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SUMMARY OF ECONOMIC SURVEY **2023-24**



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BACKGROUND OF ECONOMIC SURVEY

- **Economic Survey** – It is an *annual report card* of the country's financial performance in the preceding fiscal year and government's *economic forecast* for the upcoming year.

The first Economic Survey was presented for 1950-51 as part of the budget documents until 1964, after which it was separated from the budget documents and presented a day before budget.

- **Aim** – To *analyse the nation's key economic indicators* such as Gross Domestic Product (GDP), inflation and the performance of various sectors.
- To *examine government expenditure*, fiscal deficit, and developments in the external sector and employment trends.
- To *provide key policy recommendations* to address economic challenges and promote long-term growth.
- **Prepared by** – The Economics Division of Department of Economic Affairs, Finance Ministry.
- **Authored by** – The Chief Economic Advisor (CEA).
- **Presented by** – Union Finance Minister in the Parliament.
- **Timing of release** – Generally, the Economic Survey of India has been released the *day before the Union Budget*.
- **Document** – It is presented in *two parts*
 - **Part A** – It looks at the country's economic development and challenges
 - **Part B** – It analyses the previous year's performance over key themes such as healthcare, climate change, social security, poverty, education, etc.
- **Importance** – Though the survey's *recommendations are not binding* for the Budget, it remains the *most authoritative and comprehensive analysis* of India's economy from within the government.
- **Significance** – It *assists in setting priorities* for the next financial year and *highlights those sectors which are in need* more funding, policy support, and government programmes.
- It serves as a *foundation for budgetary decisions* by providing essential data for shaping budget proposals.
- It aligns fiscal policies with economic conditions and long-term goals.
- It often guide policy priorities, tax reforms, spending allocations, and initiatives aimed at fostering economic growth and development.

2023-24 ECONOMIC SURVEY

- The Economic Survey for 2023-24 was recently tabled in Parliament.
- **Presentation** – As per the Parliamentary convention the incumbent government do *not present the Economic Survey with the Interim Budget* presented in the election year.
 - Since 2024 was an election year, regular budget was not released and only interim budget was released previously.
- Thus, the new government after election has presented the 2023-24 survey.
- **Document** - It has been reverted to a **one-volume report** format after eight years.
- **Preface** – ‘Steering the country through compacts and consensus’.
- **Chapters** - It features the salient aspects of each of the **thirteen chapters** assembled chapter-wise.
- It outlines several reforms and measures aimed at maintaining economic growth momentum.

Chapters	Tagline
State of the Economy	Steady as She Goes
Monetary Management & Financial Intermediation	Stability is the Watchword
Prices and Inflation	Under Control
External Sector	Stability Amid Plenty
Medium-Term Outlook	A Growth Strategy for New India
Climate Change and Energy Transition	Dealing with Trade-Offs
Social Sector	Benefits that Empower
Employment and Skill Development	Towards Quality
Agriculture and Food Management	Plenty of Upside Left If We Get It Right
Industry	Small and Medium Matters
Services	Fuelling Growth Opportunities
Infrastructure	Lifting Potential Growth
Climate Change and India	Why We Must Look at the Problem Through Our Lens

- **Invocation of Sanskrit verses** – It **invokes Ishopanishad** that enjoins to *let go of (renounce) possessions*, be free, and enjoy that freedom.
- Power is a prized possession of governments so they can let go of at least some of it and enjoy the lightness it creates in both the governed and the governing.
- **Relevance of China** – The 522-page Economic Survey 2023-24 **mentions China 132 times** to signify the importance and influence of China with respect to Indian economy.
- It also signifies that the global backdrop for India’s march towards Viksit Bharat in 2047 could not be more different from what it was during the rise of China between 1980 and 2015.



Post the Economic Survey 2023-24 presentation, Nirmala Sitharaman has presented the Union Budget 2024 in Parliament, marking her **seventh consecutive budget** and eclipsing the late Moraji Desai's record of six consecutive budgets.

