



**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY  
VOICE OF INDUSTRY AND TRADE

# **Economy on the Eve of Union Budget 2024-25**

**Economic Survey 2023-24**

**JULY 2024**

**PHD CHAMBER OF COMMERCE AND INDUSTRY**





PHD CHAMBER  
OF COMMERCE AND INDUSTRY  
VOICE OF INDUSTRY AND TRADE

**PHD RESEARCH BUREAU**  
**PHD CHAMBER OF COMMERCE AND INDUSTRY**

## **Economy on the Eve of Union Budget 2024-25**

**Economic Survey 2023-24**

**PHD RESEARCH BUREAU**  
**PHD CHAMBER OF COMMERCE AND INDUSTRY**  
**PHD House 4/ 2 Siri Institutional Area, August Kranti Marg, New Delhi 110016**  
**Phone: 91-11-49545454 | Fax: 91-11-26855450, 26863135**  
**Email: [research@phdcci.in](mailto:research@phdcci.in) | Website: [www.phdcci.in](http://www.phdcci.in)**

## PHD Chambers' Viewpoint



**Shri Sanjeev Agrawal**  
President, PHDCCI

Indian Economy is on a strong wicket and stable footing, demonstrating resilience in the face of geopolitical challenges. We appreciate the six-pronged growth strategy to Viksit Bharat focusing on private capital formation, public-private partnerships for green transition, MSME support, sustainable agriculture, targeted education and skill policies, and enhancing state capacity for sustained progress.



**Shri Hemant Jain**  
Senior Vice President,  
PHDCCI

India has witnessed a notable transformation in its employment landscape as the unemployment rate has declined from 6 % in 2017-18 to 3.2 % in 2022-23, driven by the government's push for infrastructure. The Economic Survey indicates that India needs a tripartite compact between the government, the private sector and academia to enhance job creation and skill development, towards the journey to Viksit Bharat by 2047.



**Shri Rajeev Juneja**  
Vice President  
PHDCCI

The Indian economy has consolidated its post-Covid recovery, ensuring economic and financial stability. At the external front, the Indian economy is doing well as indicated by the external sector indicators such as current account deficit which stood at 0.7% of the GDP during FY24, an improvement from the deficit of 2% of GDP in FY23.



**Dr Ranjeet Mehta**  
Executive Director  
PHDCCI

MSMEs have been instrumental in generating employment opportunities within India's labor market, contributing significantly to the country's workforce. To unleash the strength of small enterprises, it is essential to formalize these industries to enable increased access to financial resources through formal channels and bolster their growth.



**Dr S P Sharma**  
Chief Economist |  
Deputy Secretary General  
PHDCCI

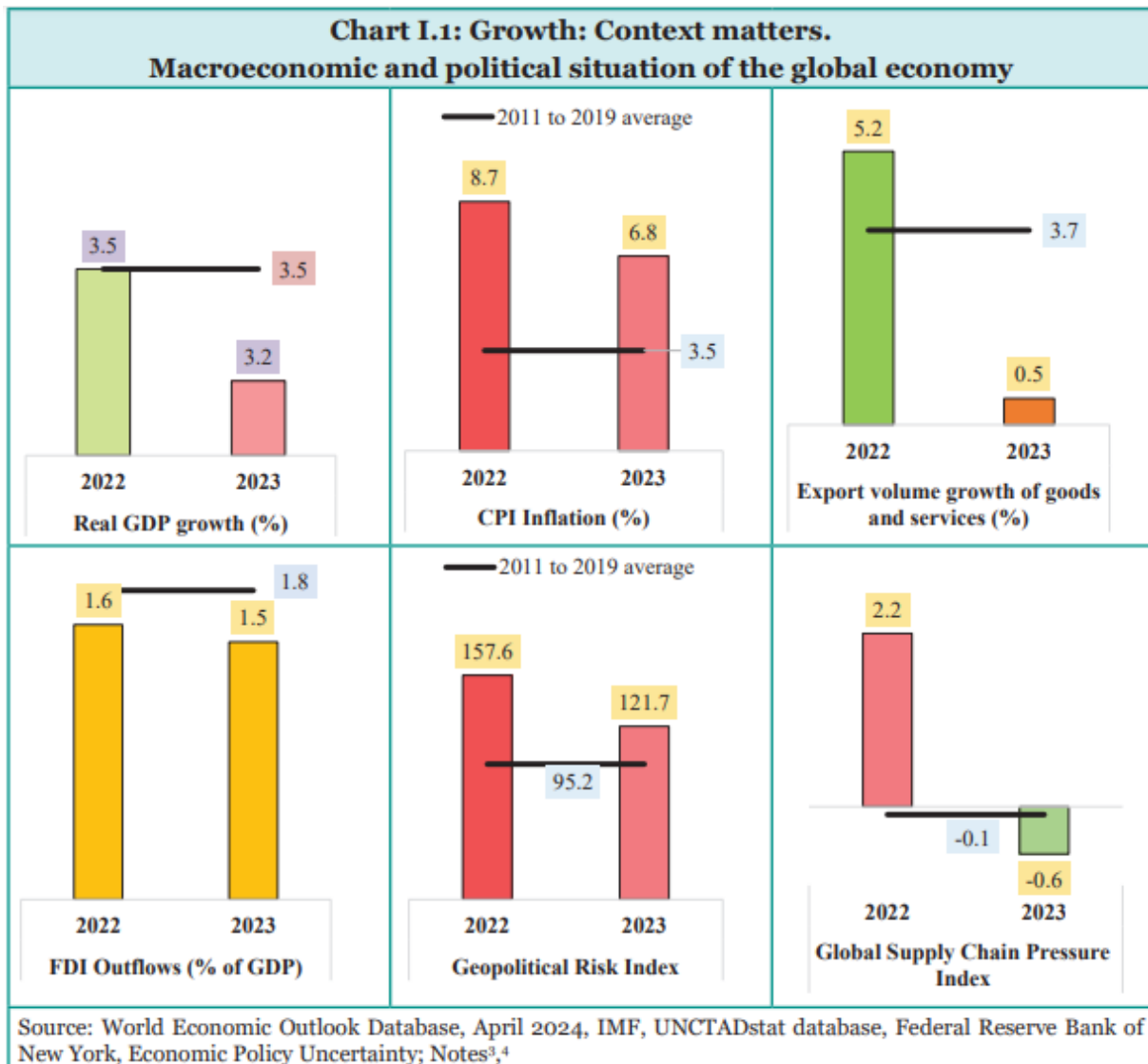
Indian economy is on a strong footing and is growing at more than 8% (average) for the period from 2021-22 to 2023-24 driven by strong macroeconomic fundamentals and ongoing reform process. The Economic Survey conservatively projects a real GDP growth of 6.5 - 7%. However, the growth will be above such conservative estimates as 8% growth is becoming a new normal for India.

## Economy on the Eve of Union Budget 2024-25

### State of the Economy

- India's calibrated response to the pandemic on the economic front included three salient components. The first has been the focus on public spending on infrastructure, which kept the economy afloat by creating a strong demand for jobs and industrial output and triggered a lagged yet vigorous private investment response. The second has been partly a natural response of business enterprise and public administration amidst adversities, i.e., digitalisation of service delivery. The third has been embodied in the Atmanirbhar Bharat Abhiyan in terms of targeted relief to different sectors of the economy and sections of the population, and structural reforms that assisted a firm recovery and increased the medium-term growth potential.
- Global troubles, supply chain disruptions, and vagaries of monsoons intermittently stoked domestic inflationary pressures, which were, to a great extent, managed by administrative and monetary policy responses. The fiscal balances of the general government—central and State Governments taken together - have improved progressively despite expansionary public investment. Tax compliance gains driven by procedural reforms, expenditure restraint, and increasing digitisation helped India achieve this fine balance. The external balance has been pressured by subdued global demand for goods, but strong services exports largely counterbalanced this. Global output is now somewhat more resilient than in 2022, inflationary pressures are shrinking, and trade is set to recover, should there be no further geo-political shocks or flare-ups. However, the chances of geopolitical disturbances and conflicts have only gone up in recent times.
- The net impact of these developments has been that the Indian economy recovered and expanded in an orderly fashion in the last three years. The real GDP in FY24 was 20 per cent higher than its level in FY20, a feat that only a very few major economies achieved, while also leaving a strong possibility for robust growth in FY25 and beyond. Growth has been inclusive with a reduction in unemployment and multi-dimensional poverty and an increase in labour force participation. Overall, the Indian economy looks forward to FY25 optimistically, anticipating broad-based and inclusive growth.

Economy on the Eve of Union Budget 2024-25

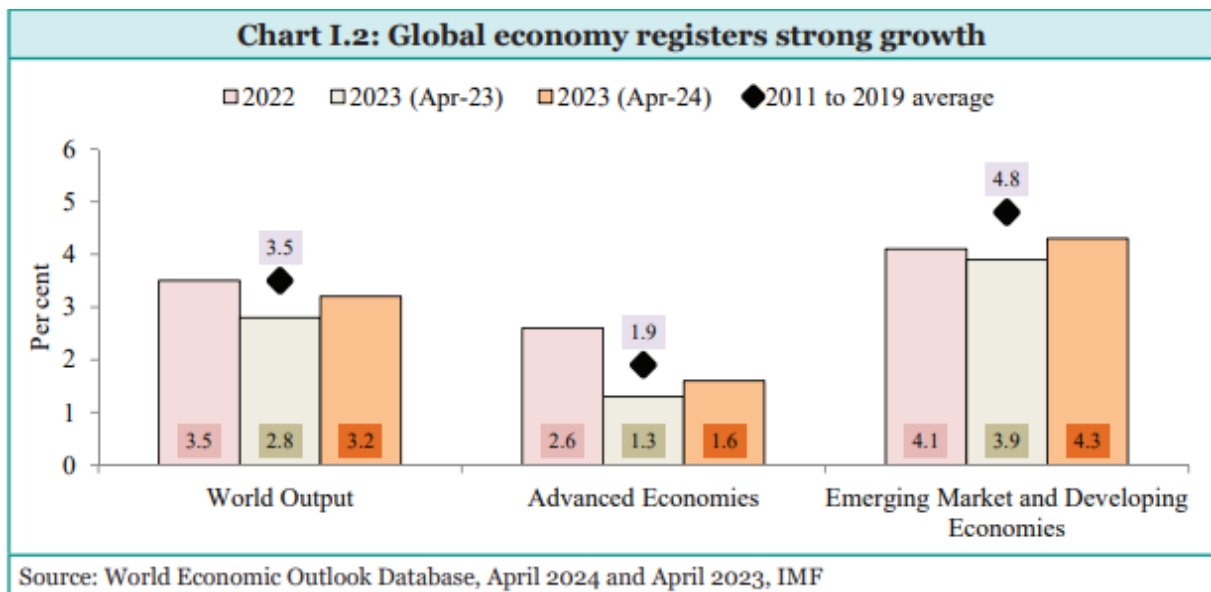


**Global economic scenario**

- After a year marked by global uncertainties and volatilities, the global economy achieved greater stability in 2023. While uncertainty stemming from adverse geopolitical developments remained elevated, global economic growth was surprisingly robust. As per the World Economic Outlook (WEO), April 2024 of the International Monetary Fund (IMF), the global economy registered a growth of 3.2 per cent in 2023, though marginally lower than in 2022 and average for 2011-19 but higher compared to the projection of 2.8 per cent as per the April 2023 WEO. Inflationary pressures have been significantly higher on account of the persistence of core inflation. Global trade moderated due to rising geopolitical tensions, cross-border restrictions and slower growth in advanced economies (AEs). The muted trade growth occurred despite the easing of supply chain pressures. Further, geopolitical developments and monetary policy changes across countries resulted in increased caution among investors, culminating in moderation in foreign direct investment (FDI) flows.

### Economy on the Eve of Union Budget 2024-25

- Both emerging market economies (EMEs) and AEs achieved higher growth in 2023 than projected a year ago. Almost all major economies have surpassed the pre Covid-19 pandemic (hereinafter as pandemic) real gross domestic product (GDP) levels in 2023. However, growth has been diverse across countries, raising prospects of increasing divergences. Some economies, including India and China, have attained GDP levels 20 per cent higher in 2023 compared to 2019 levels. Among AEs, the US witnessed continued growth momentum. However, economic activity remains subdued in the Euro area, although the magnitude of the downturn has eased.



- The stark difference in the economic performance of countries has been on account of domestic structural issues, uneven exposure to geopolitical conflicts and the impact of monetary policy tightening. The economic shocks resulting from the Russia-Ukraine conflict had an outsized impact on Europe, leading to subdued growth in large countries like Germany and France. The US also faced high inflationary pressures and consequently raised the policy rates substantially. India registered a steep decline in economic growth during the pandemic but recovered swiftly, aided by strong private consumption and government impetus to infrastructure investment. China, on the other hand, had only a slight moderation in growth during the pandemic on account of swift policy actions, including a high vaccination rate, but growth has slowed subsequently due to structural issues. Japan, post-pandemic, went through subdued growth but is expected to turn around in 2024, driven by a weak yen and improved consumer spending.

## Economy on the Eve of Union Budget 2024-25

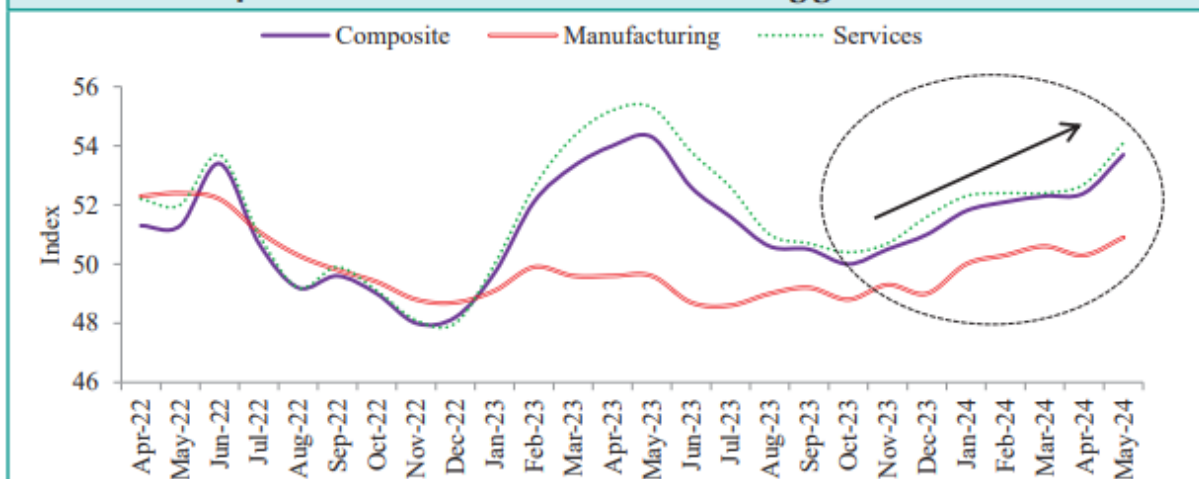
**Chart I.3: All major economies have surpassed pre-pandemic GDP levels**

	Year in which crossed pre pandemic GDP (constant prices, national currency)	Ratio of GDP (constant prices, national currency) in 2023 to corresponding level in 2019
Brazil	2021	107
China	2020	120
France	2022	102
Germany	2022	101
India	2021	120
Indonesia	2021	112
Italy	2022	103
Japan	2023	101
Mexico	2022	104
South Africa	2022	101
Thailand	2023	100
United Kingdom	2022	102
United States	2021	108

Source: World Economic Outlook Database, April 2024, IMF, National Accounts Statistics, Ministry of Statistics and Programme implementation; Note: In IMF data, for India 2021 represents 2021-22 (FY22)

- Apart from GDP estimates, other indicators tracking the performance of the economy also point towards growth resilience. Leading indicators suggest an upturn in global economic activity. The JP Morgan global composite Purchasing Managers' Index (PMI) registered an uptick since October 2023 with quicker expansion across both manufacturing and service sectors. The JP Morgan global manufacturing PMI has been improving and stood at a 23-month high in May 2024.

