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Stock Market Dynamics in India: Understanding Market Movements and Their Implications for Viksit Bharat @ 2047

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Abstract

In recent years the Indian stock market has seen many changes, because of rapid digitalisation, increase in retail investors, innovation in technologies and reforms of regulatory bodies (SEBI, 2024; RBI, 2024; IMF, 2024). It is important to understand the role of the capital market because India is moving towards the vision of Viksit Bharat. This paper analyses the dynamics of the Indian stock market and also their implications for long-term national development. It adopts a conceptual research approach which is based on secondary data. The review of academic literature and institutional reports was considered to synthesise macroeconomic factors, behavioural finance, financial digitalisation, financial inclusion, retail investor participation and regulatory developments. The present research shows that stock market dynamics are shaped by the interaction of all the variables mentioned above. This paper shows conceptual framework and explains how these factors collectively influence the market, investors and capital mobilisation. It also shows how they will contribute to sustainable economic growth. By combining various portions of different literature, this research offers a comprehensive view on the developmental role of India's capital market and provides some insights for various stakeholders. This current study also establishes a foundation for future empirical research on stock market development in reference to Viksit Bharat at 2047.

Keywords: Indian stock market; Stock market dynamics; Viksit Bharat @ 2047; Retail investors; Behavioural finance; Financial digitalisation; Capital market development; Sustainable economic growth.

1. Introduction

The stock market plays an important role in the financial system of every economy because it provides the information related to the allocation of financial resources. It helps companies to raise long-term capital for many requirements like expansion, infrastructure development and innovation. It also allows an opportunity to investors to participate in economic growth through ownership in equity. It also promotes entrepreneurship, corporate governance and sustainable economic development. Therefore, strong capital markets are very important for long term growth of the economy (King & Levine, 1993; Levine & Zervos, 1998).

India is emerging as one of the fastest-growing economies in the world. Because of its structural reforms, rapid digital transformation, favourable demographics and a resilient financial system. Over the last 20 years, the Indian stock market's capitalisation has increased significantly. Trading activity and investor participation has also increased. The Securities and Exchange Board of India (SEBI) has introduced various reforms such as advancement in technology, electronic trading, demat account and digital investment platforms. All of these changes have enhanced transparency, accessibility and investor confidence (SEBI, 2024) in the market. Because of these changes now we can see different types of investors from diverse socio economic backgrounds.

COVID-19 pandemic played an important role in changing the Indian capital market. This may be possible because of following reasons, like increased internet access, widespread smartphone usage, simplified digital account-opening procedures and the emergence of user-friendly investment applications. It encouraged millions of first-time investors to enter the stock market. This increment of retail participation shows a big shift in household financial behaviour. Earlier it was limited to traditional savings methods. Now it is shifting towards investment in the market. As a result, the stock market is no longer controlled by institutional investors. It has slowly become a medium for financial inclusion, capital mobilisation and wealth creation (SEBI, 2024).

By the 100th independence day of India, the Government of India showed a vision of Viksit Bharat. To achieve this vision, it required various parameters to attain for example sustained economic growth, efficient capital allocation, technological innovation, infrastructure development and entrepreneurial expansion (NITI Aayog, 2024). In this context, an efficient and inclusive capital market has an important role. It mobilizes long-term financial resources, supports business expansion and strengthens overall economic resilience of India (SEBI, 2024).

Stock market dynamics means the continuous movements in security prices. It happens because of many factors, like macroeconomic conditions, corporate performance, investor behaviour, regulatory developments and global economic events. These changes influence capital allocation, investment decisions and business confidence. As a result, they influence the overall economy (Levine & Zervos, 1998). Therefore, understanding the stock market is very important for researchers, investors and policymakers. Because it helps them to analyse how capital markets contribute to a nation's long term development.

India's capital market has both opportunities and challenges. Opportunities include retail participation, digital financial innovation and access to investment platforms. These developments created a strong domestic capital mobilisation and enhanced financial inclusion. At the same time, challenges are market volatility, financial literacy, digital misinformation, cyber security and corporate governance. These challenges can be addressed through effective regulation, investor education and responsible financial communication. It is important to ensure sustainability and inclusivity of capital market growth(SEBI, 2024; NSE, 2025; BSE, 2025).