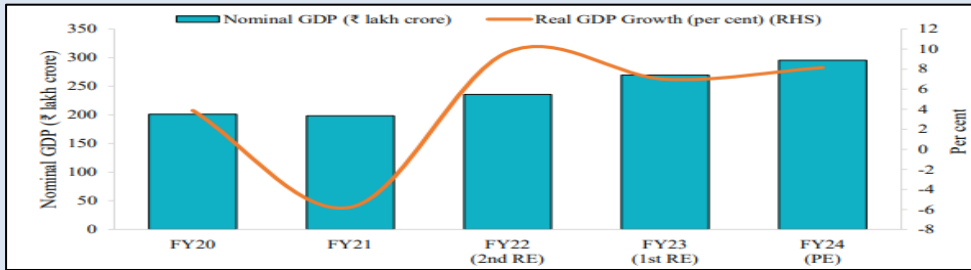
KEY HIGHLIGHTS OF ECONOMIC SURVEY 2023-24

2.1 State of the Economy: Steady as she goes

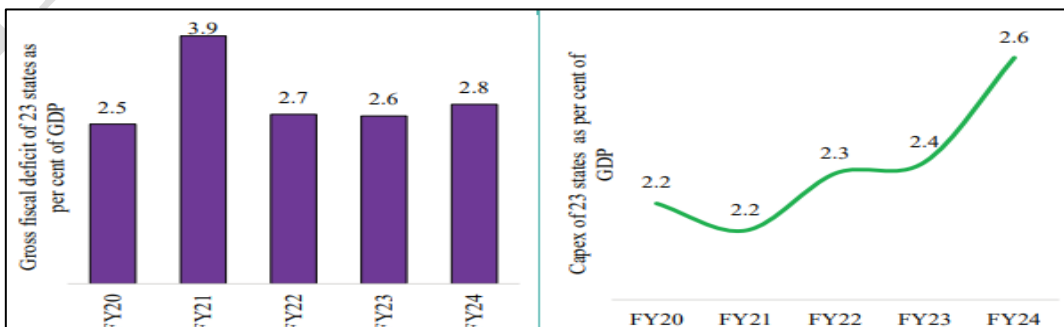
- **Performance** – The fiscal balances of the general government (central and State) together have improved progressively.

State of Economy – Data Points

- **GDP projection**- 6.5 to 7%
- **Improvement**
 - *Real GDP* grew by 8.2% in FY24
 - *GVA* grew by 7.2% in FY24
 - *Net taxes at constant prices* grew by 19.1%
 - *Current Account Deficit* (CAD) stood at 0.7% of the GDP during FY24, an improvement from 2.0% of GDP in FY23.
 - *Retail inflation reduced* from 6.7% in FY23 to 5.4% in FY24
- **Tax collection**
 - Direct Tax- 55% of tax collected
 - Indirect Tax - 45% of the total tax collected



- **Resilient domestic economy** - The Indian economy *recovered swiftly* from the pandemic, with its real GDP in FY24 being 20% higher than the pre-COVID, FY20 levels.
- India's calibrated response to the pandemic on the economic front included components like
 - *Public spending on infrastructure*
 - Creating demand for jobs and industrial output, supported and balanced by Private sectors.
 - *Response for the adversities* of business enterprise and public administration – Digitalization of service delivery
 - *Targeted relief to different sectors* in terms of Atmanirbhar Bharat Abhiyan
 - *Structural reforms* and increased the medium-term growth potential
- **Improved states government finance** – State governments continued to improve their finances in FY24.
- The *quality of spending by state governments has improved* in recent years, with state governments focusing more on capex.
- The *capex of 23 states as a per cent of GDP improved* from 2.2 in FY20 to 2.6 in FY24.



- **Decreased government debt** - Since the pandemic, the Union and the State Governments have focussed on fiscal consolidation, thus *declining debt trajectory* of the government till FY23.

