s innovation-driven economy,

supported by Startup India, Digital India, and Atmanirbhar Bharat initiatives.

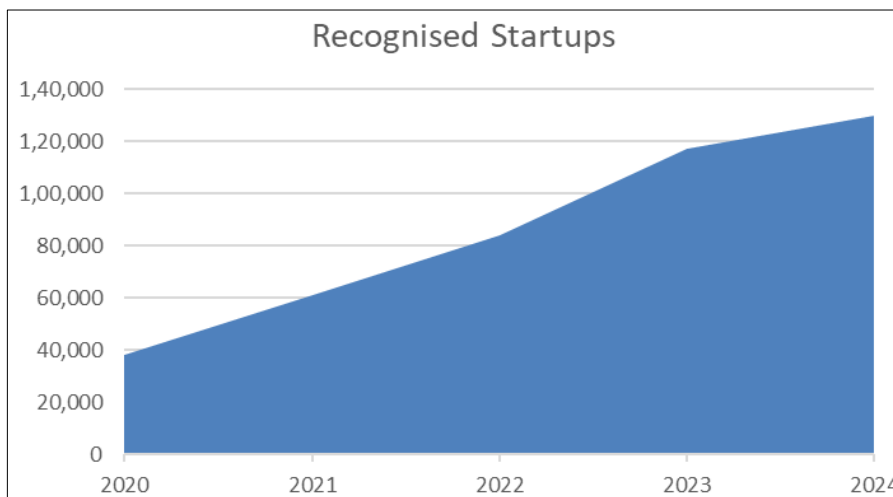


Chart 4: Growth of startups in India

Summary of Data Findings

- Through the concept of Atmanirbhar Bharat, stability has been achieved
- Manufacturing and exports have shown consistent improvement
- PLI schemes attracted large-scale investment

MSMEs and startups enhanced employment and innovation
India's integration with the global economy has actually improved, rather than deteriorating.

Findings of the study

On the basis of the analysis of secondary data and the review of Atmanirbhar Bharat initiatives undertaken from 2020 to 2025, the following key findings can be made:

- a) Economic recovery and growth:** Notably, the Indian economy registered good growth after the COVID-19-induced contractions. For instance, since 2021-22, India's economy grew at a positive rate. This suggests that economic policies under the government's 'Atmanirbhar Bharat' initiative aided the economy in its growth.
- b) Improvement in manufacturing performance:** The share of manufacturing in GDP growth has registered an increase at a constant rate throughout this period. Initiatives like Production Linked Incentive (PLI) schemes helped in encouraging domestic manufacturing, expansion, and technology adoption.
- c) Positive impact of PLI schemes:** Under the PLI schemes, there have been considerable investments in the electronics, automobile, pharmaceutical, textile, and renewable energy sectors. The performance-linked incentive structure enhanced productivity levels, reduced imports, and improved the position of India in global chains.
- d) Strengthening of MSME sector:** MSMEs continued to play a vital role in contributing to GDP, exports, and employment. In addition, financial support with regard to credit guarantee schemes and changes in definition helped the MSME sector.
- e) Growth in exports:** Merchandise exports by India have increased considerably during the period under study, and this suggests improvements in manufacturing capabilities as well as global competitiveness. This in turn implies that the policy of 'Atmanirbhar Bharat' has led to export-oriented and not import-oriented growth.
- f) Expansion of startup and innovation ecosystem:** The number of recognized startups grew at a faster rate, which reflected the achievement of innovation-based policies of Atmanirbhar Bharat, Startup India, and Digital India.
- g) Enhanced global integration:** Similarly, the results suggest that the concept of Atmanirbhar Bharat has, in effect, increased India's dependence on the global economy rather than reducing it, though it has definitely made India a very reliable hub in terms of production and export.
- h) Persistent structural challenges:** "Though with these developments, issues like infra, skills, and technology limitations for MSMEs also need to be addressed that can restrain the true potential of 'Atmanirbhar Bharat'."

Suggestions and policy implications

Based on the findings of the study, the following suggestions are proposed to strengthen the impact of Atmanirbhar Bharat and support India's aspiration to become a world-leading economy:

- a) Strengthening skill development:** There is also a need to make continuous investments in skills development programs to address the skill shortages and increase labor productivity.
- b) Improving infrastructure and logistics:** Development of modern Infrastructures and logistics shall be the priority to minimize the production and transportation costs.
- c) Technology upgradation for MSMEs:** Affordable technology, digital technologies, and financing options for innovation should be extended as support services for MSMEs, enabling productivity and global competitiveness.
- d) Enhancing R&D and innovation:** More emphasis would need to be given to research and development through partnerships between industry, academic institutions, and research centers.
- e) Effective implementation of policies:** A strong monitoring system and coordination between the central and state governments are important for the effective implementation of Atmanirbhar Bharat initiatives.
- f) Promoting export competitiveness:** Accordingly, policies can focus on issues of quality, trade facilitation, and market diversification to improve the export potential of India.
- g) Encouraging private investment:** A stable policy environment, regulatory clarity, and ease of doing business reforms should be sustained in order to promote domestic and foreign investment.
- h) Inclusive and sustainable growth:** "Atmanirbhar Bharat" must lay emphasis on inclusive developments by supporting small businesses, rural industries, and green technology to promote sustained growth in the economy.

