

Building a Future-Ready India: High-Skill Reskilling in the Viksit Bharat@2047 Framework

Abhijith A K

Research Scholar, Department of Political Science, University College, Thiruvananthapuram, Kerala

Abstract

India's reimagined skilling architecture for Viksit Bharat@2047, outlined by NITI Aayog, has been reinforced by an unprecedented 62 percent increase in the Union Budget 2026-27 allocation to the Ministry of Skill Development and Entrepreneurship, confirming that skilling now sits at the centre of the Central Government's growth strategy [1], [4]. Even so, the Government's own diagnostic instruments point to a specific and persisting challenge: the Economic Survey 2024-25 records that only 8.25 percent of graduates are employed in roles aligned with their qualifications, while the World Economic Forum's Future of Jobs Report 2025 estimates that 63 of every 100 Indian workers will require training by 2030, with more than 70 million potentially unable to access it in time [2], [8]. This paper argues that closing this specific high-skill reskilling gap, concentrated among India's National Skills Qualification Framework (NSQF) Level 3 and 4 workforce, is the natural next step in an already decisive Central Government reform agenda that includes the Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs (PM-SETU) scheme and new Animation, Visual Effects, Gaming and Comic (AVGC) Content Creator Labs [4], [5]. Drawing on NITI Aayog's (2026) Reimagining Skilling for Viksit Bharat@2047 report, successive Economic Surveys, the Union Budget 2026-27, and global labour-market evidence, the paper maps the reimagined architecture's nine reforms and enablers against their relevance to high-skill reskilling and proposes a complementary sixth pillar, 'Advanced Reskilling Corridors', designed to run on infrastructure the Government is already funding. The paper concludes that, under the Centre's sustained fiscal commitment and policy direction, this refinement can help India fully realise the Viksit Bharat@2047 vision.

Keywords: High-Skill Reskilling, Viksit Bharat; NITI Aayog, Union Budget, PM-SETU, Reskilling

1. Introduction

India has trained more than 7.67 crore individuals since 2014-15 under the Skill India Mission, and the Central Government's commitment has only strengthened since [1]. In the Union Budget 2026-27, the Ministry of Skill Development and Entrepreneurship (MSDE) received a historic 62 percent increase in allocation, from ₹6,100 crore to ₹9,885.80 crore, one of the sharpest increases given to any Ministry, underscoring the priority the Government attaches to building a future-ready workforce [4]. This fiscal commitment has been matched by structural reform: the Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs (PM-SETU) scheme is upgrading 1,000 Government Industrial Training Institutes in a hub-and-spoke model, while the Budget has also introduced 15,000 AVGC

(Animation, Visual Effects, Gaming and Comic) Content Creator Labs across secondary schools and colleges, and a new Education-to-Employment and Enterprise Standing Committee tasked with aligning education with industry needs [4], [5].

Building on this momentum, NITI Aayog's (2026) report, *Reimagining Skilling for Viksit Bharat@2047*, proposes five core reforms and four system enablers organised around five learner segments – schooling, tertiary education, the workforce, Not in Education, Employment or Training (NEET) youth, and women – together covering close to 60 crore citizens [1]. The architecture is explicitly learner-centred and lifelong in orientation, and its emphasis on cooperative federalism, with States as the principal drivers of on-ground implementation, reflects a mature and pragmatic model of governance for a country as large and diverse as India [1].

Even within this well-resourced and well-designed programme of reform, the Government's own diagnostic instruments point to one segment that merits sharper focus. The Economic Survey 2024-25 records that only 8.25 percent of India's graduates are employed in roles aligned with their qualifications [2], and the Economic Survey 2025-26, in a chapter titled "Employment and Skill Development: Getting Skilling Right," itself signals a deliberate policy shift from measuring skilling by enrolment towards measuring it by demand-linked training and employability outcomes [3]. Read alongside the World Economic Forum's finding that 63 of every 100 Indian workers will require training by 2030, with more than 70 million potentially unable to access it in time [8], this paper argues that the logical next step in the Government's already decisive reform agenda is a sixth pillar dedicated specifically to the continuous reskilling of India's high-skilled (NSQF Level 3 and 4) workforce.