- States' *debt burden is gradually easing* and the general *government debt to GDP ratio increased* slightly in FY24.
- **Moderation in inflation pressure** – There is *declining core inflation* but *volatile food inflation*.
- India a **high-growth and low-inflation economy**.
- **Resilient financial system** - Data from the RBI's Financial Stability Report of 2024 show that the asset quality of SCBs has improved with the *Gross Non-Performing Assets (GNPA) ratio declining* to 2.8% in March 2024, a **12-year low**.
- **Safer India's external sector** - On the external front, *moderation in merchandise exports* continued during FY24 on account of weaker global demand and persistent geopolitical tensions while India's service exports have remained robust.
- However, a *sharper decline in India's merchandise import* growth, owing to declining commodity prices, **resulted in a lower trade deficit in FY24**.
- **Reduction in macro vulnerability** - The fiscal deficit of the Government is expected to drop to 4.5% of GDP or lower by FY26.
- The Government continues to stick to the fiscal glide path and kept the sovereign debt sustainable.
- This is reflected in the *downward trajectory* of the *macroeconomic vulnerability index*.
- **Inclusive growth** - India's social welfare approach has undergone a shift from an *input-based approach to outcome-based empowerment*.
- *Saturation of basic necessities* has been recognised as imperative to achieve this, thus impelling an array of flagship initiatives.
- The approach also involves the targeted implementation of reforms for last-mile service delivery to truly realise the maxim of "**no person left behind**".
- **Improvement in employment** - According to the annual PLFS, the all-India annual *unemployment rate* (persons aged 15 years and above, as per usual status) has *been declining* since the pandemic.
- There is also a *rise in the labour force participation rate* and *worker-to-population ratio*.
- From the gender perspective, the *female labour force participation rate has been rising* for six years.
- **Reduced poverty** - The focus on addressing individual deprivations helped in *reducing the incidence of poverty*.
 - **Niti Aayog** – There is a steep *decline in the headcount ratio of multidimensionally poor* between 2015-16 and 2022-23.
- **Reduced rural-urban inequality** – There is rising consumption spending, as evident from the [Household Consumption Expenditure Survey \(HCES\) 2022-23](#).
- The monthly per capita consumption expenditure (MPCE) in 2022-23 *increased* in real terms in *both rural and urban* areas over 2011-12.
- The *difference* between rural and urban MPCE also *declined* in percentage terms.
- **Forecast** – Indian economy *looks forward to FY25 optimistically*, anticipating broad-based and inclusive growth.

Macroeconomic vulnerability index is an index constructed by combining India's fiscal deficit, Current Account Deficit and inflation.

Source	Year/ Period	Forecast
IMF	2024-25	7.0
ADB	FY25	7.0
Economic Survey	Current FY	6.5-7.0
Monetary Policy Committee	Current FY	7.2
World Bank	FY25	6.6
SBI	FY25	8.0

2.2 Monetary Management and Financial Intermediation- Stability is the Watchword

- **Healthy and stable banking** – There is *growth in bank credit, reduction in gross and net NPA* and improvement in asset quality.
- **Growth of Capital market** – There is expanding share in capital formation and investment in technology, innovation, and digitisation.
- **Fastest-growing insurance and pension sector** – It is moving with the vision '*Insurance for all by 2047*' for next 5 years.
- **Economic boost** – The increased retail participation in financial markets and financial products will emerge India as the world's fifth-largest economy.

Indian stock market, fifth largest in world has a surge with the market capitalisation to GDP ratio.

2.3 Prices and Inflation- Under Control

- **Challenges** – Global pandemic and increased commodity price by heightened global conflicts affects Indian market.
- **Inflation** – FY22 and FY23 witnessed price pressures in *core consumer goods and services*.
- **Food inflation** – Food prices were affected *by adverse weather conditions* in the last two year.
- **Recommendation** – Monetary policy, calibrated trade policy, administrative actions, including dynamic stock management, open market operations, and subsidized food items to mitigate food inflation.
- Strengthen the *price monitoring mechanisms* and *market intelligence* focused to increase the domestic production of essential food items like pulses and edible oils to reduce the import dependence.

2.4 External Sector - Stability amid Plenty

- **Strong external sector amid political inflation** – Service exports performing well, *cushioning the trade deficit* from USD 121.6 billion in FY23 to USD 78.1 billion in FY24.
- Among merchandise import *raising service export* and business service export have improved India's current account deficit (CAD).
- **Strengths** – India's export basket, trade infrastructure, quality consciousness, product safety in the private sector.
- *Stable policy environment* plays significant role in rise of global supplier of goods and services.
- The forex reserves, market-determined exchange rate, are in place to the global headwinds.
- India emerging as a *hub for Global Capability Centers (GCCs)*.
- **Growing share in GVC** - Share of Global value chains (GVCs) related trade rising to 40.3% in 2022 from 35.1% in 2019.
- **Positive net FPI** - The positive net foreign portfolio investment supports stable business environment, increased investor confidence.
- **Stable Rupee** – It emerged as the *least volatile currency* in global market.
- **Arms Trade** - India has transitioned from being an arms importer and found a place in the list of *top 25 arms exporter* nations.
- About 100 domestic companies are exporting a wide range of defence products and equipment.
 - Dornier-228 aircraft, artillery guns, BrahMos missiles, Pinaka rockets and launchers, radars, simulators, and armoured vehicles.
- While defence exports have gone up, India continued to remain the world's top arms importer in the period 2019-23.