The present study shows a conceptual research design which is based on secondary data. This data includes government reports, regulatory publications, stock exchange reports and scholarly literature. It finds how stock market development contributes to capital formation, financial inclusion, entrepreneurship, infrastructure financing, technological innovation and sustainable economic growth. It examines the impact of macroeconomic conditions, retail investor participation, behavioural finance and digital transformation on the evolving structure of India's capital market.

By merging these different factors within a single framework, this research provides a comprehensive understanding of the developmental role of India's capital market. It also identifies key research gaps in the existing literature and offers policy-relevant insights that may support researchers, regulators and policymakers in strengthening the contribution of the stock market to the aim of the Government of India by 2047.

2. Literature Review

In finance, the relationship of stock market and economic growth has been widely studied. Now researchers are moving beyond traditional markets to major economic factors for example retail investor, fintech, financial digitalisation and behavioural finance. Therefore, this review synthesises the literature across four interrelated themes: stock market and economic growth, macroeconomic drivers of market dynamics, retail investor participation and digital transformation, and behavioural finance with the emergence of finfluencers. The study combined them to find the research gap and establish the conceptual foundation for the present study.

2.1 Stock Market and Economic Growth

The stock market has long been recognised as an important aspect of economic growth. Early studies show that the stock market is not affected by only one factor . Instead, many factors work together. Such as economic growth, inflation, interest rates, exchange rates, money supply foreign investment (King & Levine, 1993). Extending this perspective, Levine and Zervos (1996, 1998) and Demirguc-Kunt and Levine (1996) state that efficient and liquid stock markets are important for the banking sector because it improves resource allocation, facilitates corporate financing and enhances investment productivity. These studies shifted the focus from viewing stock markets merely as trading platforms to recognising them as important institutions for economic development.

Later studies also emphasize that market size alone can not be taken into consideration to determine long term economic performance. Market's liquidity and efficiency strengthened the finance growth. According to Levine and Zervos(1998) we can not evaluate stock market development only on the basis of market capitalization or stock price movements. Other factors, like household savings, entrepreneurship, technology and finance infrastructure also play an important role in economic development. This concept is particularly relevant for emerging economies, where efficient capital markets are essential for sustaining industrial expansion and economic transformation (Levine & Zervos, 1998).

In the past three decades, the financial sector has reformed a lot. The Indian capital market is strengthened by modernised institutions . For example the introduction of electronic trading, dematerialisation of securities, improved disclosure standards and continuous regulatory reforms by the Securities and Exchange Board of India (SEBI) have enhanced market transparency, accessibility and investor confidence. Retail participation has increased and capital market role has strengthened because of these changes (SEBI, 2024)

According to recent literature it is not enough to have a large stock market. The quality of institutions also matters. Factors such as good regulations, strong corporate governance, investor protection, financial literacy and technological infrastructure. All these factors ensure that stock market growth benefits the whole economy. Therefore, contemporary research believes that resilient and well-regulated capital markets are more important than simply larger ones.

Lots of studies show that stock market development supports economic growth. However, most of the research focuses only on financial and economic aspects. Very few studies show how the stock market helps achieve India's goal of a developed nation by 2047. This research gap is the reason for the present paper. It aims to understand how macroeconomic, technological and behavioural factors are shaping India's changing capital market

2.2 Macroeconomic Drivers of Stock Market Dynamics

Macroeconomics affects the expectations of investors, performance of corporations and overall confidence of the market. Earlier research states that macroeconomic variables combinely affect stock market movements and not only by one economic indicator. Empirical studies identify many key determinants of market performance. Some of them are economic growth, inflation, interest rates, exchange rates, money supply and foreign institutional investments. Corporate profitability, market liquidity and investment decisions are combinely affected by these factors(Ross Levine & Sara Zervos, 1998).

Among these determinants, sustained economic growth is very important because it is strongly related with stock market performance. Because it improves business activity, corporate earnings and investor confidence. In contrast, adverse macroeconomic conditions, like persistent inflationary pressures, restrictive monetary policy and exchange rate volatility, have a tendency to increase uncertainty and weaken market sentiment. Stable economic conditions are important for maintaining investor confidence and to support sustainable market growth. It is shown by studies on the Indian economy, especially long run macroeconomic stability and capital market development(IMF, 2024; World Bank, 2024; RBI, 2024).

