

INDIA VISION 2047: DHARMA RAJYA POLICY ROADMAP 2026–2047

Healthcare & Education Universal Coverage | 28% Revenue Ceiling | 8.6% Sustained Real Growth

EXECUTIVE SUMMARY

This is true supply-side Dharma Rajya economics:

- o Tax Indian companies at the world’s lowest 10.5%, global giants at 21%.
- o Public funded universal programs: quality healthcare and creativity-led education for every citizen.
- o Convert other subsidies into direct, verifiable cash (organic farmers, verified BPL etc.)
- o Rebuild trust through strict top-down accountability and bottom-up empowerment.

By 2047 India achieves:

- o Public funded healthcare & education (90% by 2035)
- o Fiscal surplus from FY2035
- o Public debt down to 48% of GDP
- o 15% farmland organic/natural by 2031 and 80%+ by 2047
- o 25–30% chronic disease reduction via Yoga, Ayurveda, prevention mostly driven by Primary Wellness centers (PWC) for each 5,000 population on average.
- o Revenue locked ≤28% of GDP
- o Per-capita income USD 26k (closing China gap to 0.6×)

1. THE THREE INTERLINKED CIVILISATIONAL ISSUES AND PERMANENT SOLUTION

Issue	What it creates	Dharma Rajya Cure (2026–2047)
Real Scarcity	Black markets, rent seeking, inspector raj, deprivation for the masses	World’s lowest 10.5% domestic corporate tax, 200% green/R&D super-deductions, labor-land-energy logistics reforms, rural 5G, ₹18 lakh crore Sovereign Wealth Fund → abundance replaces shortage
Unsustainable, leakage-ridden welfare	Price distortion, destroyed incentives, money rarely reaches the poor in full	Two universal programs (Healthcare + Education) capped at 12% GDP. All other subsidies phased out or converted to direct cash only for certified organic farmers and verified BPL → ends leakage and dependency with help of technology in the process
Collapse of trust in institutions	Citizens see the State as predator	Top-down: AI audits, mandatory video recording of citizen interfaces, ₹10,000/day penalty for delay, Fast track courts to resolve corruption. Bottom-up: Zero tax till ₹10 lakh, free doctor + quality education through college subject to sustainability, 20% PSU shares at 50% discount to workers bound by a social contract to create wealth to share, whistleblower bounty up to ₹5 crore.

		Qualified citizen audits support good governance and guard the economic reforms.
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**** The solution for the first two issues is bottom-up empowering supply side economics and the solution for the trust deficit is good governance supported by economic and financial reforms. Institutions lacking trust can't deliver the fruit of the proposed reforms. A robust Gross Domestic Product (GDP) that ensures the empowerment of all stakeholders is preferable to a simple high GDP growth rate. It produces higher sustainable GDP relative to the total economic output, significantly increases citizen satisfaction, and integrates a balanced environmental footprint as a core component of the overall economic measure.

2. COMPARATIVE GLOBAL CONTEXT – Why Dharma Rajya Wins in 2047

Metric	Nordic today	USA today	China 2047	India 2047	India's Edge
Revenue-to-GDP	40–45%	25.2%	~35%	28%	Low burden among large economies
Health + Education spend (% GDP)	18–20%	22–24%	~12%	12%	Same outcome, 40% cheaper
Universal coverage	100%	High cost; heavily subsidized; high out of pocket	~95%	99%	Low or no out-of-pocket
Top marginal PIT	52–57%	37%	45%	21%	Zero tax till ₹10 lakh
Domestic non-Pillar 2 corporate rate	20–25%	21%	25%	10.5%	World's lowest
Public debt/GDP	35–45%	130%+	100%+	48%	Lowest in G20
20-yr real growth	1.8–2.2%	1.9–2.3%	4–5%	8.6%	2× higher
Per-capita income (nominal USD)	\$60–70k	\$85k	~\$43k	\$26k (₹/\$ = 70)	Fast convergence

3. TAX REFORM:

3.1 APRIL 2026 Personal Income Tax Personal Income Tax (3 brackets + ₹1.5L standard deduction; no surcharges/wealth tax)

Slab	Base Rate	+5% Edu + Health Cess	Effective Rate
₹0 – 10L	0%	–	0%
₹10 – 25L	10%	0.5%	10.5%
>₹25L	20%	1.0%	21%