Improvement in Global value chains (GVCs) shows India's rank in the World Bank's Logistics Performance Index improved from 44th in 2018 to 38th in 2023 out of 139 countries.

- **China plus one strategy** – India *may gain more from Chinese FDI* than import reliance in tapping China plus one strategy.
- It refers to a supply chain strategy that encourages companies to minimise their supply chain dependency on China by *diversifying the countries* from which they source parts.
- **Protectionist measures** - It has noted that the forthcoming *Carbon Border Adjustment Tax (CBAT)* mooted by the European Union “went *against the spirit of the Paris Agreement.*”
- CBAM are tariffs that will apply on energy-intensive goods imported into the European Union.
- **Near end of globalisation** – The idea of economic globalisation has run its course and it may not be reversed fully.

2.5 Medium-Term Outlook – A Growth Strategy for New India

- Structural reforms since 2014 by Government of India to achieve the 3rd largest economy in the world.
- **Target** – The Indian economy can grow at a rate of 7% plus on a sustained basis of the structural reform.
- **Strategy** – It is to *focus on the supply side* of the economy, have to *give way to nextgen reforms* that are bottom-up in nature to yield strong, sustainable, balanced, and inclusive growth.

2.6 Climate Change and Energy Transition: Dealing with Trade-Offs

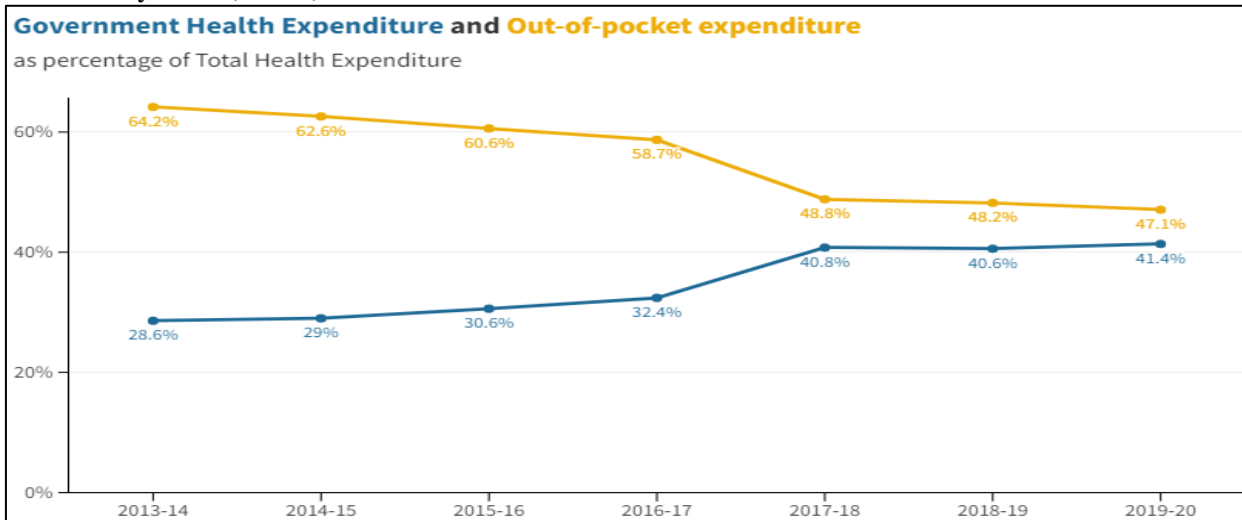
- India envisions a '**Viksit Bharat**' by 2047' - Developed India.
- **Vision** – To achieve Net Zero carbon emissions by 2070, intervene to robust economic growth, inclusive and environmentally sustainable.
- **Focus** – Balancing development with a low-carbon pathway with cleaner and greener energy resource.
- **Energy** – It can *move mountains* for every aspect of development.
- Energy has strong positive correlation with economic growth, access to education, improved health, and availability of water, nutrition, infrastructure, and even life expectancy.
- **Power** – The *intermittency of renewable energy* sources and the lack of viable battery storage technologies are inherent limitations, requiring *coal to remain essential* to ensure power grid stability.
- **Green transition** – The associated costs for green transition increase the price of a 'round-the-clock' energy supply through renewable sources.