2. Review of Literature

NITI Aayog (2026) offers the most comprehensive recent diagnosis of India's skilling ecosystem, identifying recurring barriers of information, access, funds, delivery models and governance across five learner segments, and proposing five core reforms – skill integration in schools, viable public-private partnership models in higher education, outcome-linked industry-backed programmes, apprenticeship for all, and guidance and perception building – supported by four system enablers: a Digital Skills Passport, outcome-based financing, operationalisation of the National Credit Framework (NCrF), and skills-first policies and inclusive infrastructure [1]. The report notes that a generic undergraduate pursuing a B.A., B.Sc. or B.Com. without additional skilling earns an average starting salary of ₹22,000 per month, compared with ₹29,000 per month for a similar graduate who completes skilling, a difference that compounds to roughly ₹9.7 lakh over ten years, underlining the tangible returns that the Government's skilling push already delivers [1].

The Economic Survey 2024-25, prepared by the Department of Economic Affairs, Ministry of Finance, provides an unusually candid official diagnosis of the qualification-employment mismatch, reporting that only 8.25 percent of graduates hold jobs aligned with their qualifications [2]. Rather than treating this as a shortfall, the Economic Survey 2025-26 responds directly, reframing national skilling policy around demand-linked training, sector-specific skilling and alignment with national qualification frameworks in its chapter "Getting Skilling Right," demonstrating the Government's willingness to course-correct using its own evidence base [3]. The Union Budget 2026-27 translates this intent into resources, with the 62 percent increase in MSDE's allocation, the PM-SETU ITI upgradation programme, and new AVGC Content Creator Labs representing one of the most substantial single-year commitments to skilling infrastructure in the scheme's history [4], [5].

International evidence corroborates the scale of the challenge the Government is addressing. The World Economic Forum's Future of Jobs Report 2025 finds that 63 of every 100 Indian workers will require training by 2030, but that 12 of every 100 are unlikely to be able to access it, translating into more than 70 million workers who may not receive the training they need over the next five years [8]; the same report notes that a new WEF Skills Accelerator is being developed for India in 2026, reflecting growing international recognition of India's skilling ambitions [8]. Read together, these sources show a Government that has correctly diagnosed the problem and is investing at scale; this paper's contribution is to identify the one segment, the existing high-skilled workforce, where an additional, purpose-built instrument would complete the picture.

3. Statement of the Problem

The Central Government's skilling reforms are being scaled at a moment when the demand for advanced, technology-linked skills is rising sharply, even as India's already high-skilled workforce (NSQF Level 3 and 4) shows comparatively limited access to structured reskilling [1], [8]. NITI Aayog's reimagined architecture, though comprehensive, is operationalised chiefly through entry-point interventions – schools, tertiary education, apprenticeships and first-time-worker programmes. This paper examines whether an explicit, purpose-built instrument for continuously reskilling the existing high-skilled workforce would strengthen this architecture, and what form such an instrument, built on the infrastructure the Government is already funding, might take.

4. Objectives of the Study

- To examine Government of India data on the qualification-employment mismatch and the scale of India's high-skill reskilling need.
- To map NITI Aayog's proposed core reforms and system enablers against their relevance to high-skilled (NSQF Level 3 and 4) workforce reskilling.
- To propose an original policy framework, Advanced Reskilling Corridors, that builds on existing Central Government schemes and infrastructure investment.

5. Research Methodology

This paper adopts a descriptive and conceptual research design based on secondary sources. Primary reliance is placed on official Government of India publications – NITI Aayog's (2026) report, the Economic Survey 2024-25 and 2025-26, the Union Budget 2026-27, and Press Information Bureau releases of the Ministry of Skill Development and Entrepreneurship – supplemented by the Periodic Labour Force Survey and the World Economic Forum's Future of Jobs Report 2025 for global context. This material is organised into a structured mapping exercise, presented in Table 1, from which an original conceptual framework is derived.