**Chart I.4: Global PMI also corroborates strong growth momentum**

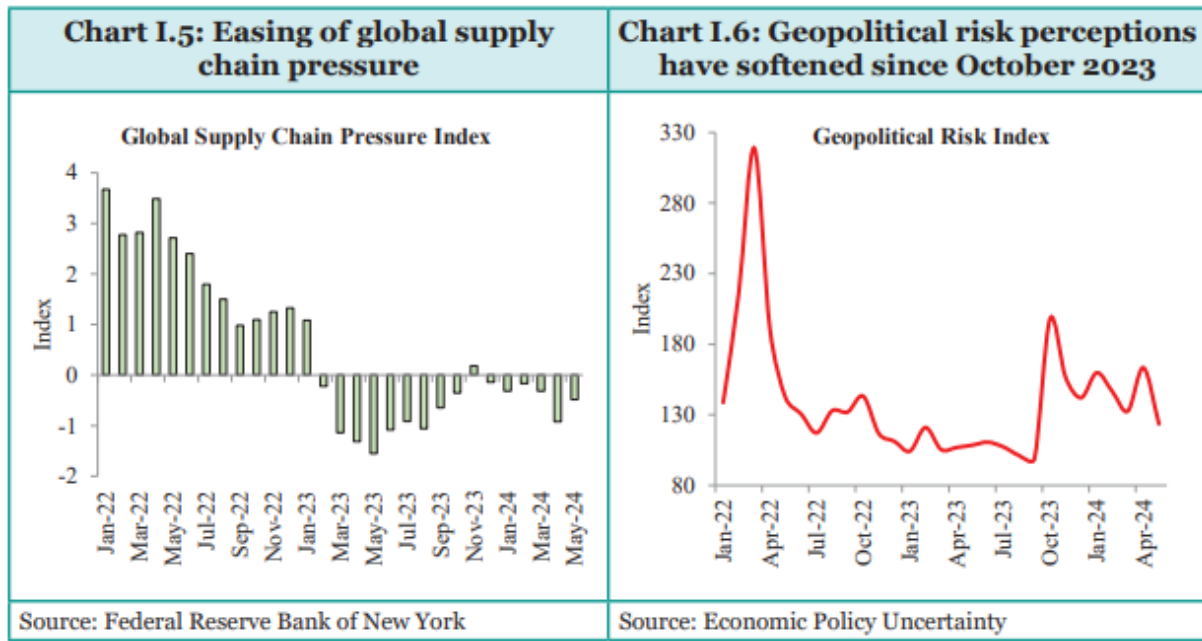


Source: S&P Global, PMI Press Releases<sup>11</sup>

- The escalation of the Red Sea crisis amid heightened geopolitical tensions in the Middle East in October 2023 led to supply chain disruptions, sending ripples to global trade and operations. The attacks on commercial shipping in the Red Sea led to increased global transportation costs,

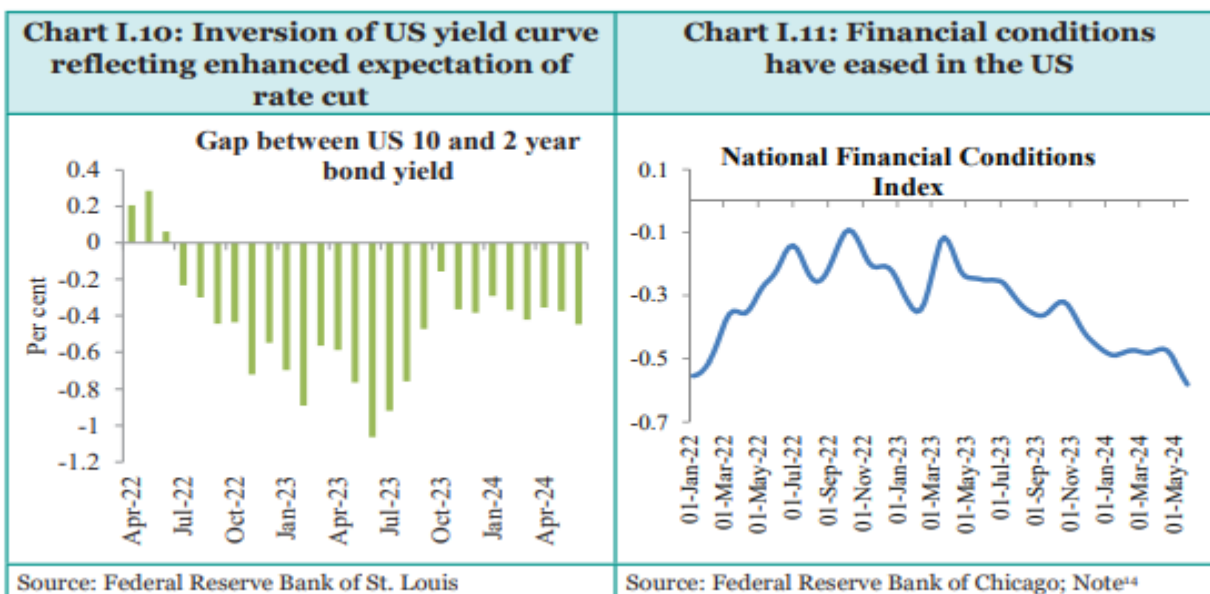
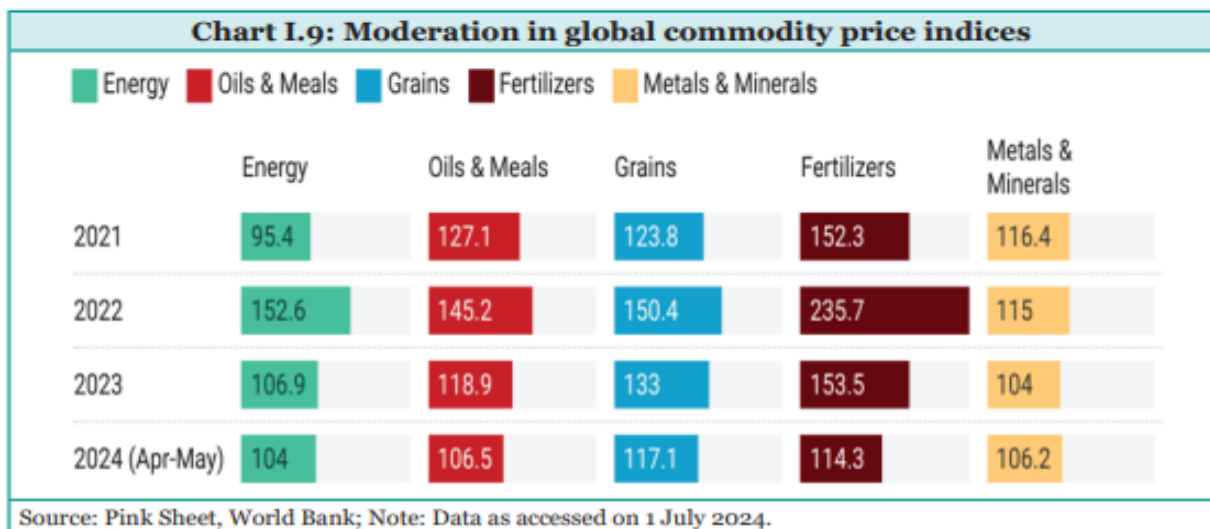
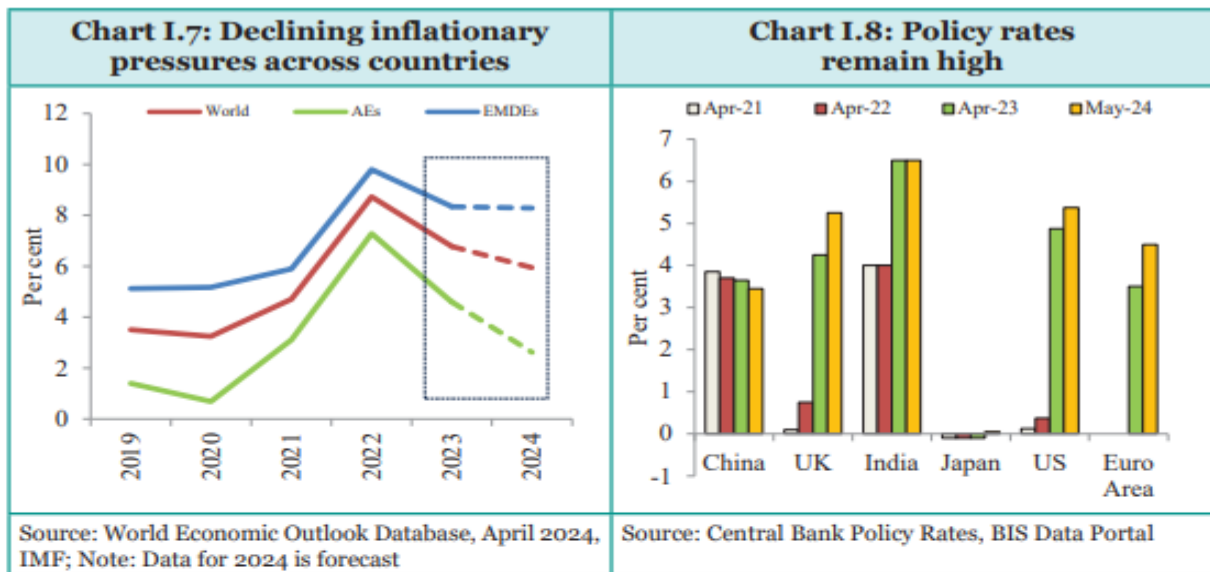
## Economy on the Eve of Union Budget 2024-25

reflecting the rerouting of cargo. However, the increase in supply chain pressures was transient and modest. Similar sentiments were reflected in the softening of risk perceptions. The geopolitical risk index, which spiked after the escalation of the conflict, declined thereafter. However, geopolitical risks are still high and persistent and may worsen in the coming months.



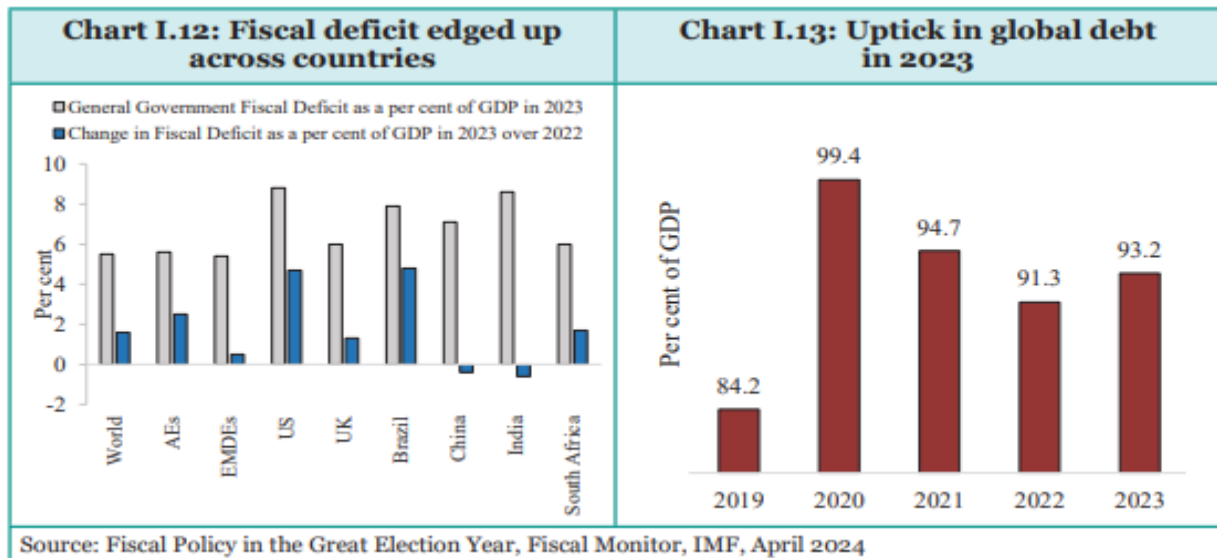
- As the supply chain pressures eased and energy and food price shocks triggered by the Russia - Ukraine conflict faded out, headline inflation across countries declined. After peaking in 2022, inflationary pressures declined considerably in 2023. However, inflation is still above the target in many countries. The easing of supply-chain pressures in tradeable goods in 2023 led to sharp decline in goods inflation in various countries, reducing logistic challenges. Core inflation remained sticky on account of services inflation and a strong labour market, especially in most AEs.
- The persistence of core inflation prompted many central banks to maintain policy rates at a high level or further increase them in 2023, except in China, where the government focussed on giving policy stimulus to revive the economy beset with troubles in the real estate sector. Many central banks have hinted at the peaking of the interest rate hike cycle in recent monetary policy review meetings. European Central Bank (ECB) became the first major central bank to cut its policy rate, invoking the first rate cut in nearly five years. ECB lowered its benchmark deposit rate by a quarter percentage point in June 2024. The Federal Open Market Committee (FOMC) participants' assessments also indicated rate cuts in 2024, though the projected interest rate cut in the latest FOMC meeting (June 2024)<sup>13</sup> is lower than that projected in March 2023. As indicated in the FOMC Meeting statements, from early January 2024 onwards, communication by the Fed increasingly pushed back to dispel excessive market optimism.

Economy on the Eve of Union Budget 2024-25



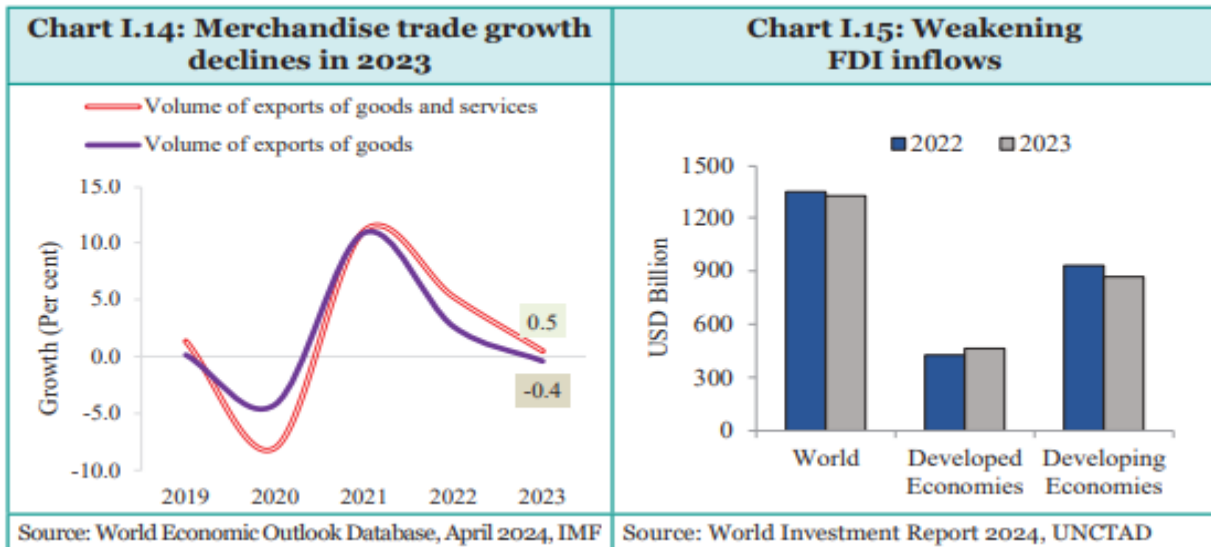
### Economy on the Eve of Union Budget 2024-25

- On the fiscal front, global general government fiscal deficit (as a per cent of GDP) rose by 1.6 percentage points in 2023 compared to last year. This increase primarily stemmed from a year-on-year (YoY) decline in revenues as windfall revenues from inflation for oil-producing and commodity-exporting countries waned while expenditures remained largely stable (IMF Fiscal Monitor, April 2024<sup>15</sup>). Consequently, global public debt also inched up in 2023.