3.2 Corporate Income Tax (Uniform 5% cess)

Category	Base Rate	+5% Cess	Effective Rate
Domestic firms (99%+)	10%	5%	10.5%
Pillar-2 MNCs (≥€750M global)	20%	5%	21%

Rationale: Low rates boost compliance (AI autofill ITR 99% by 2027); 41% CIT shared with states; 200% transition deduction for MNCs. Transition drag (0.2% GDP FY26) mitigated by amnesty.

3.3 Super-Deductions

Company Type	Effective Tax Rate with cess	Super-Deductions & Key Notes/Examples
Domestic Indian firms (99%+ – startups, MSMEs, Indian promoters)	10.5%	<ul style="list-style-type: none">• Full 200% super-deduction: • New factory (Tier-2/3) → deduct ₹200 cr per ₹100 cr spent• Solar / wind / green capex → 200%• R&D lab in India → 200%• Worker skilling → 200%• 200% accelerated depreciation → High-reinvestment firms often pay 0–4% real tax
Pillar-2 MNCs (Global revenue ≥ €750 MM)	21%	<ul style="list-style-type: none">• Normal expenses• 150% R&D only if lab & IP stay in India• No 200% green/rural/skilling deductions• Standard depreciation

Calibrated Baseline (FY25): Consolidated 23.0% GDP (Centre 11.0%; States 12.0%: own 6.5%, transfers 5.5%).

Metric	2025	2026 (Y1)	2040	Driver
Personal Tax (% GDP)	3.8%	3.7%	4.9%	AI + middle-class base
Corporate Tax (% GDP)	3.3%	3.1%	5.9%	10.5%/21% + buoyancy
Total Direct Tax	7.1%	6.8%	10.8%	Laffer + 1.4% buoyancy
Growth Add (real GDP)	-	-0.05%	+1.9-2.4%	93% retained earnings → ₹4.8L cr capex

3.4 SEVEN REVENUE LEVERS (No Wealth Tax, No Income Tax Surcharge)

Lever	Revenue % GDP by 2040	Target	Neutralizer
A. 21% Global Minimum Tax	+2.0%	Firms ≥€750M	150% R&D super-deduction
B. 3% Digital Services Tax	+0.8%	Tech platforms	100% rural 5G
C. Carbon Pollution Fee	+0.7%	Top 1,000 polluters	50% green capex rebate
D. Organic Farming Conversion	+0.7%	Chemical fertilizer users → switchers	Full subsidy refund + ₹10k/ha bonus + loans for organic MSMEs
E. AI Compliance+ Bounty	+0.95%	Tax evaders	10% whistleblower reward
F. 10.5% Domestic CIT	+0.86%	All non-Pillar 2	41% state share
G. Privatization +ESOP-SWF	+3.8% (→0.9%/yr recurring)	PSUs	20% ESOP at 50% discount

Total Levers: +9.1% GDP → Centre ~20.1%; consolidated 28% (buffer for shocks; states +0.35% from 41% CIT share)

3.5 Anti-Abuse Reinvestment Locks (4 × 21% Taxes – +1.2% GDP by 2040)

Anti-Abuse Tax	Rate	Trigger	Revenue (% GDP by 2040)	Purpose
Cash Buybacks	21%	Any cash repurchase	+0.3%	Discourage financial engineering
Profit Repatriation	21%	MNC dividends abroad	+0.4%	Keep profits in India
Idle Cash Hoard	21%	Uninvested >3 yrs (MNCs only)	+0.3%	Force capex/payout
Offshore Profit Flight	21%	Sheltered profit abroad	+0.2%	Reinvestment lock

4. Healthcare and Education Universal Coverage

90% Healthcare and Education Public Funding – Summary Table

Item	Meaning	Fiscal Cost (% GDP)	Out-of-Pocket Reality
Healthcare: 90% of total national health expenditure publicly funded	Bottom 80% → effectively zero cost	6.5–7.0%	Top 20% → affordable copay / private top-up
Education: 90% of total national education expenditure publicly funded	Pre-school to postgraduation free for poor & middle class	5.0 – 5.5%	Top private institutions remain optional
Combined H+E 12% of GDP (locked from 2035)	Matches Nordic outcomes at 40% lower cost	12%	