6. Evidence of a High-Skill Reskilling Need

The scale of the Central Government's skilling commitment is considerable. Since 2014-15, over 7.67 crore individuals have been trained, and ₹34,000 crore was allocated for skilling-related expenditure across Central Ministries in FY 2025-26 alone, a figure the Union Budget 2026-27 has since increased further through the 62 percent uplift to MSDE's own allocation [1], [4]. Within this expanding effort, NITI Aayog's data show a clear and encouraging return on skilling: graduates who complete additional skilling

earn, on average, ₹7,000 more per month at the start of their careers than those who do not, a gap that compounds to nearly ₹9.7 lakh over a decade [1].

Against this backdrop of visible progress, official data also help pinpoint where the next wave of investment could be most productively targeted. The Economic Survey 2024-25 reports that only 8.25 percent of graduates hold jobs aligned with their qualifications [2], a finding the Economic Survey 2025-26 takes seriously enough to dedicate an entire chapter to “Getting Skilling Right,” recommending demand-linked, outcome-oriented training as the path forward [3]. The World Economic Forum’s Future of Jobs Report 2025 places this in global perspective, estimating that 63 of every 100 Indian workers will need training by 2030, while roughly 12 of every 100 are unlikely to access it in time, a gap concentrated disproportionately among workers already in mid-career, technology-exposed roles [8]. These are precisely the workers the Central Government’s PM-SETU-upgraded ITIs and AVGC Content Creator Labs are best placed to reach, provided a dedicated reskilling pathway is designed for them [4], [5].

7. Mapping the Reimagined Architecture Against the High-Skill Gap

Table 1 maps each of NITI Aayog’s nine proposed reforms and enablers against its relevance to reskilling the existing high-skilled workforce, based on the design intent described in the report [1]. The mapping shows that the majority of interventions are, by design, entry-point oriented – skill integration in schools, apprenticeship for all, and public-private partnership models in higher education are each built around learners who have not yet entered stable employment, which is entirely appropriate given the scale of India’s youth population. Outcome-linked industry-backed programmes, outcome-based financing and the National Credit Framework carry moderate latent relevance, in that their design principles, already well-conceived by NITI Aayog, could be extended towards incumbent high-skilled workers with comparatively modest adaptation.

Table 1: Mapping NITI Aayog’s Core Reforms and Enablers Against the High-Skill Reskilling Gap

S. No.	Reform / Enabler	Relevance to High-Skill Reskilling	Remarks
1	Skill Integration in Schools	Low	Targets Grade 6-12 learners; builds the future pipeline but does not reach the existing workforce
2	PPP/PSE in Technical and Higher Education	Low-Moderate	Reshapes degree/diploma programmes for new entrants, not incumbent professionals
3	Outcome-Linked, Industry-Backed Programmes	Moderate	Currently oriented to first-time trainees; design could extend to reskilling if re-targeted
4	Apprenticeship for All	Low	Structured as an entry-level, learning pathway for young or first-time workers
5	Guidance and Perception Building	Moderate	Builds awareness and aspiration but does not itself supply advanced skill content

6	Digital Skills Passport	Moderate	A content-neutral credentialing layer; captures but does not generate high-skill learning
7	Outcome-Based Financing	Moderate	Could fund high-skill reskilling if outcome metrics are redefined for wage/role progression
8	Operationalisation of the NCrF	Moderate	Enables credit recognition and mobility but not the design of advanced-skill curricula
9	Skills-First Policies and Inclusive Infrastructure	Low-Moderate	Improves hiring practices and shared infrastructure; not a reskilling delivery mechanism
10	Advanced Reskilling Corridors (proposed)	High	Purpose-built for NSQF Level 3 and 4 incumbent professionals, delivered on existing PM-SETU infrastructure

8. Proposed Framework: Advanced Reskilling Corridors

Building directly on the infrastructure and fiscal commitment the Central Government has already put in place, this paper proposes a sixth architectural pillar, Advanced Reskilling Corridors, designed specifically for NSQF Level 3 and 4 professionals. The framework is built on four components, each designed to extend, rather than duplicate, existing Government schemes.