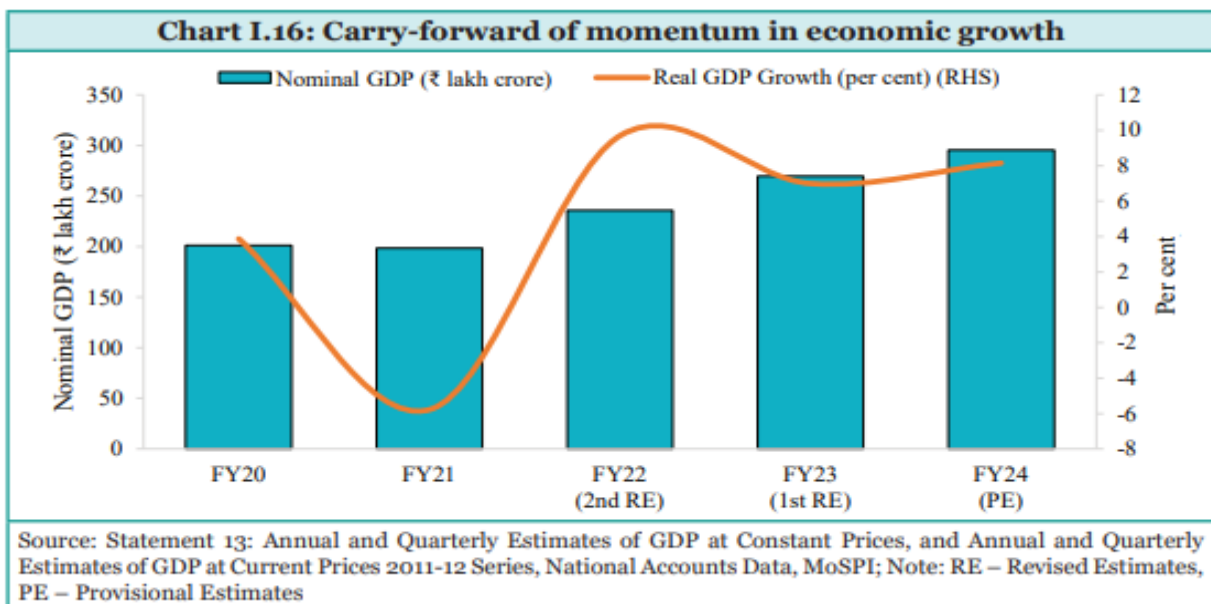
- Despite strong global economic growth, as per the WEO data, the global volume of exports of goods and services registered a modest growth of 0.5 per cent in 2023 compared to 2022. The slow growth was driven by lower demand in developed economies and weaker trade in East Asia and Latin America (UNCTAD March Update 2024)<sup>16</sup>. High energy prices and inflation weighed heavily on the demand for manufactured goods, resulting in a decline in world merchandise trade volume for 2023. On the other hand, developments in the services trade were more upbeat, partly offsetting the decline in goods trade (WEO, IMF Database, April 2024). Recurring disruptions, especially since the Russia-Ukraine crisis and increased concerns about supply-chain resilience also contributed to the slowdown. There is a reallocation of trade along geopolitical lines, with rising cross-border trade restrictions. About 3,000 new restrictions on trade were introduced in 2023, according to Global Trade Alert data (IMF, WEO, April 2024)
- Concerns regarding geopolitical conflicts, high borrowing costs and global economic fracturing were also reflected in weakening FDI flows. Global FDI flows declined in 2023 compared to 2022.

### Economy on the Eve of Union Budget 2024-25



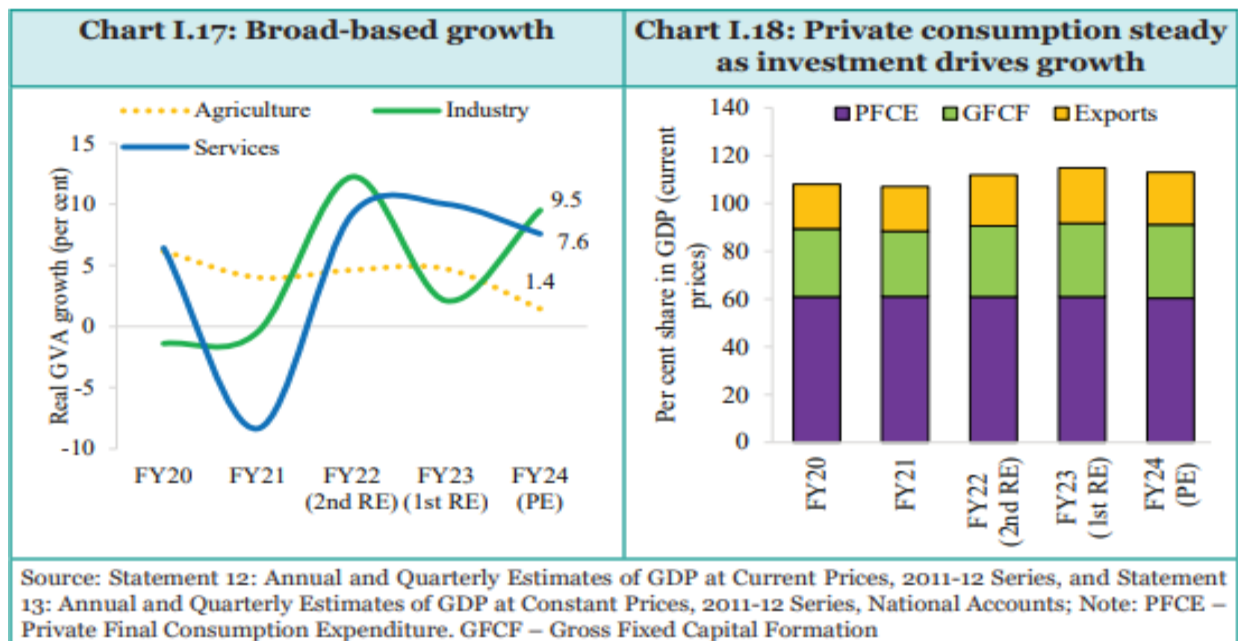
#### A resilient domestic economy

- India’s economy carried forward the momentum it built in FY23 into FY24 despite a gamut of global and external challenges. The focus on maintaining macroeconomic stability ensured that these challenges had minimal impact on India’s economy. As a result, India’s real GDP grew by 8.2 per cent in FY24, posting growth of over 7 per cent for a third consecutive year, driven by stable consumption demand and steadily improving investment demand. On the supply side, gross value added (GVA) at 2011-12 prices grew by 7.2 per cent in FY24, with growth remaining broad-based. Net taxes at constant (2011-12) prices grew by 19.1 per cent in FY24, aided by reasonably strong tax growth, both at the centre and state levels and rationalisation of subsidy expenditure. This led to the difference between GDP and GVA growth in FY24.



### Economy on the Eve of Union Budget 2024-25

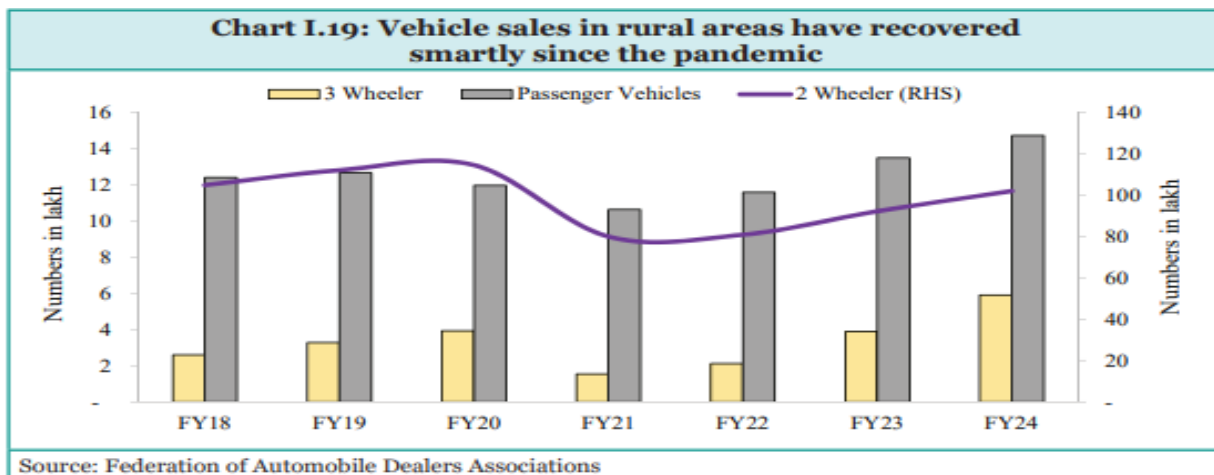
- The shares of the agriculture, industry and services sector in overall GVA at current prices were 17.7 per cent, 27.6 per cent and 54.7 per cent respectively in FY24. GVA in the agriculture sector continued to grow, albeit at a slower pace. Erratic weather patterns during the year and an uneven spatial distribution of the monsoon in 2023 impacted overall output. This is reflected in the marginal decline in total foodgrain output for FY24 of 0.3 per cent as per the third advanced estimate of foodgrain production released by the Ministry of Agriculture and Farmers' Welfare (MoAFW).



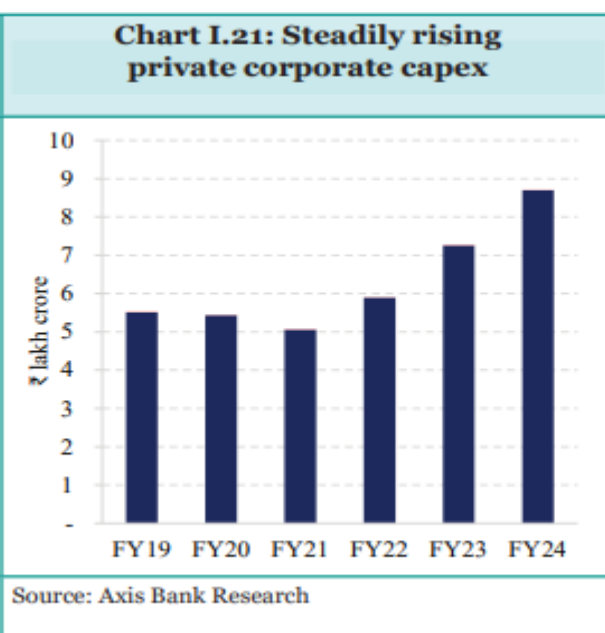
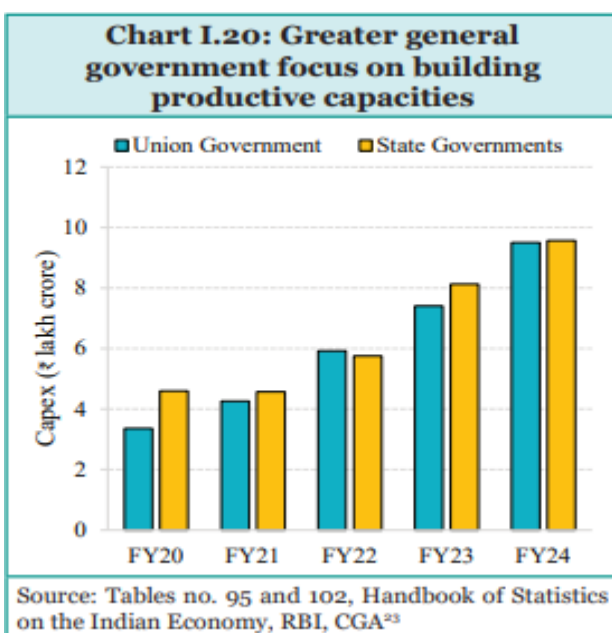
- Within the industrial sector, manufacturing GVA shrugged off a disappointing FY23 and grew by 9.9 per cent in FY24. Manufacturing activities benefitted from reduced input prices while catering to stable domestic demand. Manufacturers also passed on the reduction in input prices to consumers, reflected in the sustained decline in the core consumer price inflation. The strength of manufacturing is further corroborated by the strong performance of the HSBC India PMI for manufacturing, which consistently remained well above the threshold value of 50, indicating sustained expansion and stability in India's manufacturing sector. Construction activities displayed increased momentum and registered a growth of 9.9 per cent in FY24 due to the infrastructure buildout and buoyant commercial and residential real estate demand.
- Various high-frequency indicators reflect the growth in the services sector. Both Goods and Services Tax (GST) collections and the issuance of e-way bills, reflecting wholesale and retail trade, demonstrated double-digit growth in FY24. Financial and professional services have been a major driver of growth post the pandemic.

### Economy on the Eve of Union Budget 2024-25

- On the demand side, private consumption has been a crucial and steadfast cog in the GDP growth. Private final consumption expenditure (PFCE) grew by 4.0 per cent in real terms in FY24. Urban demand conditions remain strong, as reflected in various urban consumption indicators such as domestic passenger vehicle sales<sup>20</sup> and air passenger traffic<sup>21</sup>. It is also reported that rural consumption growth has gradually picked up pace during the quarter ending March 2024. As per the Federation of Automobile Dealers Associations, two and three-wheeler and passenger vehicle sales also registered an uptick in FY24.

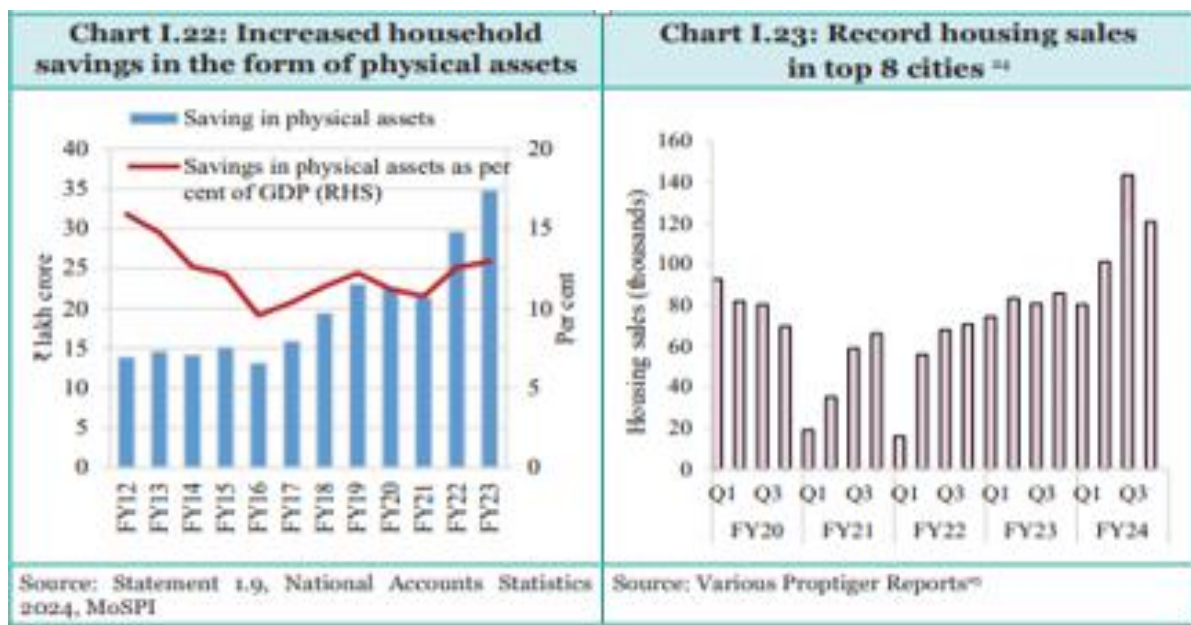


- Gross Fixed Capital Formation (GFCF) continues to emerge as an important driver of growth, as indicated in its rising share of nominal GDP. India is in the midst of a private capex upcycle that has been aided by government capital expenditure. As per Statement 1.11 of the National Accounts Statistics 2024 released by the Ministry of Statistics and Programme Implementation (MoSPI), GFCF by private non-financial corporations increased by 19.8 per cent in FY23.