India's annual per capita carbon emission is one-third of the global average.

2.7 Social Sector - Benefits that Empower

- **Strengths** – Health, education, sanitation, digital empowerment, or quality of life in rural areas, social infrastructure has made effective planning and delivery by various welfare schemes.
- **Efficient rural governance** – Programs for transparent and digitalized rural governance have accompanied with standard of living to attain developed country by 2047.
- **Health** – A significant increase in expenditure on health.
- There is *increase* in the share of
 - *Government Health Expenditure (GHE)* in the total GDP
 - GHE in Total Health Expenditure (THE)
- There was also a *decline in out-of-pocket expenditure (OOPE)* as a percentage of THE between FY15 and FY20.

- There is *improvements* in key health indicators such as Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR).



- **Mental health** – It acknowledges mental health *for the first time*.
- It states that, according to the National Mental Health Survey (NMHS) 2015-16
 - 10.6% adults in India suffered from mental disorders
 - Treatment gap for mental disorders ranged between 70% and 92% for different disorders.
- Mental health disorders can lead to productivity losses due to absenteeism, decreased productivity, disability, and so on.
- **Women** - India has moved from women's development to **women-led development**.
- There has been *over 218% increase in budgetary allocation* for schemes for the welfare and empowerment of women.
- The share of the **Gender Budget** in the total Union Budget has increased to 6.5% in Financial Year 2025, the highest since it was introduced in Financial Year 2006
- The female Labour Force Participation Rate (LFPR) rose in 2022-2023 from 2017-2018 period.
- Women in India face the **"motherhood penalty"** with a drop in female labour force participation rate around childbearing years.
- It also highlights the **potential of 'care economy'** that could provide a lion's share of jobs for women
- The economic value of care sector is two-fold
 - Increasing female labour force participation rate (FLFPR)
 - Promoting a promising sector for output and job creation.
- **MGNREGA** – It underlined that despite low poverty levels, the MGNREGS *funds usage in Tamil Nadu and Kerala was higher* than that in Bihar and Uttar Pradesh.
- Its demand are *not a real indicator of rural distress*.
- MGNREGS fund usage and employment generation were not proportional to poverty levels.

2.8 Employment and Skill Development: Towards Quality

- Indian labour market indicators have improved in the last six years.
- **Declining unemployment rate** – Recent data from Periodic Labour Force Survey shows that, the unemployment rate is declining to 3.2% in 2022-23.
- **Efficient human capital utilization** – Rising youth and female participation in the workforce present an opportunity to tap the demographic and gender dividend.
- **Growth in formal employment** – There is bounce-back of the organised manufacturing sector in FY22, with continued rise in employment and the upscaling of factories.
- The net payroll additions under EPFO have more than doubled in the past five years.

- **Job market** – *Services sector remains a major job creator*, the construction sector has been rising in prominence lately, driven by the government's push for infrastructure.
- Manufacturing sector employment creation has been subdued due to the legacy of bad loans & appears to have rebound since 2021-22.
- **Workforce** – India's workforce was *about 56.5 crore*
 - More than 45% are in agriculture
 - 11.4% in manufacturing
 - 28.9% in services (13% in construction)
- *Only 51%* of India's graduates are employable.
- The *median age* of India's workforce is 28.
- **Gig economy** – Gig workforce *to expand to 2.35 cr* by 2029–30.
 - They are expected *to form 6.7% of the non-agricultural workforce* or 4% of the total livelihood in India by 2029–30.
- **Wages** – India has a *higher overtime wage premium* than most countries", which is 100% as of now.
- **AI** - Widespread adoption of *AI across the services sector* can significantly *reshape and even replace jobs*.
- **Challenges** – *Only 4.4% of young workforce is formally skilled*.
- Many regulatory clean-ups pose as low-hanging fruits of employment generation including *multiple state-level laws* relating to use of land, sectors restricted for women workers, and apprenticeship promotion.

Overtime wage premium is the wage rate paid above the regular wage for working extra hours than normal.