Recent research also highlights that macroeconomic variables should not be examined independently because various forces present to impact the stock market. Examples of them are as follows: fiscal and monetary policies, global financial conditions, geopolitical developments and international capital flows. Therefore, stock market changes are related to domestic and global economic forces. Instead of direct effects of individual variables. This point of view is relevant for emerging economies like India, where market performance is influenced by reforms in the economy, financial integration and external shocks(IMF, 2024).

The literature further suggests that macroeconomic stability contributes to capital market development. Because it creates an environment for long-term investment, efficient resource and capital mobilisation. Financial markets are important because macroeconomic stability supports economic development. It is influenced by economic conditions and their well functioning is necessary to maintain stability (King & Levine, 1993; Levine & Zervos, 1998).

Previous studies showed the link between macroeconomic variables and stock market performance. Their main focus has been on explaining market movements or predicting investment returns. However, limited attention has been given to finding how the stock market changes, which is driven by macro economic factors, contributes to long-term development. In this context, this gap becomes important because capital markets have an important role in financing infrastructure. It supports industrial expansion and economic resilience. The present study goes a step further by exploring how macroeconomic stability contributes to stock market development.

2.3 Retail Investor Participation and Digital Transformation

The Indian stock market has seen a major structural transformation over the last 10 years specially after the COVID-19 pandemic. Like retail investors emerge as a major force in capital market development. Fast digitalisation, increased use of smartphones, affordable internet access and simplified online account-opening procedures have lowered barriers to investment. According to the Securities and Exchange Board of India (SEBI, 2024), individual demat account holders increased from approximately 282 lakh in March 2019 to nearly 896 lakh by March 2024. It reflects a great increment in retail participation (SEBI, 2024).

As per existing literature the main reason for this transformation is technological innovation. The cost and efforts of investing have been reduced by mobile applications, digital payments and online know your consumer(KYC). It has made investing more affordable, accessible and transparent. These developments have broadened participation beyond metro cities. It enables people from smaller cities from tier 2 and tier

3. They now easily access organised financial markets. This has increased financial inclusion across different sections of society.

The COVID-19 pandemic helped increase retail investor participation. Many households shifted from traditional savings to investment in the market. Investment applications like grow, dhan, zerodha delta exchange, angel one etc made investment easy for first time users. This change expanded participation by first-time investors. Now they have improved access to financial information through online platforms. It strengthened the domestic investor base. More retail participation has enhanced market liquidity and reduced dependence on foreign institutional investors. At the time of global uncertainty, the Indian stock market remained strong because of all these changes(NSE, 2025; AMFI, 2025).

Despite these positive changes, there are some important challenges also. For example, many first-time investors do not have enough financial information. They are more susceptible. They can be influenced by rumors, misleading online information and to speculative trading, herd behaviour. These concerns highlight the role of investor education, financial literacy and effective regulation. For safe investing, there is a need for better financial literacy and stronger regulation. (OECD, 2023; SEBI, 2024) .

Overall, the review shows that digitalisation has changed India's capital market in many positive ways. However, most existing studies only examine technological adoption, trading behaviour or retail participation separately. There are limited studies which explain how these changes support economic growth. The current research addresses this gap by connecting digital transformation, retail participation and capital market development.

2.4 Behavioural Finance, Investor Psychology and the Rise of Finfluencers

Behavioural finance helps in the understanding of stock market dynamics. It challenged the traditional point of view that investors always make rational decisions. Instead, research shows that investment behaviour is generally influenced by psychological biases, emotions and cognitive limitations. There are several behavioral finance factors that influence investors decisions: overconfidence, herd behaviour, loss aversion, anchoring bias, mental accounting, confirmation bias, availability bias, regret aversion, disposition effect, optimism bias, recency bias. Various research studies herd behaviour, overconfidence, loss aversion, anchoring and the Fear of Missing Out (FOMO) as key behavioural biases. Investors' choices are influenced by emotion and psychological biases. . These biases can increase market volatility and short term price movements (Kahneman & Tversky, 1979; Shiller, 2003; Barberis & Thaler, 2003).

Digital communication has transformed how investors receive information. Investor behaviour is affected by how financial information is created, shared and consumed. Social media platforms have made financial knowledge more accessible. At the same time, it has also increased the spread of rumours, misinformation and speculative narratives. Consequently, it makes investor sentiment an important factor of market movements. (CFA Institute, 2025; OECD, 2023).