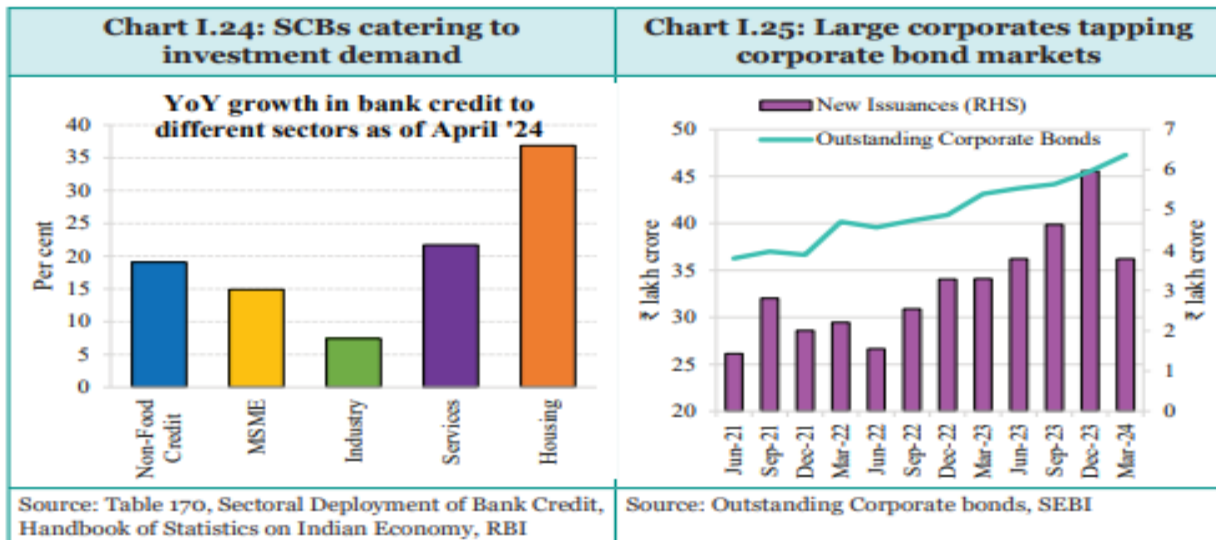


## Economy on the Eve of Union Budget 2024-25

- Apart from private corporations, households have also been at the forefront of the capital formation process. The growth in housing sales in cities has been particularly impressive, indicating that urban households are diversifying the deployment of their savings. In 2023, residential real estate sales in India were at their highest since 2013, witnessing a 33 per cent YoY growth, with a total sale of 4.1 lakh units in the top eight cities. The momentum continued in Q1 of 2024, witnessing record breaking sales of 1.2 lakh units, clocking a robust 41 per cent YoY growth.
- With cleaner balance sheets and adequate capital buffers, the banking and financial sector is well-positioned to cater to the growing financing needs of investment demand. Credit disbursal by scheduled commercial banks (SCBs) to industrial micro, small and medium enterprises (MSMEs) and services continues to grow in double digits despite a higher base. Similarly, personal loans for housing have surged, corresponding to the increase in housing demand. However, credit offtake by large industries seems to be growing at a lower albeit stable pace. These larger industries seem to be tapping the corporate bond market. Corporate bond issuances in FY24 were up by 70.5 per cent, with private placement remaining the preferred channel for corporates. Outstanding corporate bonds were up by 9.6 per cent (YoY) as of the end of March 2024.



## Economy on the Eve of Union Budget 2024-25



- Global trade growth slowed in 2023, leading to a marginal decline in merchandise exports growth. As merchandise imports slowed more than exports and services trade recorded a larger surplus compared to the year before, the drag exerted by net exports on GDP reduced. The subdued contribution of exports was more than counterbalanced by the pick-up in fixed investment, thereby continuing the trend of domestic stimulus seamlessly replacing external stimuli.
- FY24 also marked the year GDP reached levels projected by the pre-pandemic trajectory. A trend analysis in Box I.1 details how the overall economy and most supply and demand-side sectors have grown at a pace to erase any permanent losses in output and demand.

### Macroeconomic stability safeguards growth

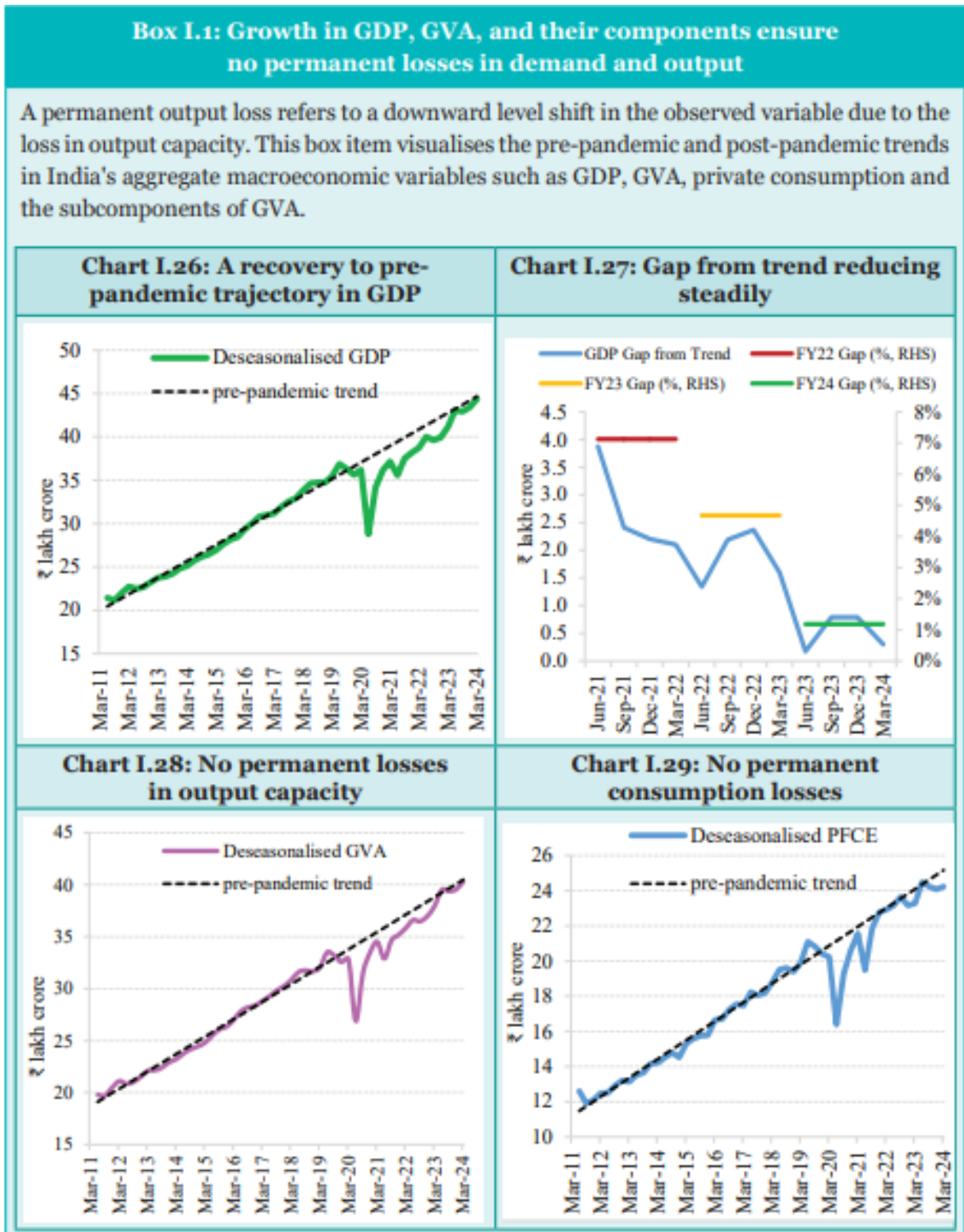
- For India, FY23 began with multiple challenges. Spillovers from the conflict in Europe were stoking domestic price pressures and widening the current account deficit (CAD) through increased oil prices. Central banks in several countries began raising policy rates to battle inflationary pressures, leading to significant uncertainty in AEs and EMEs alike. However, throughout FY23 and FY24, the focus on macroeconomic stability was vital in securing economic growth amidst domestic and external vulnerabilities.

### Improving Public Finances Consolidation of Union Government Finances

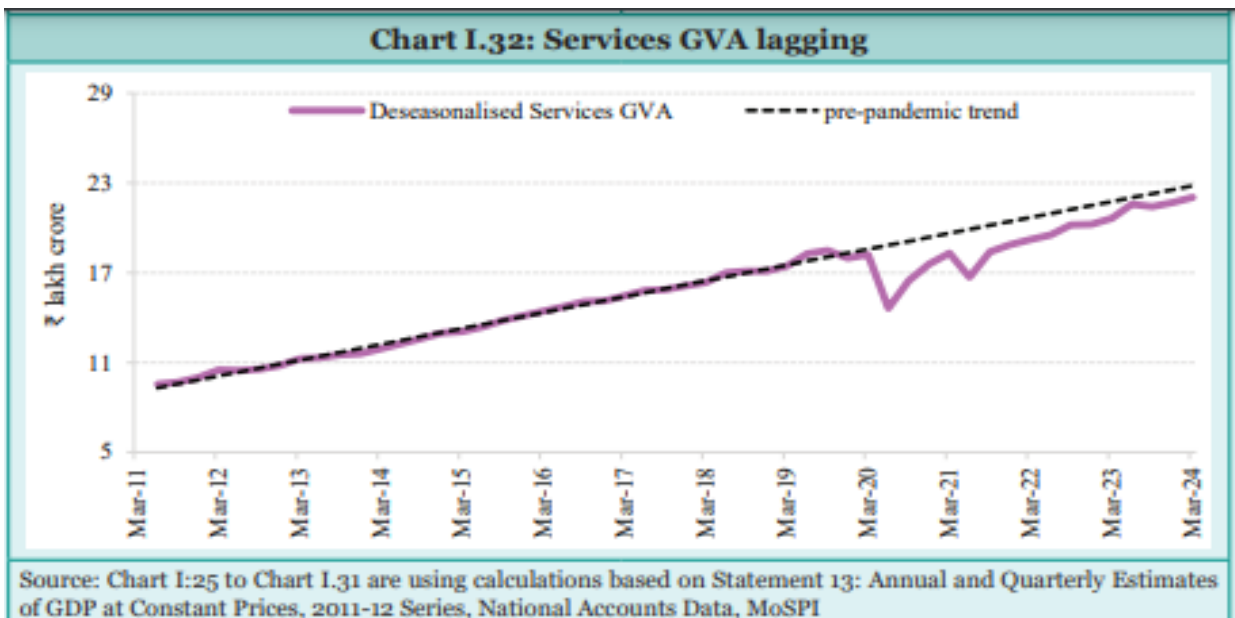
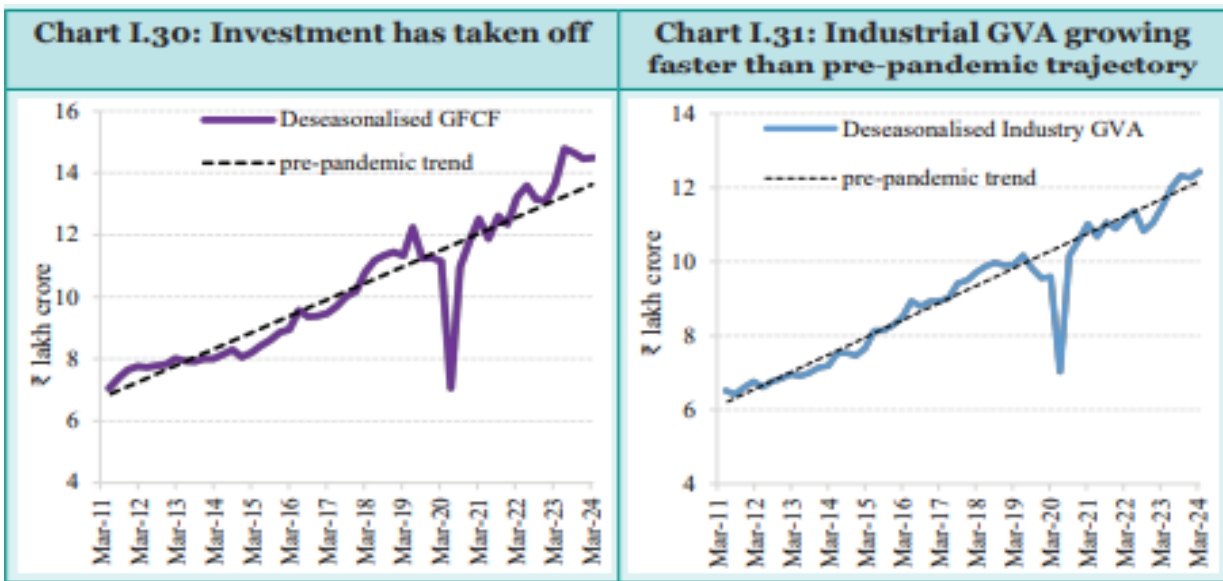
- Against the global trend of widening fiscal deficit and increasing debt burden, India has remained on the course of fiscal consolidation. The favourable fiscal performance in 2023, emerged as the cornerstone of India's macroeconomic stability. The fiscal deficit of the Union Government has been brought down from 6.4 per cent of GDP in FY23 to 5.6 per cent of GDP in FY24, according to provisional actuals (PA) data released by the Office of Controller General of Accounts (CGA). Strong growth in direct and indirect taxes on account of resilient economic

Economy on the Eve of Union Budget 2024-25

activity and increased compliance meant that the tax revenues generated exceeded the conservative budgetary estimates.



Economy on the Eve of Union Budget 2024-25



In the analysis, six key macroeconomic variables at constant (2011-12) prices, i.e., GDP, GVA, PFCE, GFCF, industry GVA, and services GVA of quarterly frequency, have been deseasonalised using the X-12 ARIMA technique that decomposes variables into its trend, seasonal, cyclical, and idiosyncratic components. The deseasonalised variables have been visualised to understand where these variables stand vis-à-vis their pre-pandemic trend projections. A trend line based on de-seasonalised data between June 2011 and March 2020 has been plotted and extended until March 2024. This trend reflects the approximate projection of the variable in each quarter from June 2020 to March 2024 had the pandemic-induced contraction of economic activity not occurred.

## Economy on the Eve of Union Budget 2024-25

The visualisation reveals that GDP, GVA, private consumption, GFCF, and industrial GVA have recovered quickly. We see that the compounded quarterly growth rate (CQGR) of these variables is greater in the period Q3 FY21 – Q4 FY24 than the CQGR in the pre-pandemic period of Q1 FY12 – Q4 FY20 (Table I.). This enabled a broad catch-up to the levels projected by the pre-pandemic trends, thereby averting any permanent losses in demand/output. The reasons for this are manifold. The pandemic-induced contraction presented an opportunity for the deployment of a counter-cyclical fiscal policy that focussed on capital expenditure, thereby positioning government-driven capital formation as a driver of growth. It also enabled the implementation of multiple process reforms and the deployment of public digital infrastructure that boosted the ease of doing business. The pandemic also accelerated the adoption of digital technologies amongst the population and enhanced financial inclusion. With the GST and the Insolvency and Bankruptcy Code (IBC) acting as tailwinds to the economy, growth took off.

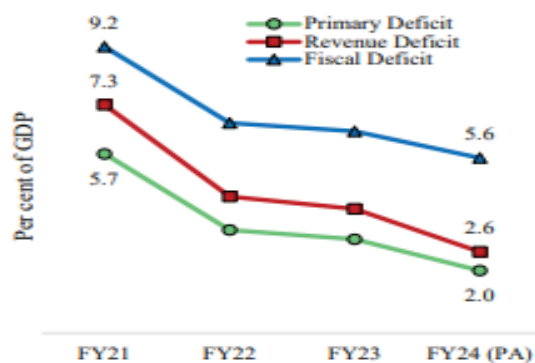
**Table I.1: Faster growth since the pandemic-induced contraction**

Compounded growth in deseasonalised series (in %)	gDP	GVA	PFCE	Industrial GVA	Services GVA	GFCF
Between Q1FY12 - Q4FY20	1.5	1.5	1.4	1.1	1.9	1.3
Between Q3FY21 - Q4FY24	1.9	1.8	1.7	1.4	2.1	2.0

GVA of the services sector is yet to reach the level projected by the pre-pandemic trend. The granular data available until FY23 reveals that this is on account of the trade, hotel, road and air transport sectors. These sectors, taken together, contributed about 28.5 per cent to total real GVA in FY23 and were only one per cent above their levels in FY20.