2.9 Agriculture and Food Management – Plenty of Upside Left If We Get It Right

- **Rising growth** – The agriculture sector has average growth rate of 4.18% in the last 5 years.
- The growth in the agriculture and allied sectors has contributed positively to the growth of the Indian economy.
- **Strengths** – India has a comfortable stock of food grains, around 40% of which is distributed to two-thirds of the population free of cost.
- India exports more than 7% its food grains.
- **Role of digital technology** – The digitalisation initiatives in Agriculture are expected to empower farmers through better decision-making tools.
- **Challenges**
 - Low productivity levels
 - The impact of variability in weather
 - Fragmented land holdings
 - Inadequate marketing infrastructure

2.10 Industry - Small and Medium Matters

- **Accelerated industrial growth** – It was accelerated in FY24, with manufacturing and construction leading the way.
- Industrial GVA at constant prices in FY24 was 25% higher than the pre-Covid FY20 levels affirming broad-based recovery and consolidation.
- **Changes in sectoral composition** – It is observed in India's manufacturing landscape in the last decade.
- *Increased shares* are observed in some consumer-oriented industries and in some production-oriented sectors.
 - **Consumer-oriented industries** - Automobiles, wood products, furniture pharmaceuticals, etc.,

- **Production-oriented sectors** - Machinery, chemicals, non-metallic minerals
- In contrast, there is a *gradual decline in shares* in sectors like
 - Petroleum products, textiles, beverage and tobacco.
- **MSME** – Micro, Small and Medium-scale Enterprises face challenges, including
 - Issues with formalisation and inclusion
 - Limited access to finance, markets, technology, and digitalisation
 - Infrastructural bottlenecks, and skilling,
- **Corporate sector** – Profits had quadrupled between financial years 2019-20 to 2023-23.
- **Hospitality sector** - India saw *92 lakh foreign tourist* arrivals in 2023, thus has earned foreign exchange receipts amounting to over ₹2.3 lakh crore through tourism.
- Tourism sector represents relatively *low hanging fruit* for job creation.
- **Insurance** – Agriculture insurance, accounting for about 12% of the non-life insurance market, witnessed flat growth in FY23.
- Agriculture insurance sector *to grow post-2024* with 2.5% premium growth, supported by technological advancements and government initiatives.
- It also highlighted *door-to-door enrolment* initiatives aimed at making crop insurance more accessible to farmers.
- **Challenges** – Headwinds persist in terms of uncertain global demand conditions and prices of key inputs for which India is import-dependent
- **Forecast** – A survey of the Reserve Bank of India on business expectations and industrial outlook presents a positive outlook.

2.11 Services - Fueling Growth Opportunities

- **Robust services sector** – It stood as the bulwark of India's economic growth.
- Its post-pandemic dynamics, particularly the trends and patterns seen in FY24, indicate an ongoing transformation in domestic service delivery systems and their demands.
- **Strengths** – Policy and procedural reforms, physical infrastructure and logistics, all significant business, personal, financial and infrastructure-based services have emerged strongly from the pandemic.
- **Challenges** - The transformation lies in the fast-paced shift towards digital services as well as the increase in the demand for high-tech services as inputs in other productive activities.
- **Future prospects** - India's *young and tech-savvy population* offers an opportunity to enhance the country's vocational and educational ecosystem further.
- It will equip the labour force with the required digital and high-tech skills in a time-bound manner, *helping India reap the full dividends* of these opportunities.

2.12 Infrastructure – Lifting Potential Growth

- **Growth in infrastructure** – With *increased public investment* over the last five years, India has witnessed significant expansion in physical and digital connectivity and social infrastructure.
- **Increase in Capex** – It has seen an *almost three-fold increase in FY24*, relative to FY20 levels and is aimed particularly at the creation of high quality physical and social infrastructure facilities.
- The major beneficiaries are key foundational assets like roads and railways.
- **Strengths** – Burgeoning public investment and a host of institutional and procedural reforms that facilitated project execution and timely issue resolutions.
- Initiatives included are
 - Enhance *private sector participation* through PPPs
 - Facilitative measures like *National Infrastructure Pipeline*
 - Debottlenecking procedures like *PM-GatiShakti*

- Novel instruments such as *REITS and InvITs* to ease the constraints on long-term finances
- **Railway safety** – Capex deployment in railways has increased by 77% over past five years.
- It indicates limited progress on safety-related works such as deployment of automatic train protection system Kavach and overhaul of signalling systems at all stations.
 - It observes out of 17 operational railway zones in India, eight zones have become free from mechanical signalling.
- **Shipping sector** - A total of *39 shipyards have registered*, and 18 shipyards utilised the benefits under the Centre's scheme to provide financial support to Indian shipyards.
- This is applicable for shipbuilding contracts signed between April 1, 2016, and March 31, 2026.
- **Indian airlines** – While the number of airports in India has *doubled since 2014* from 70 to over 140, there was a need to further augment this capacity.
- It calls for the need to add 'more airports as well as expansion/upgradation of existing airports in the next five years'.