In this digital era, financial influencers, commonly known as finfluencers. They have become an important source of financial information. They have emerged as influential intermediaries between financial markets and retail investors. There are different kinds of platforms such as YouTube, Instagram, X and Telegram. They explain financial concepts in a simple way, especially for new investors. But sometimes, some influencers share misleading and unregulated advice. Finfluencers can be both helpful and risky. This has led SEBI to strengthen rules and investor protection (Lalwani, 2025; Chandani et al., 2025; SEBI, 2024; BSE, 2025).

The literature therefore presents a balanced perspective on finfluencers. Their influence depends on the quality and credibility of the information they provided. Financial literacy of investors and responsible communication is important. Therefore, strong regulations are needed to protect investors and encourage informed decisions (SEBI, 2024; CFA Institute, 2025).

There is much research conducted on behavioural finance and most existing research focuses on individual investment decisions, trading behaviour or financial literacy. In comparison to this fewer studies examine how behavioural changes, social media and finfluencers collectively influence the capital market. The present paper addresses this gap by integrating behavioural, technological and developmental perspectives to explain how investor psychology shapes stock market dynamics and their contribution to India's long-term vision.

2.5 Overall Research Gap and Contribution of the Present Study

Past studies show that economic growth depends on the strong stock market.. Existing studies have also established that macroeconomic conditions also affect market performance. And they also show that digitalisation, retail investor participation and behavioural factors play a transformative role in shaping contemporary capital markets. Collectively, these studies have enhanced understanding of the individual determinants of stock market dynamics. These studies provide a good foundation for future research.

These studies have very important contributions but the literature remains fragmented. Most studies examine these factors separately. As we compare here, very few studies explain how they work together. There is limited research on how these changes support the capital market in the context of Viksit Bharat. This creates an important research gap.

India needs a strong and inclusive capital market to become a developed economy by 2047 . Because capital markets help in mobilizing savings , support businesses and finance development. Stock market growth should therefore be studied from economic, technological, behavioural and institutional perspective together.

The present paper shows this gap by synthesising diverse strands of literature into a comprehensive conceptual framework. It explains how macroeconomic conditions, financial digitalisation, retail investor participation, behavioural influences and regulatory support collectively shape stock market dynamics in India. By studying these interconnected dimensions within the context of Viksit Bharat @ 2047, this research extends the existing literature beyond isolated financial relationships. It offers a broader point of view on the importance of capital markets in India's long-term economic transformation. The proposed paper also gives a foundation for future empirical research and offers insights relevant to various stakeholders (IMF, 2024; World Bank, 2024; SEBI, 2024).

3. Methodology

3.1 Research Design

This current research adopts a qualitative conceptual research design. It is based exclusively on secondary data. It examines the dynamics of the Indian stock market and their implications in the context of Viksit Bharat. This study does not collect primary data or test hypotheses empirically. The study synthesises existing academic literature, policy documents and institutional reports. And it develops an integrated understanding of the factors influencing India's capital market.

A proper literature review was employed as the methodological approach. This approach is appropriate for conceptual research. Because it enables the systematic organisation, critical interpretation and synthesis of evidence from different sources. It provides the flexibility to integrate all perspectives whether it is related to theoretical, empirical and policy.

3.2 Data Sources and Literature Search

This paper is based on secondary data. We obtained it from the internet, peer-reviewed journal articles, policy documents, government publications and reports issued by recognised financial and regulatory institutions. These sources provide insights into various themes. For example stock market development, macroeconomic conditions, behavioural finance, retail investor participation, financial digitalisation and capital market reforms in India. We give priority to peer-reviewed publications and official institutional reports to ensure credibility and reliability.

This literature was collected using major academic databases, including Google Scholar, Scopus, Web of Science, SSRN and ResearchGate, together with official publications from institutions such as the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), the National Stock Exchange (NSE), the Bombay Stock Exchange (BSE) and the Ministry of Finance, Government of India. The literature search was conducted using combinations of keywords such as *stock market dynamics*, *Indian stock market*, *capital market development*, *macroeconomic factors*, *retail investor participation*, *behavioural finance*, *financial inclusion*, *digital finance*, *finfluencers* and *Viksit Bharat @ 2047* to identify studies relevant to the research objectives.