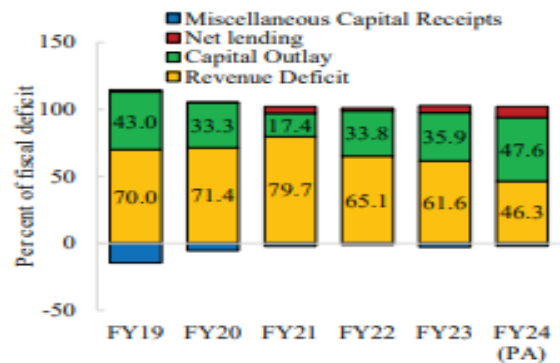
Chart I.27 reveals that the gap between GDP and its pre-pandemic trend has been closing, and GDP was only around 1 per cent below this trend on an annual average basis in FY24. There is still some catching up left. The extant momentum in growth not only allows the economy to catch up with its pre-pandemic trend without stoking inflationary pressures but aids in surpassing it.

**Chart I.33: Steadily declining deficit ratios**



Source: Budget At A Glance, Union Budget FY24 (Interim), Union Government Accounts at a Glance – O/o CGA

**Chart I.34: Decomposition of fiscal deficit shows increasing investment orientation**

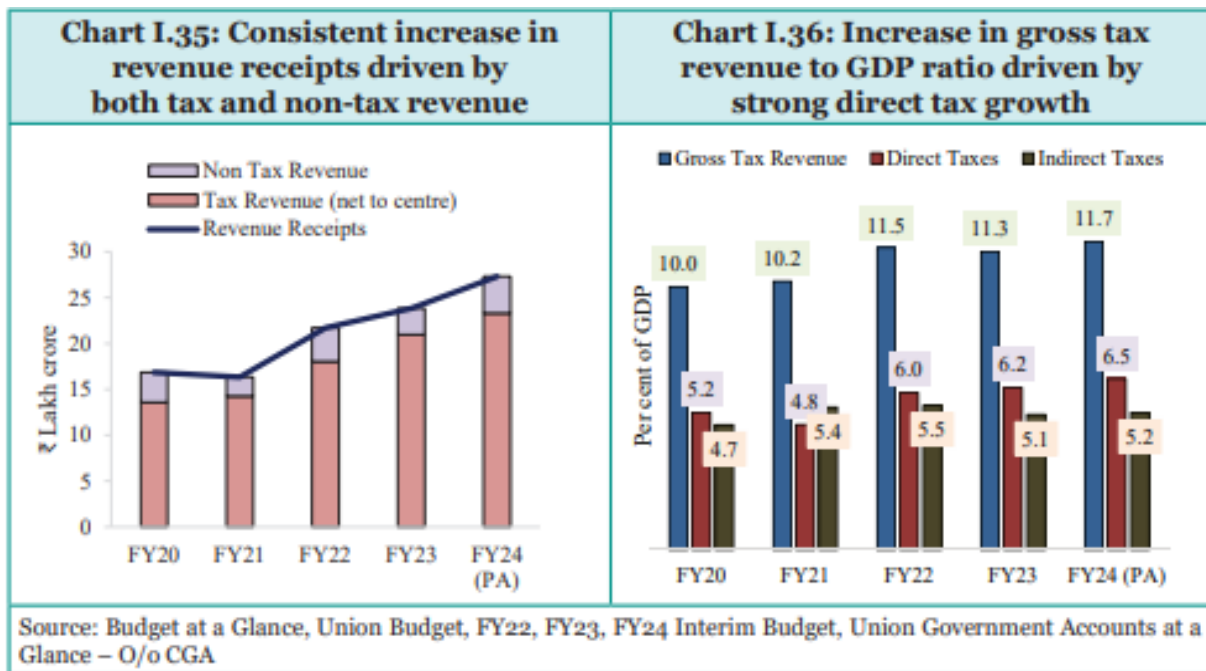


Source: Various Union Budget Documents, Union Government Accounts at a Glance – O/o CGA

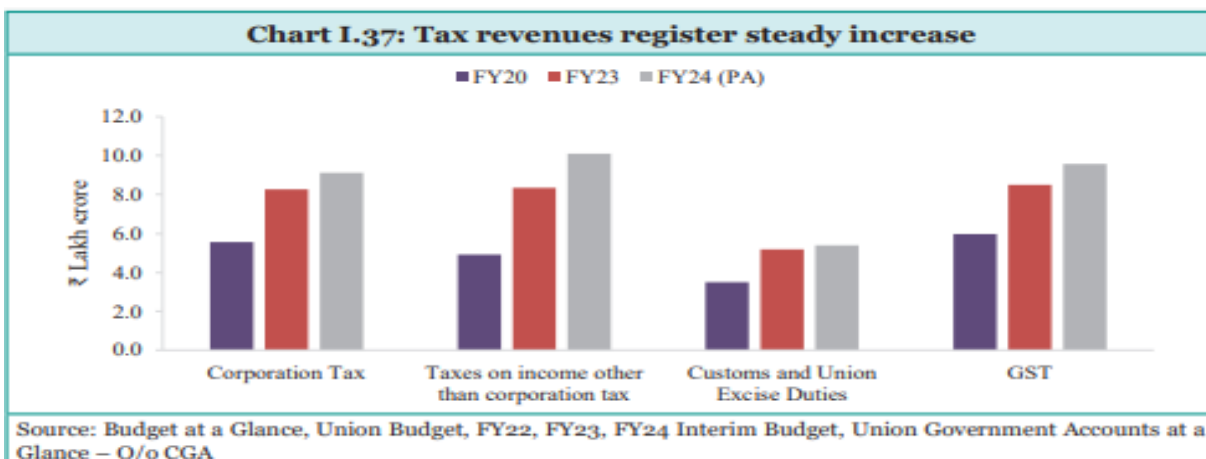
## Economy on the Eve of Union Budget 2024-25

### Buoyancy in revenues continues in FY24

- Significant fiscal consolidation post-pandemic could be achieved largely due to buoyant revenues. Revenue receipts of the union government consisting of tax revenue (net to centre) and non-tax revenue (NTR) increased YoY by 14.5 per cent in FY24 (PA), with robust growth in both tax and non-tax revenues.

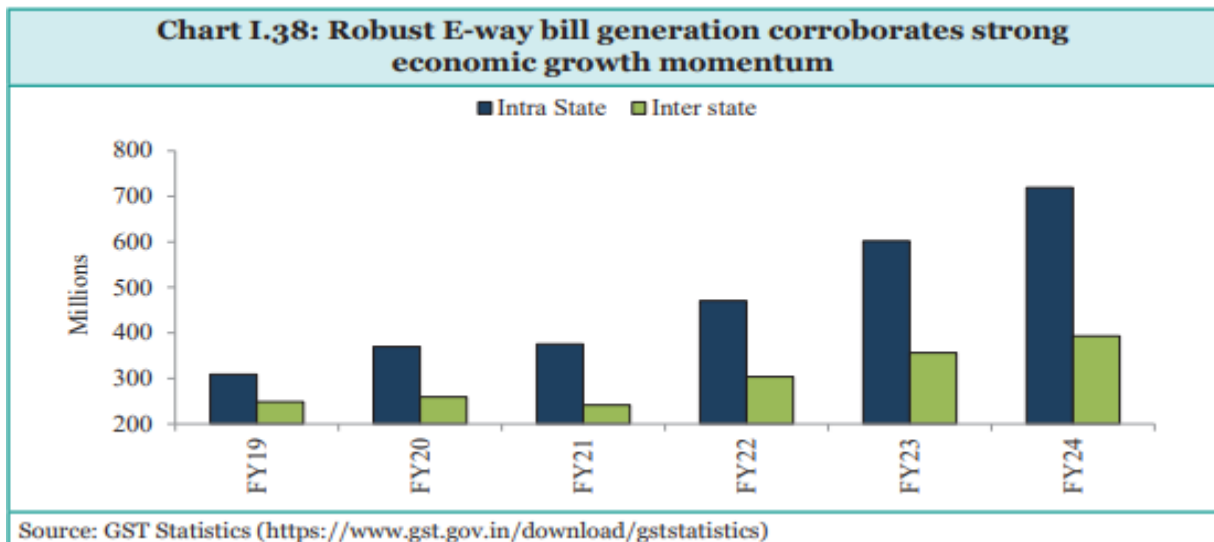


- The growth in gross tax revenue (GTR) was estimated to be 13.4 per cent in FY24, translating into tax revenue buoyancy of 1.4. The growth was led by a 15.8 per cent growth in direct taxes and a 10.6 per cent increase in indirect taxes over FY23. Broadly, 55 per cent of GTR accrued from direct taxes and the remaining 45 per cent from indirect taxes. The increased contribution of direct taxes to GTR over the years has been in line with the government's effort to enhance progressivity in taxation.



## Economy on the Eve of Union Budget 2024-25

- The increase in indirect taxes in FY24 was mainly driven by a 12.7 per cent growth in GST collection. GST E-way bill generated has also registered an uptick post-pandemic. The increase has been equally pronounced for both intra-state trade and inter-state trade. The increase in GST collection and E-way bill generation reflects increased compliance over time.



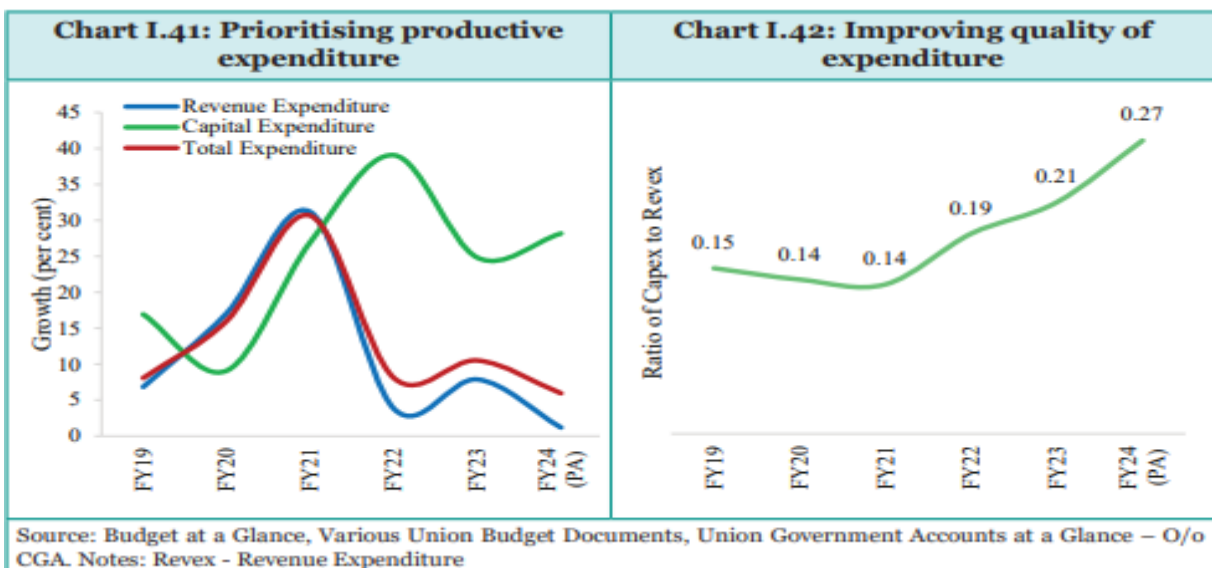
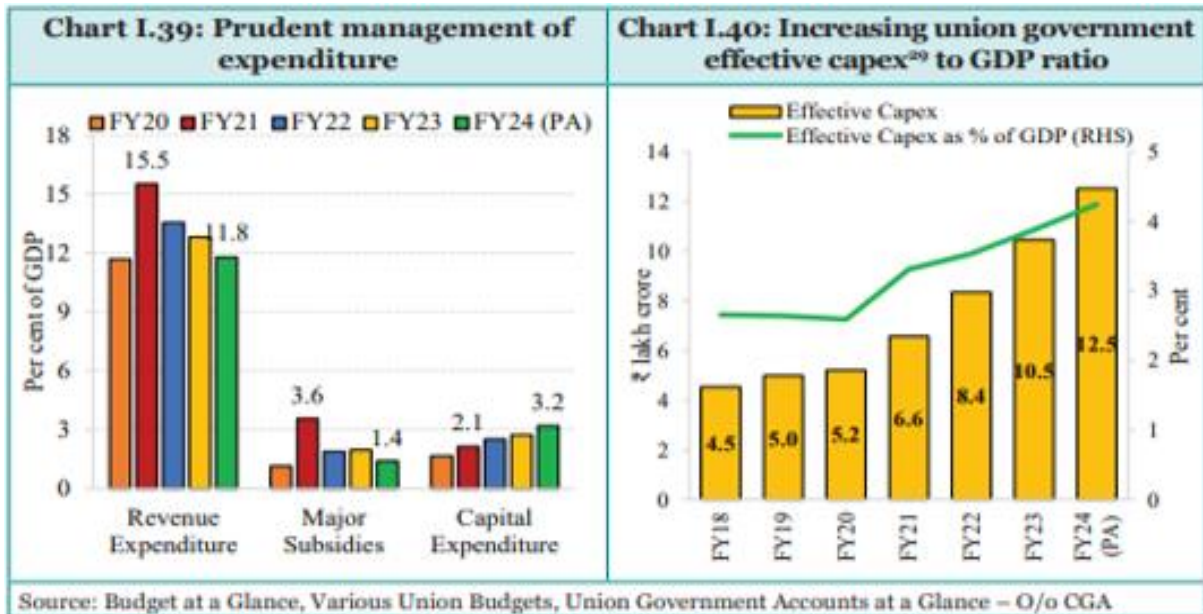
- Over the last seven years, GST has matured significantly through streamlining of procedures and, in the process, enhancing tax buoyancy for the Union and State governments. There have been calls for further rationalisation of rate structure to compress the number of rates, elimination of rate inversions, introduction of broad-band rates for similar products and expanding the tax base.
- Within non-debt capital receipts, the proceeds from the National Monetisation Pipeline (NMP), which was announced in the Union Budget FY22, are gaining traction. The NMP listed core assets of union government ministries and public sector enterprises with a potential of ₹6 lakh crore for monetisation over the four-year period of FY22 – FY25. During FY22 - FY24, receipts worth ₹3.9 lakh crore have been recorded as against a target of ₹4.3 lakh crore.

### Trends in Central Government Expenditure

- The government has followed a path of fiscal consolidation while continuing to protect the vulnerable sections and investing in the productive capacity of the economy. Successive budgets moderated the growth in revenue expenditure. While achieving the compression in revenue expenditure as a per cent of GDP, the government also ensured that free food grains are provided to 81.4 crore people in the country. At the same time, shares of total expenditure allotted to capital spending were progressively enhanced, thereby improving the quality of

## Economy on the Eve of Union Budget 2024-25

expenditure. Government expenditure in FY24 continued this trend whereby, as per the provisional actuals, total expenditure declined to 15.0 per cent of GDP from 17.7 per cent in FY21.



**Capex has lifted the productive potential of the economy; time for the private sector to take the baton**

- The PA show that capital expenditure for FY24 stood at ₹9.5 lakh crore, an increase of 28.2 per cent on a YoY basis, and was 2.8 times the level of FY20. The Government's thrust on capex has been a critical driver of economic growth amidst an uncertain and challenging global environment.