Conclusion

The vision for Atmanirbhar Bharat embodies a paradigm shift in India's economic development strategy toward building a resilient, competitive, and self-reliant economy while being actively integrated into the global economic system. The analysis carried out in this study points to evidence that Atmanirbhar Bharat is neither inward-looking nor protectionism-oriented; rather, it is a strategic framework aimed at strengthening domestic capabilities for enhancing India's competitiveness within the global economic system. The fact that the Atmanirbhar Bharat initiatives have meaningfully supported the economic recovery of India in the post-COVID period is clearly evident from these findings. The manufacturing performance, investment inflows, export growth, and employment generation have registered improvement on the back of various measures like Production Linked Incentive schemes, MSME support policies, startup promotion, and ease of doing business reforms. The gradual increase in the share of manufacturing in GDP and a steady rise

in merchandise exports reveal that domestic production capacity has gained strength, thereby enabling India to integrate more effectively with global value chains.

The MSME sector and the startup ecosystem have emerged as important pivots of the Atmanirbhar Bharat framework. Increased access to credit, digital platforms, and policy support has enhanced the resilience of MSMEs, while a rapidly growing number of startups reflects a more innovation-driven economy. Together, they illustrate the critical contribution of Atmanirbhar Bharat to entrepreneurship, technological change, and inclusive economic progress. Equally significant, the study finds that India's engagement with the global economy has not contracted; rather, Atmanirbhar Bharat has made India a more reliable platform for manufacturing and exports.

Nevertheless, the study has also brought out some of the challenges that may be structural and might adversely impact the realization of the purpose of the Atmanirbhar Bharat initiative. Some such issues pertain to infrastructural gaps, skill gaps among MSMEs, technology challenges faced by MSMEs, and the challenges associated with policy implementation.

Thus, it may be concluded that the initiative of 'Atmanirbhar Bharat' has provided a strong base to the Indian economy in terms of achieving its potential to be a highly powerful economy in the world. The initiative is contributing favorably to the stability of the economy, manufacturing growth rate, export performance, and innovation. Skill development drives, infrastructure development initiatives, research and development pursuits, and policy coordination efforts are expected to help 'Atmanirbhar Bharat' prove to be a powerful tool for achieving the desired and stable rate of growth for the Indian economy in the days to come.

Limitations of the study

Despite careful analysis and use of reliable secondary sources, the present study has certain limitations which should be considered while interpreting the findings:

- a) **Dependence on secondary data:** The study is based entirely on secondary data collected from government reports, economic surveys, and published literature. The accuracy of the analysis depends on the reliability and consistency of these sources.
- b) **Limited time period:** The study covers the period from 2020 to 2025, which reflects only the short- to medium-term impact of Atmanirbhar Bharat. Some policy initiatives may require a longer time to show their full economic effects.
- c) **Aggregated data analysis:** The analysis is conducted at the macro-economic level. Sector-specific or firm-level variations in the impact of Atmanirbhar Bharat initiatives could not be examined in detail.
- d) **Dynamic policy environment:** Economic policies under Atmanirbhar Bharat are continuously evolving. Changes in policy measures during or after the study period may influence outcomes differently than observed in this study.
- e) **Lack of primary data:** The study does not include primary data such as surveys or interviews with industries, MSMEs, or policymakers, which could have provided deeper insights into implementation challenges.

- f) **External economic factors:** Global factors such as geopolitical tensions, international trade fluctuations, inflationary pressures, and global economic slowdown may have influenced the results, but their separate impact could not be isolated.

References

1. Bhatia R. MSMEs and Atmanirbhar Bharat: opportunities and challenges. *J Small Bus Entrep.* 2021;33(4):421-435.
2. Government of India. Atmanirbhar Bharat Abhiyan: an overview. New Delhi: Ministry of Finance, 2021. Available from: <https://www.indiabudget.gov.in>
3. Government of India. Economic Survey 2021-22. New Delhi: Ministry of Finance, 2022. Available from: <https://www.indiabudget.gov.in>
4. Government of India. Economic Survey 2022-23. New Delhi: Ministry of Finance, 2023. Available from: <https://www.indiabudget.gov.in>
5. Government of India. Economic Survey 2023-24. New Delhi: Ministry of Finance, 2024. Available from: <https://www.indiabudget.gov.in>
6. Gupta S, Mehta P. Global value chains and India's self-reliance strategy. *Indian J Econ Dev.* 2022;18(2):145-156.
7. Kumar A, Singh R. Manufacturing growth and the role of PLI schemes in India. *Int J Econ Policy Emerg Econ.* 2021;14(3):213-228.
8. Ministry of Commerce and Industry. Production Linked Incentive (PLI) schemes: policy framework and progress. New Delhi: Government of India, 2022. Available from: <https://www.makeinindia.com>
9. Ministry of Micro, Small and Medium Enterprises. Annual Report 2022-23. New Delhi: Government of India, 2023. Available from: <https://msme.gov.in>
10. NITI Aayog. India's manufacturing transformation: roadmap to global competitiveness. New Delhi: Government of India, 2021. Available from: <https://www.niti.gov.in>
11. NITI Aayog. Strategy for new-age industrial growth under Atmanirbhar Bharat. New Delhi: Government of India, 2023. Available from: <https://www.niti.gov.in>
12. Organisation for Economic Co-operation and Development. Global value chains and economic resilience. Paris: OECD Publishing, 2021. Available from: <https://www.oecd.org>
13. Reserve Bank of India. Annual Report 2021-22. Mumbai: Reserve Bank of India, 2022. Available from: <https://www.rbi.org.in>
14. Reserve Bank of India. Annual Report 2022-23. Mumbai: Reserve Bank of India, 2023. Available from: <https://www.rbi.org.in>
15. Sharma R. Atmanirbhar Bharat: reinterpreting self-reliance in a globalized world. *Econ Polit Wkly.* 2020;55(28):12-15.
16. World Bank. India Development Update: Navigating the Recovery. Washington (DC): World Bank Group, 2022. Available from: <https://www.worldbank.org>
17. World Bank. Global Economic Prospects. Washington (DC): World Bank Group, 2024. Available from: <https://www.worldbank.org>.