This approach helped collect recent developments in India's capital market. We consider seminal studies also to establish the theoretical foundation of finance–growth literature. We did not include sources which are not directly related to the objectives of the study. The selected literature has then organised properly to synthesize. It helped in identifying recurring patterns, conceptual relationships and research gaps. All of them provide an evidence base for the present study (SEBI, 2024; RBI, 2024; NSE, 2025; BSE, 2025; IMF, 2024; World Bank, 2024).

3.3 Data Analysis

In this study we use a qualitative thematic analysis and we combine it with conceptual synthesis. After the literature search, the paper is organised into broad thematic categories. It is aligned with the objectives of the research.

The organisation of topics helped in a systematic comparison of findings across studies. It identified recurring patterns, areas of consensus, divergent perspectives and emerging research trends. Rather than evaluating individual studies in isolation, the analysis synthesised evidence from diverse sources to examine the interrelationships among economic, behavioural, technological and institutional factors influencing stock market dynamics in India.

This synthesis helped in the development of a conceptual framework. It shows the interrelationships among macroeconomic, behavioural, technological and institutional factors.

3.4 Conceptual Framework of the Study

The framework proposed in this research was developed through the synthesis of the reviewed literature. It integrates the major topics identified across previous research. For example macroeconomic conditions, retail investor participation, behavioural finance, financial digitalisation and regulatory support. They explain their collective influence on stock market dynamics in India.

Previous studies examine these factors independently, this framework adopts an integrated view.This figure illustrates the interrelationships among economic, behavioural, technological and institutional dimensions. These interconnected factors influence market efficiency, investor confidence, capital mobilisation and resource allocation. These factors collectively contribute to capital market development and support India's long-term goal of a developed nation by 2047.

Fig 1. Integrated Conceptual Framework of Stock Market Dynamics and Viksit Bharat @ 2047