## Economy on the Eve of Union Budget 2024-25

- The focus of capex has been broad-based. Spending in sectors such as road transport and highways, railways, defence services, and telecommunications delivers higher and longer impetuses to growth by addressing logistical bottlenecks and expanding productive capacities. Government capex has also begun to crowd in private investment, as discussed earlier in this chapter. Additionally, the Government continues to disburse grants-in-aid for the creation of capital assets to the states, thereby incentivising them to increase their productive spending.
- At this juncture, it is important to note that while it remains the government's responsibility to facilitate the development of infrastructure and address logistical challenges, it is incumbent upon the private sector to take forward the momentum in capital formation on its own and in partnership with the Government. Between FY19 and FY23, the share of private non-financial corporations in overall GFCF increased only by 0.8 percentage points from 34.1 per cent to 34.9 per cent. This was mostly driven by their fast-increasing share in the additional stock of dwellings, other buildings and structures. Their share in addition to the capital stock in terms of machinery and equipment, started growing robustly only since FY22, a trend that needs to be sustained on the strength of their improving bottom-line and balance sheets in order to generate high-quality jobs.

**Table I.2: Broad-based deployment of Union Government capex  
(Values in ₹ thousand crore)**

Sector	FY23	FY24 (PA)	Growth
Road Transport and Highways	206.0	263.9	28.1%
Railways	159.3	242.6	52.3%
Defence Services (capital outlay)	142.9	154.3	7.9%
Transfer to States	92.7	122.9	32.5%
Telecommunications	54.7	59.4	8.5%
Housing and Urban Affairs	26.9	26.4	-1.6%
Atomic Energy	13.8	14.5	5.1%
Defence (Civil)	8.0	10.3	29.5%
Police	8.2	9.7	18.7%
Space	4.3	4.4	3.4%

Source: Statement 3 of Expenditure Profile, Union Budget 2024-25 (Interim), Union Government Accounts at a Glance – O/o CGA

### Revenue expenditure growth remains restrained

- The PA show that total expenditure for FY24 is lower by ₹60.6 thousand crore as compared to the budgeted estimates. However, these lower-than-budgeted estimates have not resulted in compromises on important areas of revenue spending, such as rural development and education, where allocation is significantly higher than budgeted estimates. Efficient

## Economy on the Eve of Union Budget 2024-25

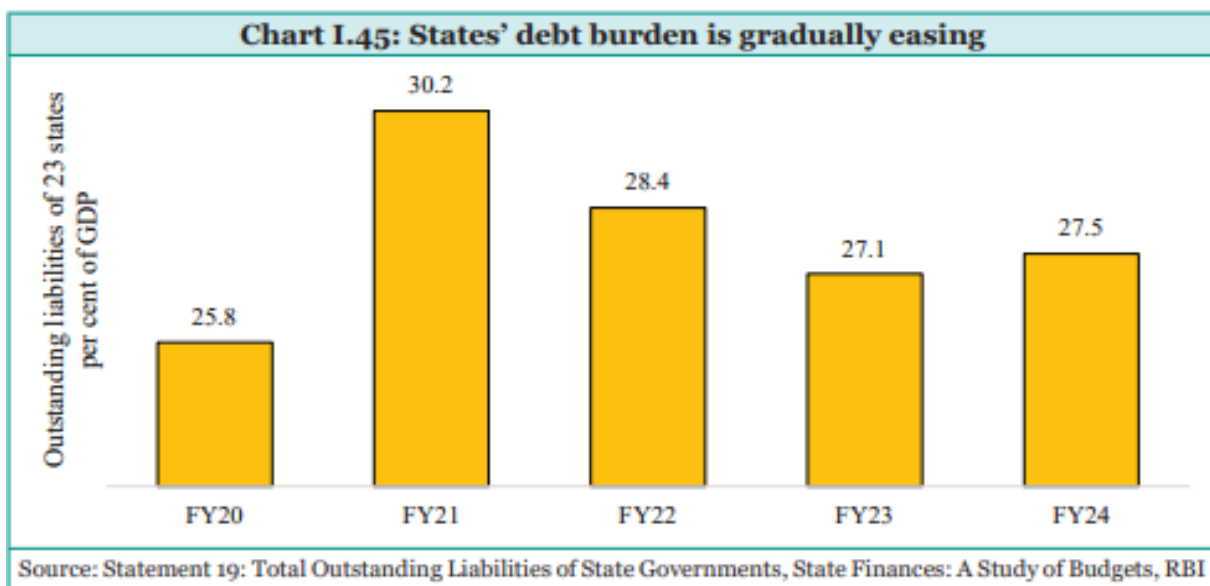
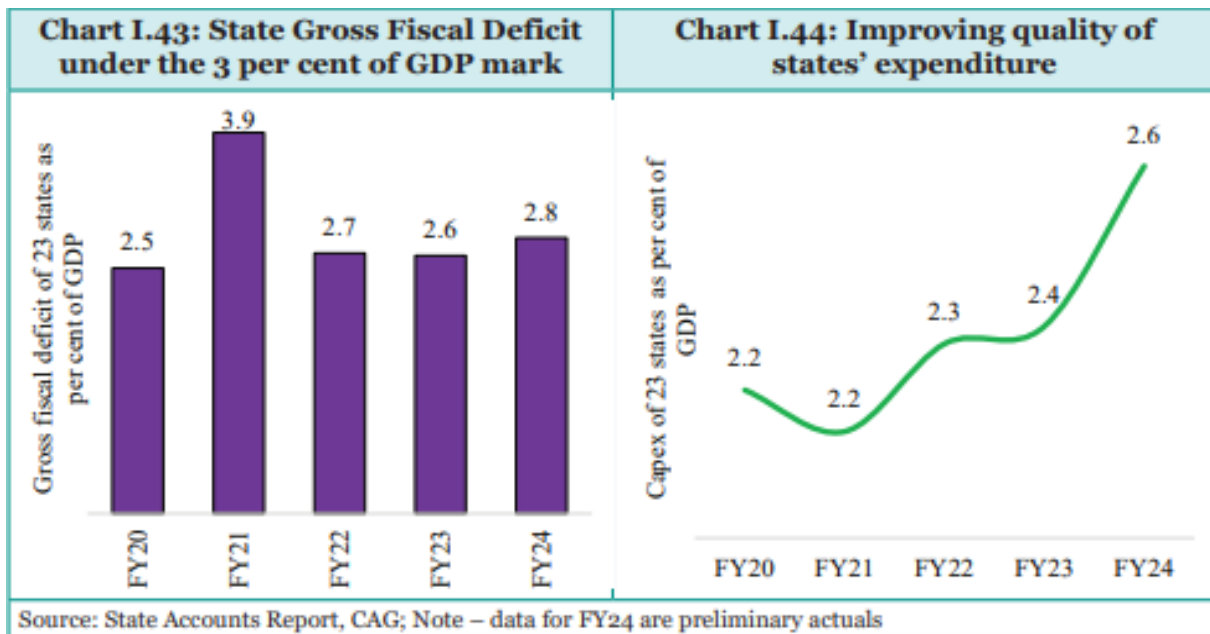
expenditure management, aided by lower borrowing costs, has led to a marginal downward revision of budgeted expenditure on interest payments in FY24.

- However, even though expenditure on interest payments is lower than budgeted, it constitutes 30.4 per cent of the revenue expenditure in FY24 (PA). A commitment to fiscal consolidation in the medium term, combined with revenues from asset monetisation and privatisation, will be essential in reducing the share of interest payments in revenue expenditure in order to generate more fiscal headroom.
- Expenditure on major subsidies declined by 22.1 per cent on a YoY basis, led by a decrease in fertiliser<sup>30</sup> and food subsidies by 24.6 per cent and 22.4 per cent, respectively, in FY24. The prices of fertilisers had steeply increased in FY23 due to the Russia-Ukraine conflict, prompting a higher outlay for its subsidy. However, in FY24, the supply chains adapted, and as a result, the prices of fertilisers have broadly returned to pre-conflict levels. This facilitated a lower outlay on fertiliser subsidies. The additional food subsidy, instituted to protect vulnerable sections of the population, has been gradually consolidating as well.

### Overview of State Government Finances

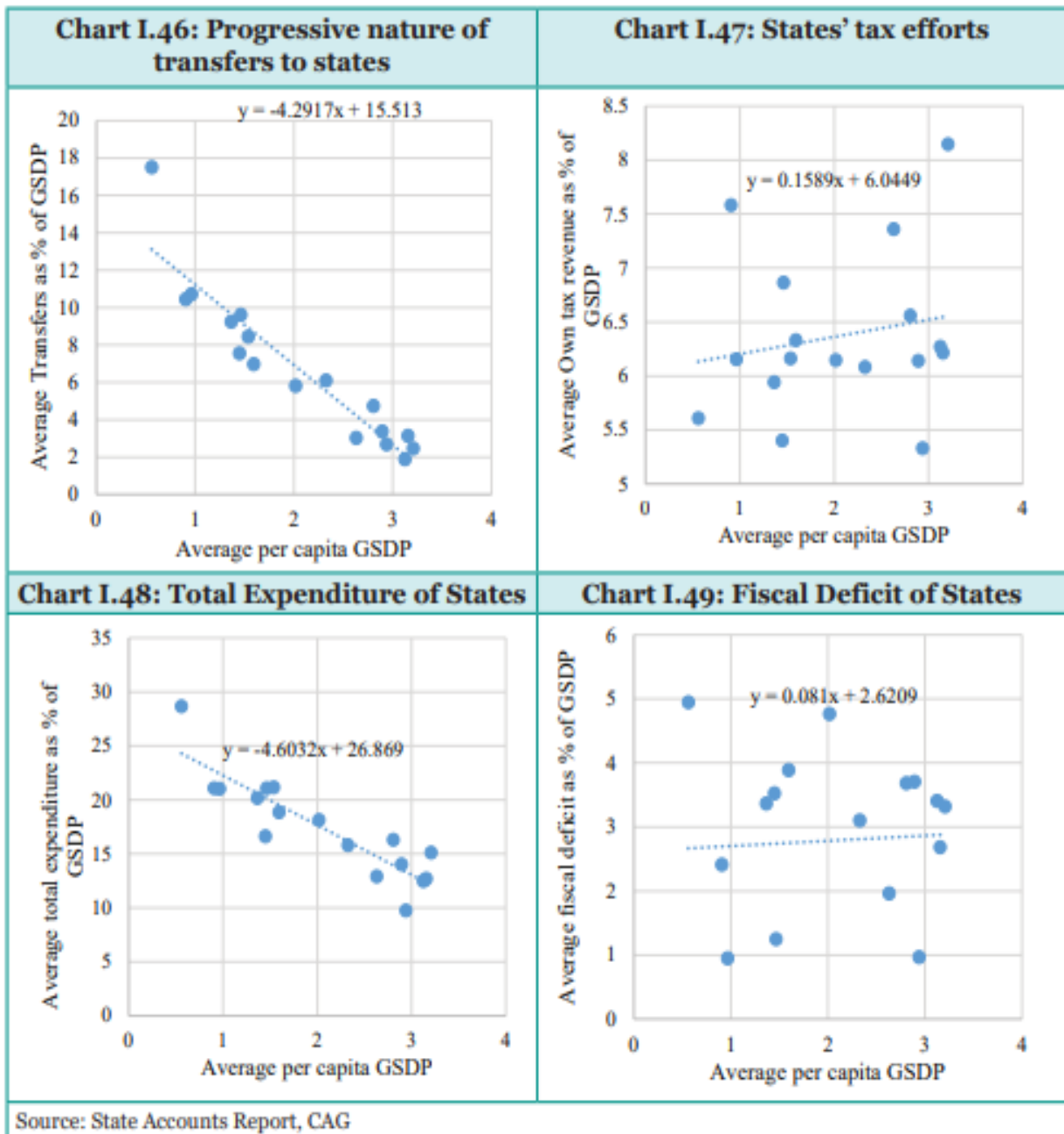
- State governments continued to improve their finances in FY24. Preliminary unaudited estimates of finances for a set of 23 states<sup>31</sup>, published by the Comptroller and Auditor General of India, suggest that the gross fiscal deficit of these 23 states was 8.6 per cent lower than the budgeted figure of ₹9.1 lakh crore.<sup>32</sup> This implies that fiscal deficit as a per cent of GDP for these states came in at 2.8 per cent as against a budgeted 3.1 per cent. The quality of spending by state governments improved, too, with state governments focusing on capex as well.

Economy on the Eve of Union Budget 2024-25



The Union Government's transfers to the states are highly progressive, with states with lower Gross State Domestic Product (GSDP) per capita receiving higher transfers relative to their GSDP. On the revenue side, however, the richer states, with certain exceptions, are able to mobilise a greater proportion of their GSDP as taxes. The combined result of these dynamics on the receipts side is that poorer states are enabled to incur greater public spending relative to their GSDP with the system of fiscal devolution that India has. Given the importance of public expenditure in stimulating growth and development, this is sine qua non for addressing regional imbalances in the country.

Economy on the Eve of Union Budget 2024-25

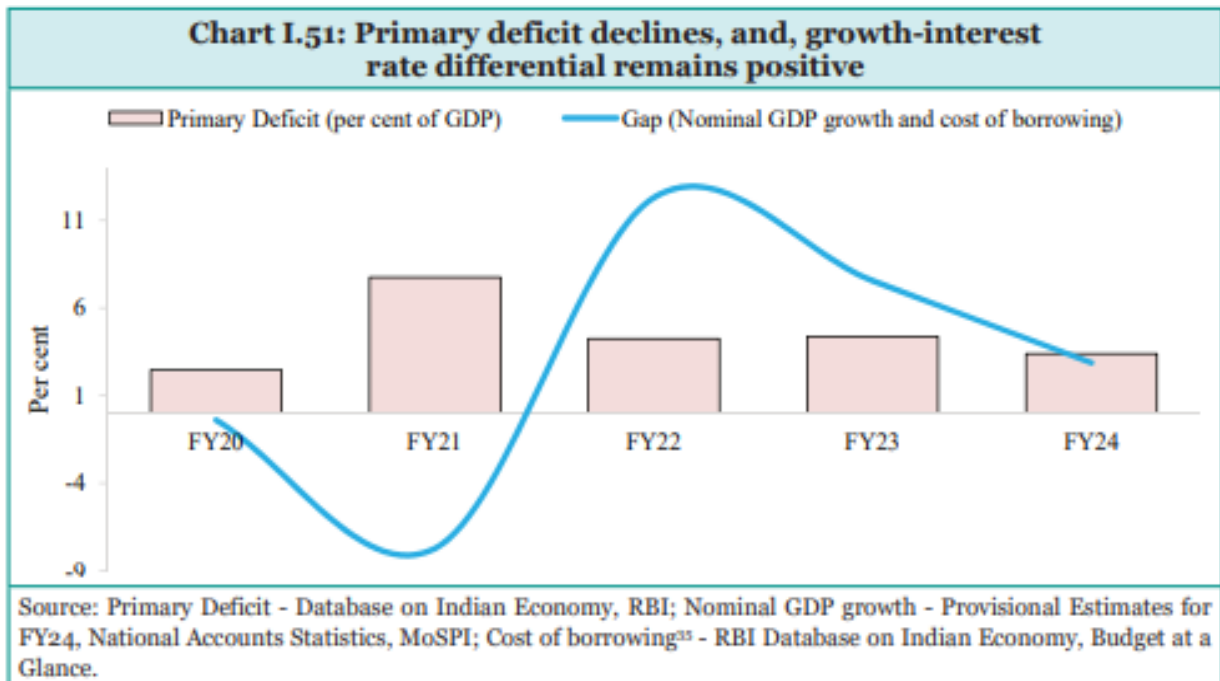
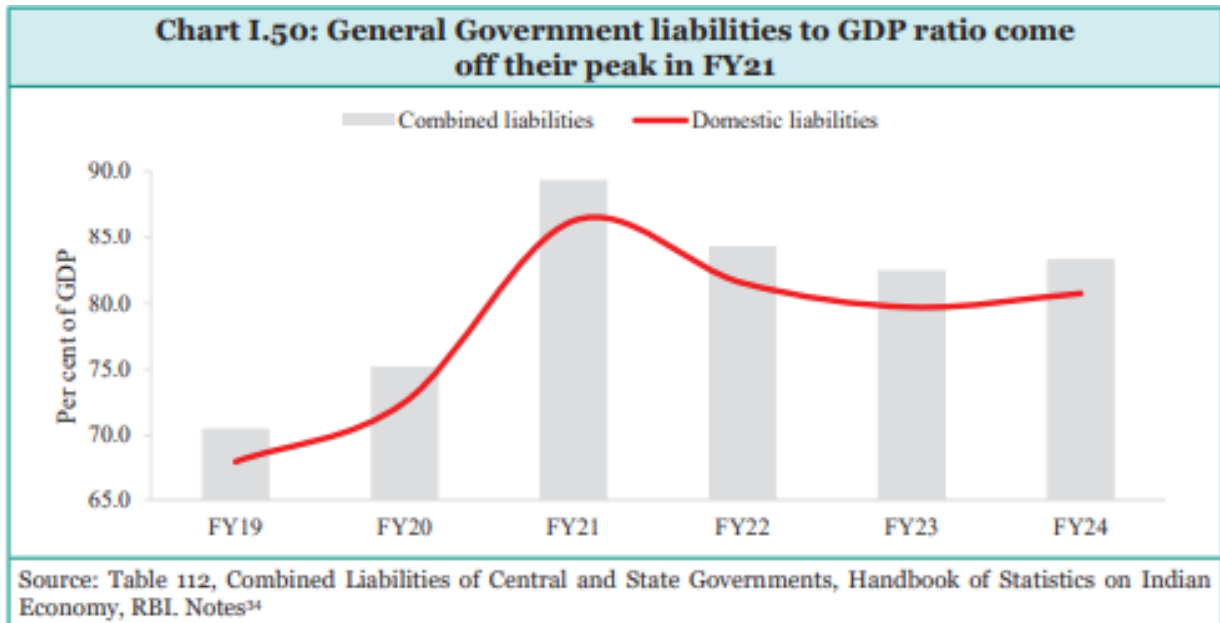


**General Government Debt**

In the years since the pandemic, the Union Government and the State Governments in general have focussed on fiscal consolidation, which was reflected in the declining debt trajectory of the government till FY23. The general government debt to GDP ratio increased slightly in FY24 despite a declining primary deficit because monetary tightening led to a spike in interest rates, while the decline in inflationary pressures resulted in a lower-than-budgeted nominal GDP growth. However, with the increased prospects of monetary policy easing, along with an uptick

## Economy on the Eve of Union Budget 2024-25

in WPI inflation and the government’s continued commitment to fiscal consolidation, the debt ratio is likely to resume its declining trend.