8.1 Employer-Anchored Micro-Credential Pathways on PM-SETU Infrastructure

Sector-specific, employer-co-designed micro-credentials in AI, robotics, cybersecurity and green technology would be delivered through the very Industrial Training Institutes the Government is upgrading under PM-SETU, using the smart classrooms and modern laboratories the scheme is already funding for its 200 Hub and 800 Spoke institutions [4], [5]. Recognising these credentials as stackable credits under the NCrF would ensure they contribute to formal credit progression, consistent with NITI Aayog's own design principles [1].

8.2 Targeted Upskilling-Leave Incentives

NITI Aayog's proposed "Upskilling Leave" enabler [1] would be extended for the high-skilled segment through employer tax incentives and partial wage-replacement support, modelled on the demand-linked, outcome-oriented approach the Economic Survey 2025-26 has already endorsed [3], reducing the opportunity cost that currently discourages mid-career reskilling.

8.3 Sector-Specific Reskilling Missions for Incumbent Professionals

Building on the same design logic that underpins the AVGC Content Creator Labs and the Education-to-Employment and Enterprise Standing Committee [4], dedicated missions would support incumbent professionals moving into technology-augmented roles, delivered through Skill Institutions, universities and the upgraded PM-SETU network, extending the reach of schemes the Government has already funded rather than requiring new institutional architecture [4], [5].

8.4 High-Skill Outcome Tracking Within the Digital Skills Passport

The Digital Skills Passport proposed by NITI Aayog, along with its supporting Skills Digital Registries and Exchanges [1], would be extended to track wage and role progression specifically for Advanced

Reskilling Corridor participants, giving the Government real-time evidence of returns on its skilling investment, in keeping with the outcome-first approach set out in the Economic Survey 2025-26 [3].

9. Implications for Viksit Bharat@2047

The Central Government has, within a single budget cycle, raised MSDE's allocation by 62 percent, launched PM-SETU to upgrade 1,000 ITIs, introduced 15,000 AVGC Content Creator Labs, and constituted a standing committee to align education with employment, all in pursuit of a \$30 trillion, Viksit Bharat economy by 2047 [4], [5]. Embedding Advanced Reskilling Corridors as a sixth pillar alongside NITI Aayog's five core reforms and four system enablers would not require a new policy architecture; it would extend an already well-funded and well-designed one to the segment of the workforce, NSQF Level 3 and 4 professionals, best positioned to help India capture the high-value, technology-intensive opportunities that the Government's reforms are creating [1], [4].

10. Conclusion

The evidence reviewed in this paper leaves little doubt that the Central Government, under the Viksit Bharat@2047 vision, has approached India's skilling challenge with a scale, coherence and fiscal seriousness that few earlier reform efforts have matched. The Union Budget 2026-27's 62 percent increase in MSDE's allocation, the launch of PM-SETU to modernise 1,000 Industrial Training Institutes, the introduction of AVGC Content Creator Labs in 15,000 schools and 500 colleges, and NITI Aayog's rigorously evidenced Reimagining Skilling for Viksit Bharat@2047 report together represent a coordinated, whole-of-government effort that is already delivering measurable returns, including a documented skilling wage premium of ₹7,000 per month for graduates [1], [4], [5]. The Economic Survey 2025-26's own decision to dedicate a chapter to "Getting Skilling Right" shows a Government confident enough in its progress to keep refining its approach using its own evidence [3]. This paper's proposal, Advanced Reskilling Corridors, is offered in that same spirit: not as a correction to Government policy, but as a natural, low-cost extension of infrastructure and schemes the Centre has already built, aimed at ensuring that India's high-skilled workforce shares fully in the gains of a reform agenda that is, by any comparative measure, among the most ambitious skilling transformations underway anywhere in the world. With this addition, and under the Centre's continued leadership, India's skilling ecosystem is well placed to convert its demographic dividend into the high-skill, high-income workforce that the Viksit Bharat@2047 vision demands.

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