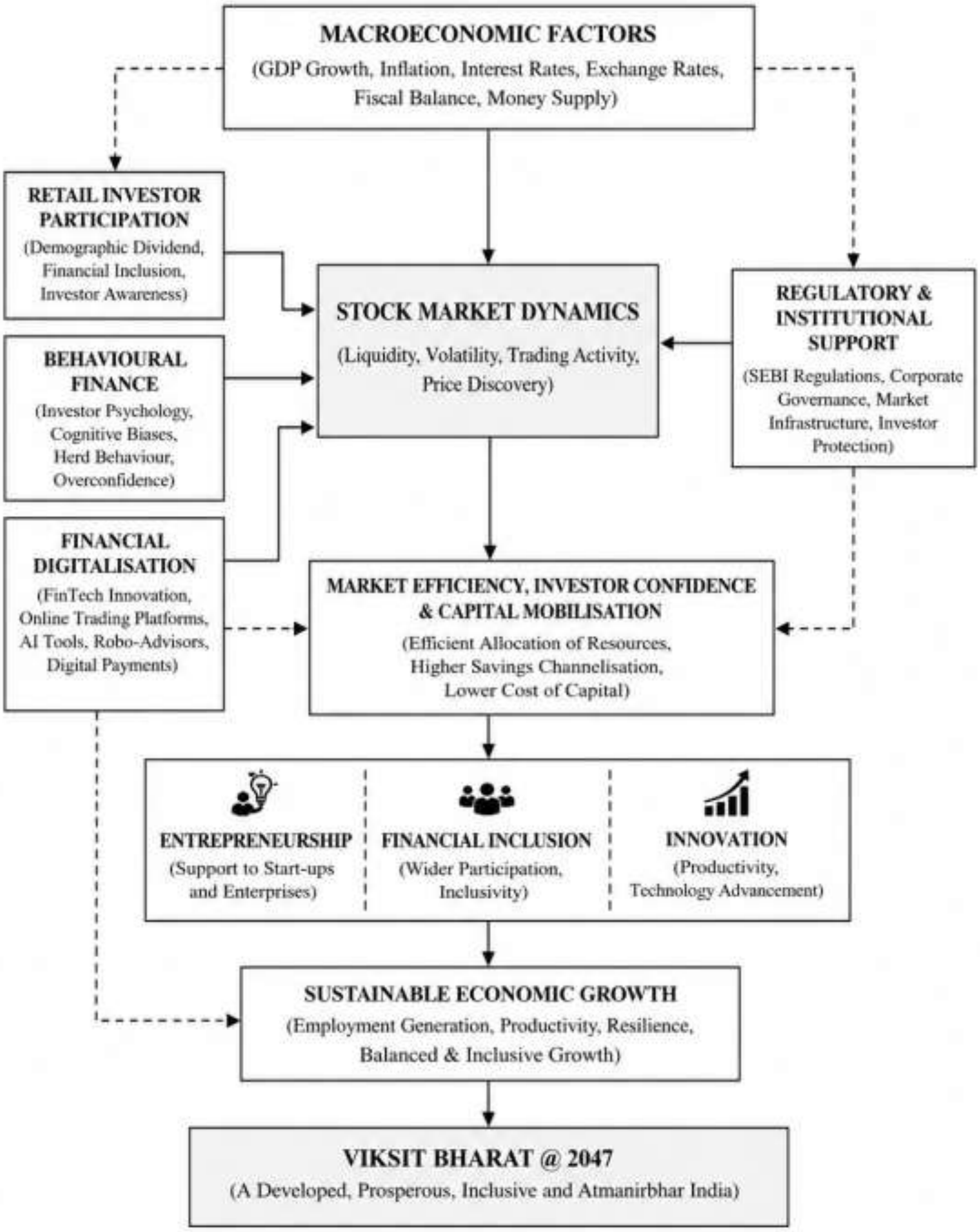

Figure 1: Conceptual Framework of Stock Market Dynamics and its Contribution to Viksit Bharat @ 2047

Source: Prepared by the authors using information synthesized from reviewed literature.

3.5 Scope and Limitations of the Paper

This current study develops a conceptual understanding of stock market dynamics in India with reference to Viksit Bharat. It examines the interrelationships among macroeconomic drivers, retail investor participation, financial digitalisation, behavioural finance and regulatory support to explain their collective influence on capital market development. The study is limited to the Indian context. It does not seek to generalise its findings to other economies with different institutional or regulatory environments.

The study is subject to certain limitations. First, it relies on secondary data. So that is why its findings depend on the quality and scope of the existing literature and institutional reports reviewed. Second, as a conceptual study, this paper has not been empirically validated. Therefore it requires future testing using quantitative, qualitative or mixed-method research designs. At last, the rapid growth of financial markets, technological innovation and regulatory developments may influence some findings over time. Despite these limitations, the current study provides an integrated conceptual framework. It offers a foundation for future research. It contributes to better understanding of the importance of stock market dynamics in India's long-term economic development.

4. Discussion and Policy Implications

4.1 Discussion of Key Findings

The present paper provides a conceptual understanding of stock market dynamics in India. It merged evidence from different literature. The study presents the stock market as shaped by the interaction of many factors. Like macroeconomic conditions, retail investor participation, behavioural factors, financial digitalisation and regulatory support. This combined review shows that capital market development is both a financial and a developmental process. It influences capital mobilisation, investor confidence and sustainable economic growth.

This study also observes that the post-COVID India's capital market has transformed significantly. It expanded the role of retail investors. Digitalisation and financial inclusion helped in it. These developments have strengthened capital mobilisation and market participation. They have also increased the importance of financial literacy, digital communication and regulations. It ensures sustainable market development.

The study shows that behavioural finance has become very important in explaining market movements. Investor psychology, social media and finfluencers now influence investment decisions. Traditional macroeconomic fundamentals suggest that a clear understanding of stock market behaviour requires the blending of economic, behavioural and technological perspectives.

Previous studies largely examined these dimensions separately. The present research combined them into a single framework. It linked stock market dynamics with the long-term developmental vision of India. The framework presents how efficient capital markets can support entrepreneurship, innovation, financial inclusion and productive investment. So that, India can attain its vision. India's long-term economic transformation requires a resilient, inclusive and well regulated capital market (SEBI, 2024; IMF, 2024).

4.2 Policy and Practical Implications

We need a strong, transparent and well regulated capital market if India wants to become a developed nation by 2047. For this we should mobilize long-term savings and support productive investment. Because the stock market is influenced by many factors, for example macroeconomic conditions, behavioural factors, technological innovation and institutional support. Policymakers should adopt a well balanced approach that promotes both market efficiency and sustainable development.