- Union Government debt is characterised by low currency and interest rate risks. This is owing to the low share of external debt in the debt portfolio and almost all external borrowings being from official sources. The gradual elongation of the maturity profile of the Union Government’s debt is leading to reduced rollover risks. The proportion of dated securities maturing in less than five years has seen a consistent decline in recent years. The weighted average maturity of the outstanding stock of dated securities of the Government has increased from 9.6 years in end-March 2011 to 12.5 years in end-March 2024

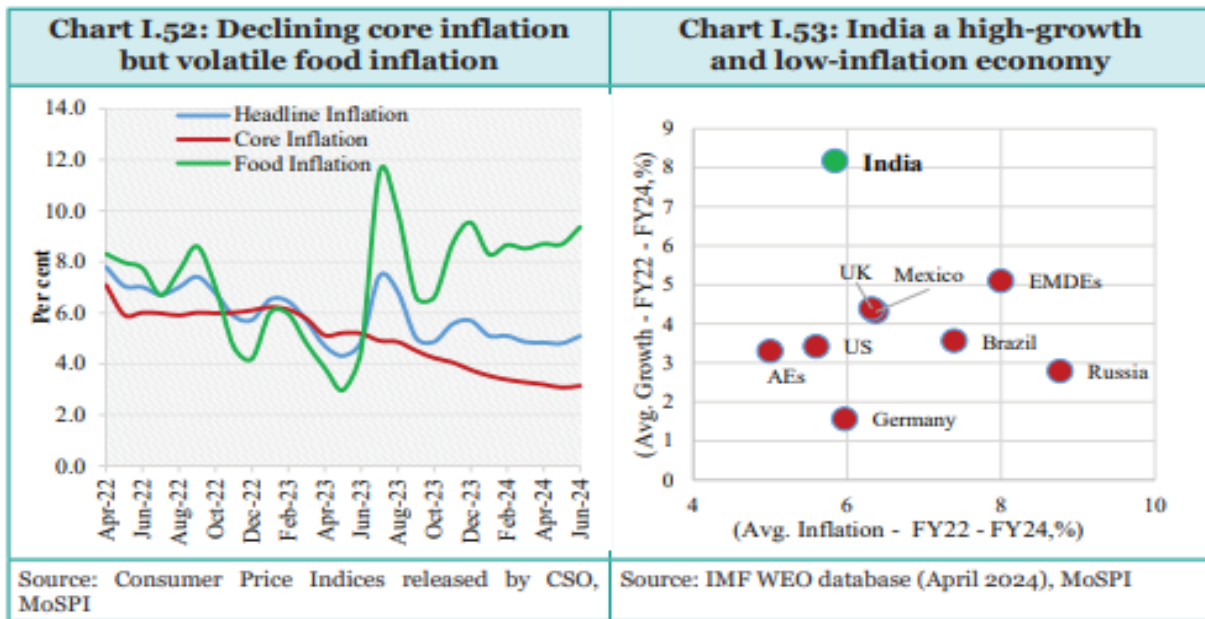
## Economy on the Eve of Union Budget 2024-25

- The sustained improvement in fiscal metrics is beginning to have an impact on India's credit ratings. For the first time in 13 years, S&P Global Ratings upgraded India's sovereign credit rating outlook from 'stable' to 'positive' in May 2024 on the back of robust economic growth, sound economic fundamentals and improved composition of government spending. S&P mentioned that cautious monetary and fiscal policy that diminishes general government debt and interest burden while improving economic resilience could lead to a higher rating over the next two years. The agency further indicated that such an update would require continued commitment to fiscal consolidation in a manner that reduces general government deficits to below 7 per cent on a structural basis. If that were to happen, India's 10-year benchmark bond yield will drop between 30 and 50 basis points. The drop in the benchmark borrowing cost will cause interest rates to decline in general, leading to overall lower cost of borrowing for households and businesses. That would be a fiscal stimulus in itself.

### **Moderation in inflation pressure**

- Despite global supply chain disruptions and adverse weather conditions, domestic inflationary pressures moderated in FY24. After averaging 6.7 per cent in FY23, retail inflation declined to 5.4 per cent in FY24. This has been due to the combination of measures undertaken by the Government and the RBI. The Union Government undertook prompt measures such as open market sales, retailing in specified outlets, timely imports, reduced the prices of Liquefied Petroleum Gas (LPG) cylinders and implemented a cut in petrol and diesel prices. The RBI raised policy rates by a cumulative 250 bps between May 2022 and February 2023. It also managed liquidity levels efficiently and maintained consistent and coherent communication with market participants. Even as higher policy rates are transmitted through the system, the RBI continues to support growth with adequate liquidity, thereby ensuring that inflation is headed to the target of 4 per cent on a durable basis. The effects of these measures are reflected in the latest data on CPI inflation – headline CPI inflation of 5.1 per cent in June 2024, and core inflation declined to 3.1 per cent. Consequently, India was the only country amongst its peers to traverse a high-growth and low-inflation path in the period FY22 – FY24 (Chart I.53). This is despite the fact that there were pressures on the food inflation front, driven by adverse weather conditions.

Economy on the Eve of Union Budget 2024-25



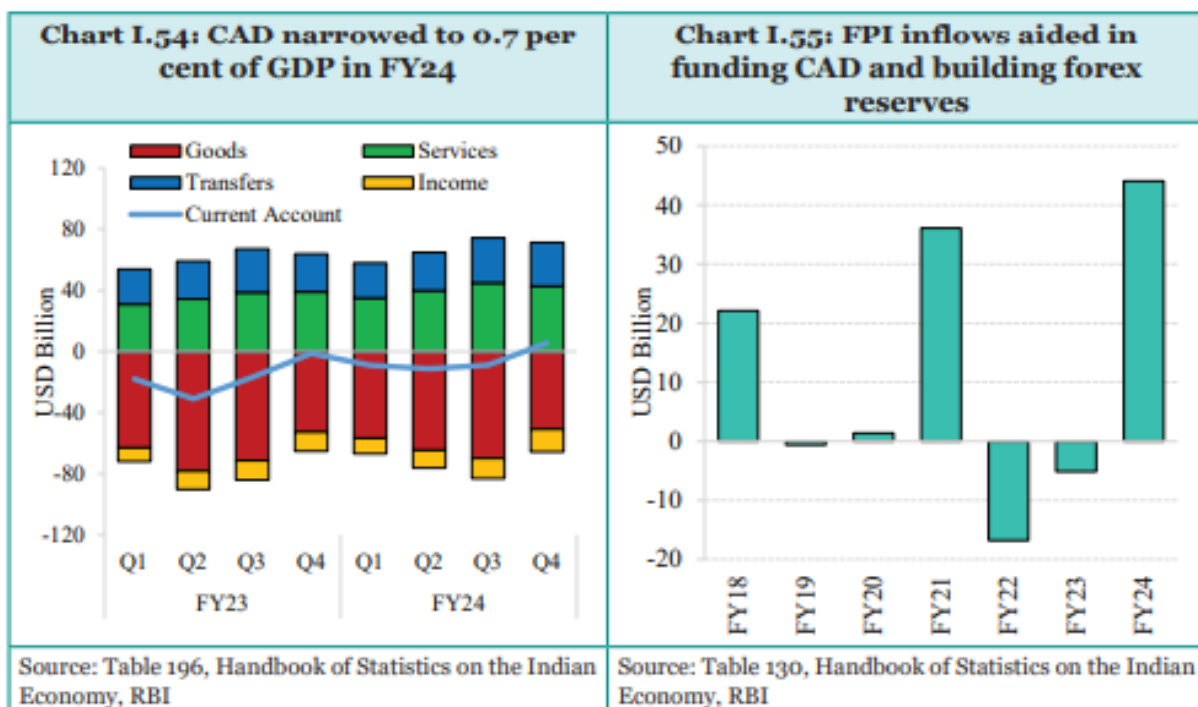
**The financial system remains resilient**

- The RBI’s vigil over the banking and financial system and its prompt regulatory actions ensure that the system can withstand any macroeconomic or systemic shock. Data from the RBI’s Financial Stability Report of June 2024 show that the asset quality of SCBs has improved, with the Gross Non-Performing Assets (GNPA) ratio declining to 2.8 per cent in March 2024, a 12-year low. The system-wide capital to risk-weighted assets ratio (CRAR) declined marginally by 37 basis points (bps) over FY24 due to an RBI-mandated revision of risk weights but remained well above the regulatory threshold. The profitability of SCBs remained steady, with the return on equity and return on assets ratios at 13.8 per cent and 1.3 per cent, respectively, as of March 2024. Macro stress tests also reveal that SCBs would be able to comply with minimum capital requirements even under severe stress scenarios.
- The RBI remains proactive in undertaking regulatory action. In a measure to regulate the exuberant growth in the unsecured lending category and preserve financial stability, the RBI tightened norms around this portfolio. Growth in unsecured loans was outpacing that in overall credit. To tackle this problem, the RBI directed that consumer credit exposure for banks and Non-Banking Financial Companies (NBFCs) will attract a risk weight of 125 per cent compared to 100 per cent earlier. The risk weight for credit card loans by banks and NBFCs was fixed at 150 per cent and 125 per cent, respectively, up from 125 per cent and 100 per cent earlier. Prompt regulatory actions shield the banking and financial system from adverse developments and instil confidence in market participants. The soundness of the banking system will facilitate the financing of productive opportunities and lengthen the financial cycle, both of which are necessary to sustain economic growth.

## Economy on the Eve of Union Budget 2024-25

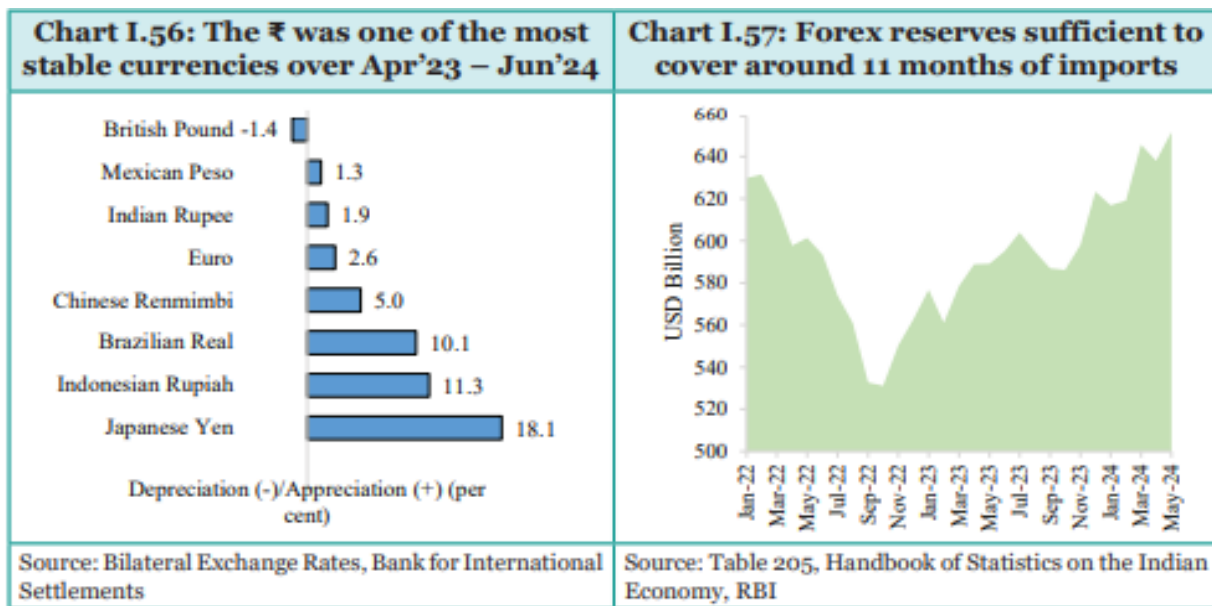
### India's external sector is safely navigating through uncertainties

- On the external front, moderation in merchandise exports continued during FY24, mainly on account of weaker global demand and persistent geopolitical tensions. However, a sharper decline in India's merchandise import growth, owing to declining commodity prices, resulted in a lower trade deficit in FY24. However, India's service exports have remained robust, reaching a new high of USD 341.1 billion in FY24. Exports (merchandise and services) in FY24 grew by 0.15 per cent, while the total imports declined by 4.9 per cent despite a strong domestic market demand.<sup>37</sup> Net private transfers, mostly comprising remittances from abroad, grew to USD 106.6 billion in FY24. As a result, the CAD stood at 0.7 per cent of the GDP during the year, an improvement from the deficit of 2.0 per cent of GDP in FY23.
- Supported by optimism surrounding India's growth story, progressive policy reform, economic stability, fiscal prudence and attractive investment avenues, India witnessed robust FPI inflows in FY24 that helped fund the CAD and aided the RBI in building adequate forex reserves. Net FPI inflows stood at USD 44.1 billion during FY24 against net outflows in the preceding two years. Net FDI inflows, however, witnessed moderation largely as a part of the global phenomenon of declining FDI flows on account of increased scepticism. Net FDI inflows to India declined from USD 42.0 billion during FY23 to USD 26.5 billion in FY24. However, gross FDI inflows moderated by only 0.6 per cent in FY24. The contraction in net inflows was primarily due to a surge in repatriation/disinvestment.