2.13 Climate Change and India: Why We Must Look at the Problem Through Our Lens

- **Global criticism** – Though India has made major strides over the last decade, yet continues to be labelled as one of the largest polluters in the world and is frequently chastised for not doing enough.
- **Over-sightedness in criticism** – the criticisms of the Indian approach fail to recognise two critical points
 - India is faced with balancing economic development along with meaningful climate action akin to its developing peers
 - They ignore how sustainable living is built into the Indian lifestyle
- **India's ethos** – It is rooted in the principles of sustenance and emphasises a harmonious relationship with nature.
- It is in sharp contrast to the overconsumption prevalent in other parts of the developed world.
- **Sustainable Development** - India's path to SD has challenges in *twin imperatives* of meeting
 - Burgeoning energy demands
 - Reducing carbon emissions.
- **Green Steel** – It will play an important role in reshaping the future of the industry as the world moves towards a low-carbon economy.
- India remained a net importer of steel during the first, second and third quarters of FY24.
- **Recommendations** - India needs to follow its own path and look at the problem through its own lens if the nation is to empower its citizens through economic development while simultaneously addressing the issue of climate change.

Mission LiFE seeks to bring individual responsibility to the forefront of the fight against climate change. Deriving its principles from ancient Indian philosophy, the tenets of this approach are based on making pro-planet choices without compromising on quality of life.

RECOMMENDATIONS

- **Strengthen governance** – Government's focus must shift to *bottom-up reforms* to ensure that the structural reforms of the past decade result in strong, sustainable, balanced, and inclusive growth.

- **Health** – A proper implementation of healthcare programmes to accelerate improvements made in mental healthcare.
- **Skilling** – Learning outcomes shall be synched with skilling outcomes and emphasis on both *skilling and reskilling* of the labour force to support growth.
- **Employment** – The tendency of labour to migrate back to farming during the pandemic has to change and larger employment *should come from manufacturing* rather than construction sector.
- India need to create productive *jobs outside of agriculture*, especially in organised manufacturing and services.
- Indian economy must generate *almost 78.51 lakh jobs annually in the non-farm sector*.
- *Artificial intelligence* should steer the technological choice and job market.
- *Agro-processing and care economy* are two promising candidates to generate and sustain quality employment.
- **Labour laws** – It need to *re-evaluate incentives* for employers, with a focus on achieving better outcomes for economic growth and prosperity in the manufacturing sector.
- Implementing more *flexible labour laws* could unleash substantial economic potential, promote gender inclusivity, and attract industrial investment.
- **Investment** – The *centre, states and private sector* need to work together by a **tripartite agreement** to improve investment and to diversify it across sectors.
- **Industry** – Impart greater efficiencies, skills, and dynamics to labour-intensive segments like textiles, food processing, and MSMEs would lend greater balance to industrial expansion.
- Other suggestions to foster industrialization are
 - Incentivising R&D
 - Formalisation of smaller manufacturers
 - Alleviating supply chain bottlenecks
 - Facilitating market access
 - Improving financial access
 - Reducing the MSME compliance
- **Green transition** - The nation needs to be *cognizant of the changes* taking place and ensure that the problems do not blow over.
- Strategic *investments in R&D* are crucial for a smooth transition to low-carbon development strategies.
- **Agriculture** – Farmers need to grow more of oilseeds and pulses given the monsoon vulnerabilities that remain.
- **Supply chains** – The Centre is advised to **allow substitution effects** to play out before responding to domestic supply concerns.
 - For example, if sugar prices rise, consumers can consume less of it or switch to jaggery.
- **Environment** – Diversify energy portfolio to achieve ambitious growth targets while adhering to climate commitments.
- It calls for a more *balanced approach to climate change*, by *focussing on nearer-term policy goals* of improving human welfare rather than being excessively preoccupied with long-term global climate management.

References

1. [India Budget | Economic Survey 2023-24](#)
2. [PIB | Highlights of Economic Survey 2023-24](#)