To maintain macroeconomic stability, investor protection and a transparent market, policymakers and regulators play an important role. Digital investment platforms and social media influence investment behaviour. Somewhere it adversely affects market stability. So regulatory frameworks should continue to evolve to ensure responsible financial communication, discourage misleading investment advice and safeguard the interests of retail investors. It is important to expand financial literacy initiatives and investor awareness programmes to encourage informed investment decisions. It helps in reducing behavioral biases.

The research presents implications for financial institutions, stock exchanges, fintech and market intermediaries. It suggests focus on accessible, transparent and investor friendly financial services should increase. We should promote the use of digital technologies to increase financial inclusion. Proper dissemination of financial information, improved digital infrastructure and innovative investment solutions can strengthen public trust. It encourages wider market participation and facilitates efficient mobilisation of domestic capital.

For educational institutions and researchers, they should teach modern finance topics for example; behavioural finance and financial literacy and also add digital investing into academic curricula. Provide professional training programmes at institutional level. The conceptual framework proposed in this research paper also provides a foundation for future empirical research examining the relationships among macroeconomic factors, investor behaviour, financial digitalisation and capital market development in the Indian context (SEBI, 2024; RBI, 2024; OECD, 2023).

Overall, this current paper suggests that developing a transparent, efficient and inclusive capital market is not the responsibility of any one group alone. It requires policymakers, regulators, financial institutions, educational organisations and investors to work together. Their collective efforts can improve capital mobilisation and encourage entrepreneurship and innovation. They can also strengthen financial resilience. This will support India's progress towards the vision of Viksit Bharat by 2047.

4.3 Future Research Directions

This research showed the framework for understanding stock market dynamics in the reference of developed India by 2047. It has not tested the framework using actual data. Future researchers should collect data from different investors and other stakeholders to cross check whether the relationships suggested in the figure 1 are actually true. They can use quantitative, qualitative or mixed research methods.

Future studies can find how new financial technologies affect the capital market. For example artificial intelligence, algorithmic trading, blockchain, robo-advisory and digital investment platforms need more attention. These technologies are expected to play a very important role in the Indian financial system(IMF, 2024; World Bank, 2024).

Many research gaps still remain. Future studies should examine the long-term effect of financial literacy, digital communication, finfluencers, investor protection and market stability. Researchers can also compare India with other developed and developing countries to understand how government policies, regulations and economic conditions affect capital market Growth.

Finally, future research can broaden this framework by adding new topics. Such as sustainable finance, ESG investing, green finance, financial resilience and inclusive economic development. This can improve our understanding of the stock market. It can support future academic research.

5. Conclusion

Dynamics of the Indian stock market is presented by this research paper. We took the help of a framework in relation to the Viksit Bharat vision. It consolidates evidence from finance, economics, behavioural finance and public policy. The study shows a clear understanding of the factors that help in shaping India's capital market. The paper also shows how it helps in achieving long-term economic development.

The study analyzes that stock markets are affected by the interaction of multiple factors. These factors are economic, behavioral, technological and institutional. Market efficiency, investor confidence and capital mobilisation are affected by these factors.

The main objective of this paper is the development of a combined conceptual framework. It combined different components of literature into a single analytical framework. Previous studies examined determinants individually but this framework shows how these factors interact to influence the stock market. It supported India's vision of becoming a developed nation. The framework gives a foundation for future empirical research.

The paper focuses more on the topic that if we want to strengthen India's capital market in the context of a developed nation then it needs everyone to work together. Policymakers, regulators, financial institutions, educational organisations and investors all have important roles. Financial literacy, transparency, technology and financial inclusion are essential for long term market growth.

This is a conceptual study. It is based on existing literature. It simply suggests a new framework for understanding the stock market. It connected the stock market to the Viksit Bharat goal. Future researchers can test and improve this framework using real data. More studies can be carried out in different countries and sectors.

In conclusion, the Indian capital market is important not only for raising money but also for economic growth, innovation, and overall national development (SEBI, 2024; IMF, 2024; World Bank, 2024). The paper combined ideas from different studies into one framework. This framework can help future empirical research. It also explains how capital markets can contribute to achieving the goal of Viksit Bharat by 2047.

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