5. HEALTHCARE ROADMAP (PREVENTIVE FOCUS)

Phase	Spending (% GDP)	Coverage (%)	Key Initiatives
2025–2030	5.5–6.0	75	Primary care, telemedicine, yoga/Ayurveda campaigns
2031–2033	5.1	90–95	Hospital expansion, insurance scale-up
2034–2035	5.1	Universal	25–30% chronic disease reduction

Preventive Care Impact by 2035

Measure	Chronic Disease ↓ (%)	Cost Savings (%)	Additional Benefit
Yoga & Meditation	10-15	5-7	Mental health, stress ↓
Ayurveda	12-18	6-8	Holistic wellness
Naturopathy	7-10	3-5	Lifestyle improvement
Overall	25-30%	15-20%	Synergistic gains

6. EDUCATION ROADMAP

Phase	Spending (% GDP)	Focus
2025-2030	4.1 → 5.0	Universal access, teacher training, digital classrooms
2031-2033	6.0	Higher + vocational education
2034-2035	6.0	Universal, outcome-based

7. ADDITIONAL FUNDING & GROWTH CATALYSTS

o Sovereign Wealth Fund: ₹18 lakh cr from privatization

o Sin Taxes: Tobacco, alcohol, pollution

o Public Service Bonds: Hospitals/schools

o International Partnerships: Green tech, AI

Growth Multipliers: 150% R&D credit → AI/space boom; rural 5G → edtech/health tech; carbon credits → ₹15k/ha; 10.5% CIT → ₹4.8 lakh cr capex → +1.9-2.4% GDP growth

8. GROWTH ENGINE (7.5-8.5% REAL GDP)

Driver	Annual Contribution (%)	Precedent
Investment Surge	1.9-2.4	China 1995-2010
10.5% CIT Reinvestment	1.9-2.4	Ireland 12.5%, Estonia 0%
R&D + Innovation	0.6-0.9	Israel, South Korea
Privatization	1.0-1.3	ONGC post-IPO
Digital India 2.0	0.8-1.1	Jio 2016-20
Green Transition	0.7-1.0	Germany Energiewende
Labor + Land	1.2-1.5	Vietnam
Human Capital	0.9-1.2	Japan, Kerala
Total	7.5-8.5%	-

Nominal GDP & Inflation Trajectory (Real growth 8.6% + avg inflation 2.0%)

*** Rate of inflation will be uneven but possibly be closer to 2% than prominent estimates at 4.4% due to sizable productivity improvements and the natural disinflationary impact of technology. Real growth might be higher for the same reasons.

9. PATHWAY TO 2047 – FISCAL MODEL (% GDP except coverage & index; 2025 = 100)

Year	Real GDP Index	Gov Rev	H+E Spend	Coverage (%)	Interest Burden	Fiscal (D/S)	Debt/GDP
2025	100	23.0	7.0	40	5.4	-5.4	~83
2026	107.8	23.6	7.3	48	5.3	-5.1	~82
2027	116.2	24.0	7.7	55	5.2	-4.6	~80
2028	125.3	24.3	8.1	62	5.1	-3.9	~78
2029	135.1	24.6	8.5	68	5.0	-3.1	~75
2030	145.7	24.9	8.7	72	4.9	-2.4	~73
2035	240	26.5	12.0	90	4.6	+0.5	~62
2040	380	28.0	11.8	97	4.1	+2.3	~52
2047	610	28.0+	12.0	99	3.7	+3.5	48

Key Notes

- o Fiscal deficit falls smoothly → below 3% by FY2030 → surplus from FY2035
- o No new net borrowing after FY2034
- o Interest burden drops to 3.7% from 5.4% of GDP while delivering free universal services
- o Surplus after 28% ceiling used for debt prepayment + strategic tech funds
- o AI/quantum/space + climate resilient villages + ₹5-10 lakh crore SME perpetual fund