### Economy on the Eve of Union Budget 2024-25

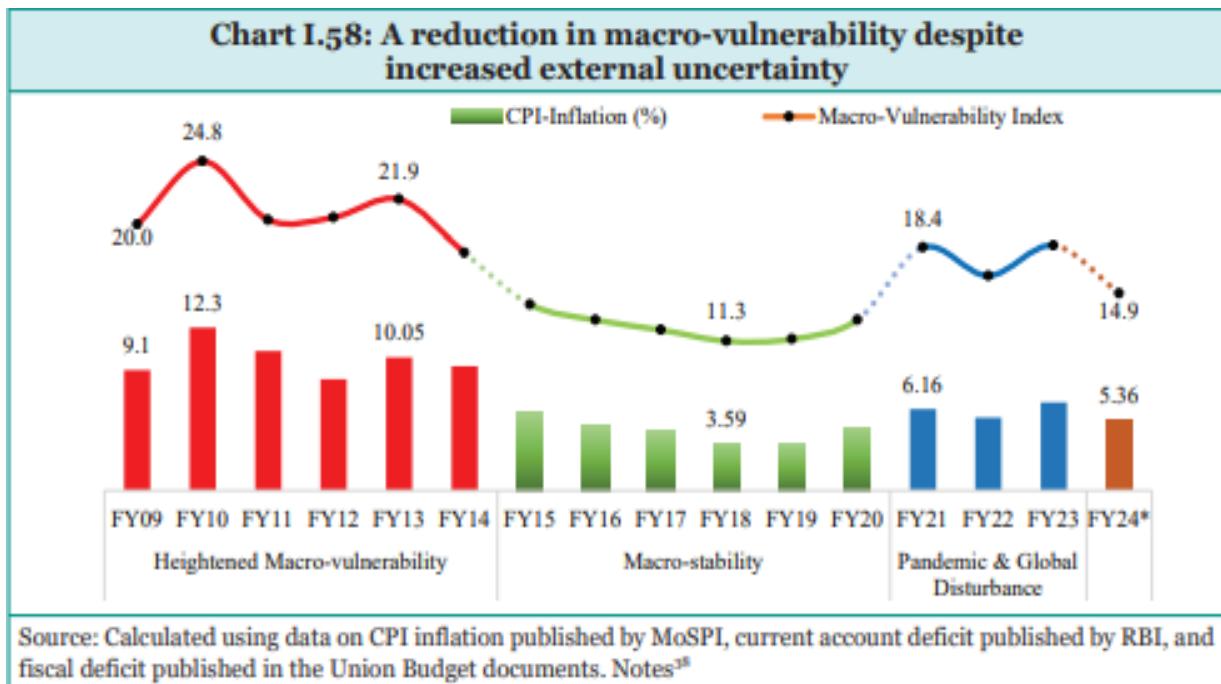
- Overall, India’s external sector is being deftly managed with comfortable foreign exchange reserves and a stable exchange rate. Forex reserves as of the end of March 2024 were sufficient to cover 11 months of projected imports and more than 100 per cent of total external debt. The Indian Rupee has also been one of the least volatile currencies among its emerging market peers in FY24. India’s external debt vulnerability indicators also continued to be benign. External debt as a ratio to GDP stood at a low level of 18.7 per cent as of end-March 2024. The ratio of foreign exchange reserves to total debt stood at 97.4 per cent as of March 2024.



#### Reduction in macro vulnerability

- In its pursuit of fiscal consolidation through efficient and prudent fiscal management, the Government continues to stick to the fiscal glide path. The fiscal deficit of the Government is expected to drop to 4.5 per cent of GDP or lower by FY26. This commitment has helped keep the sovereign debt sustainable, thereby keeping sovereign bond yields and spreads in check. All these factors have combined to keep the macroeconomic environment stable and provide a platform for sustainable growth. This is reflected in the downward trajectory of the macroeconomic vulnerability index – an index constructed by combining India’s fiscal deficit, CAD and inflation.

Economy on the Eve of Union Budget 2024-25

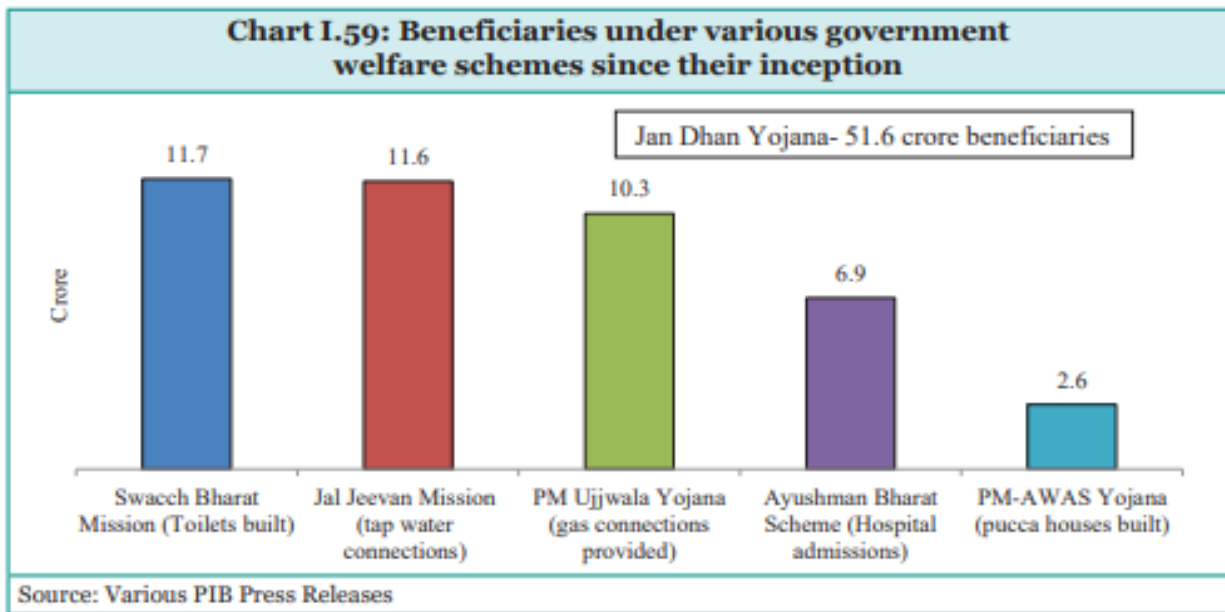


**Inclusive growth**

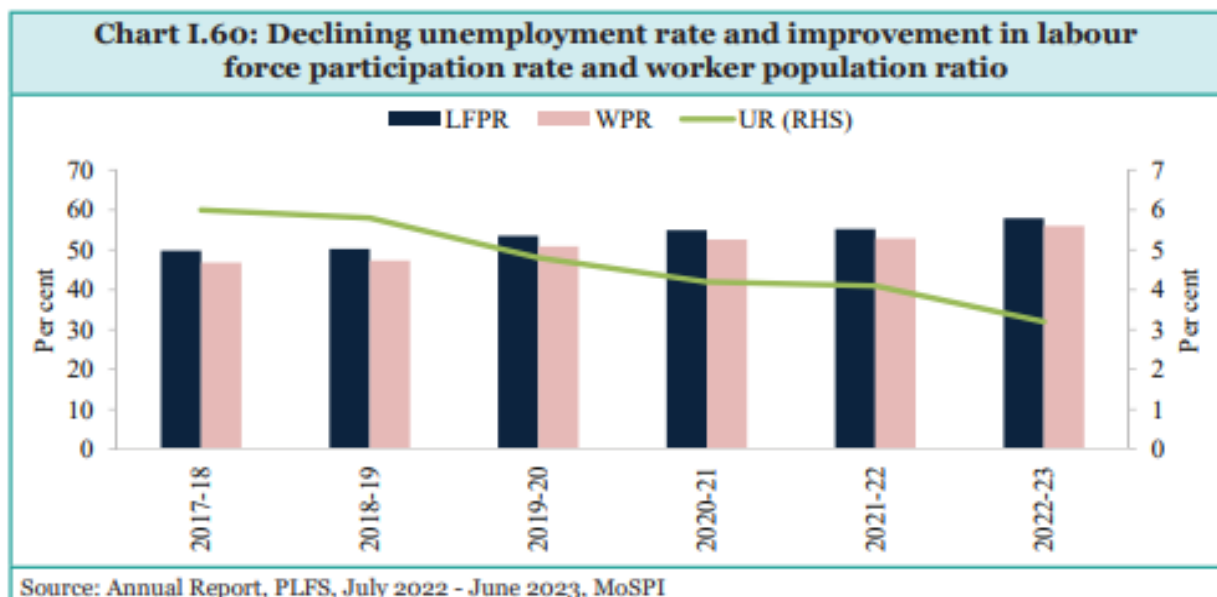
**Shift in the approach to welfare**

- 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. Government initiatives like providing free-of-cost gas connections under PM Ujjwala Yojana, building toilets under the Swacch Bharat Mission, opening bank accounts under Jan Dhan Yojana, building pucca houses under PM-AWAS Yojana have improved capabilities and enhanced opportunities for the underprivileged sections.
- The approach also involves the targeted implementation of reforms for last-mile service delivery to truly realise the maxim of “no person left behind”. These include the Aspirational Districts Programme, launched in 2018, for focusing efforts on the most backward regions, the success of which inspired the Aspirational Blocks Programme launched in 2023; the Vibrant Villages Programme for border areas; and more recently, the Viksit Bharat Sankalp Yatra, which saw the participation of 15 crore people in two months starting 15 November 2023<sup>41</sup>. The digitisation of healthcare, education and governance helps improve the gains for every rupee spent. The Direct Benefit Transfer (DBT) scheme and Jan Dhan Yojana-Aadhaar-Mobile trinity have been boosters of fiscal efficiency and minimisation of leakages, with ₹36.9 lakh crore having been transferred via DBT since its inception in 2013 (DBT Portal.<sup>42</sup>).

Economy on the Eve of Union Budget 2024-25

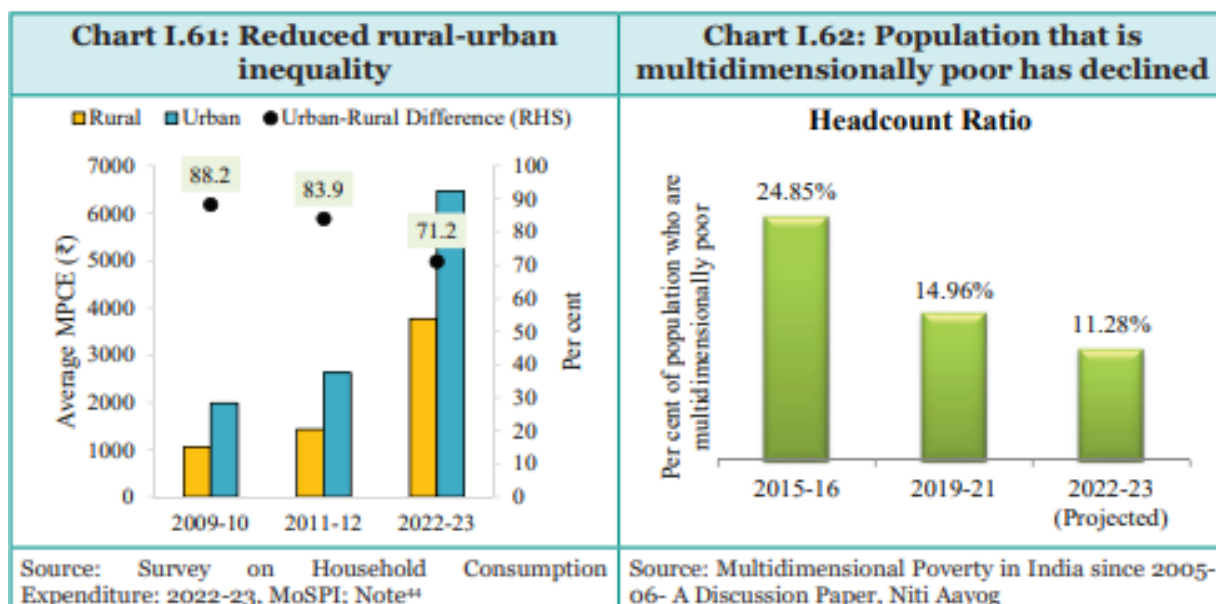


- On the employment front, according to the annual PLFS, the all-India annual unemployment rate (persons aged 15 years and above, as per usual status) has been declining since the pandemic. This has been accompanied by a rise in the labour force participation rate and worker-to-population ratio. Even by the relatively strict standards of current weekly status, employment has recovered from the pandemic in urban and rural areas. From the gender perspective, the female labour force participation rate has been rising for six years, i.e., from 23.3 per cent in 2017-18 to 37 per cent in 2022-23, driven mainly by the rising participation of rural women.



## Economy on the Eve of Union Budget 2024-25

- As a result of the systematic focus on addressing individual deprivations, the incidence of poverty has reduced remarkably. This is reflected in the steep decline in the headcount ratio of multidimensionally poor between 2015-16 and 2022-23, as per NITI Aayog's discussion paper on multidimensional poverty in India<sup>43</sup>.
- The initiatives in the social sector have also translated into rising consumption spending, as evident from the results of the latest Household Consumption Expenditure Survey (HCES) 2022-23. The HCES throws many reassuring findings on inclusive growth in the past decade. 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.



### Outlook

- The Indian economy recovered swiftly from the pandemic, with its real GDP in FY24 being 20 per cent higher than the pre-COVID, FY20 levels. This meant a CAGR of 4.6 per cent from FY20, despite a 5.8 per cent decline in FY21 inflicted by the pandemic. Analysis in this chapter shows that the current GDP level is close to the pre-pandemic trajectory in Q4FY24. During the decade ending FY20, India grew at an average annual rate of 6.6 per cent, more or less reflecting the long-run growth prospects of the economy. This is the background against which we can see the prospects for FY25.
- IMF projects the global economy to grow at 3.2 per cent in 2024, with risks being broadly balanced. The average annual global growth was 3.7 per cent during the decade ending FY20. Inflationary pressures have moderated in most economies with declining global commodity prices and easing of supply chain pressures. However, core inflation remains sticky and driven

## Economy on the Eve of Union Budget 2024-25

by high service inflation. Many central banks have hinted at the peaking of the interest rate hike cycle. The ECB has already cut the policy rate, while the Fed has hinted at reducing the rate in 2024.

- On the downside, any escalation of geopolitical conflicts in 2024 may lead to supply dislocations, higher commodity prices, reviving inflationary pressures and stalling monetary policy easing with potential repercussions for capital flows. This can also influence RBI's monetary policy stance. The global trade outlook for 2024 remains positive, with merchandise trade expected to pick up after registering a contraction in volumes in 2023. Conversely, increased fragmentation along geopolitical lines and renewed thrust on protectionism may distort merchandise trade growth, impacting India's external sector. Global financial markets have scaled new heights, with investors betting on global economic expansion. Hiring in the information technology sector had slowed down considerably in FY24, and even if hiring does not decline further, it is unlikely to pick up significantly. However, leveraging the initiatives taken by the government and capturing the untapped potential in emerging markets, exports of business, consultancy and IT-enabled services can expand. Despite the core inflation rate being around 3 per cent, the RBI, with one eye on the withdrawal of accommodation and another on the US Fed, has kept interest rates unchanged for quite some time, and the anticipated easing has been delayed.
- Domestic growth drivers have supported economic growth in FY24 despite uncertain global economic performance. Improved balance sheets will help the private sector cater to strong investment demand. A note of caution is warranted here. Private capital formation after good growth in the last three years may turn slightly more cautious because of fears of cheaper imports from countries that have excess capacity. While merchandise exports are likely to increase with improving growth prospects in AEs, services exports are also likely to witness a further uptick. A normal rainfall forecast by the India Meteorological Department and the satisfactory spread of the southwest monsoon thus far are likely to improve agriculture sector performance and support the revival of rural demand. However, the monsoon season still has some ways to go. Structural reforms such as the GST and the IBC have also matured and are delivering envisaged results. Considering these factors, the Survey conservatively projects a real GDP growth of 6.5–7 per cent, with risks evenly balanced, cognizant of the fact that the market expectations are on the higher side.

## Economy on the Eve of Union Budget 2024-25

### STUDY TEAM



**Dr S P Sharma**  
Chief Economist | DSG



**Dr Mansi Vainik**  
Economist | Deputy Secretary



**Ms Reema Jain**  
Research Officer



**Ms Nishika Chauhan**  
Research Associate



**Ms Mansi Nautiyal**  
Research Associate

## Disclaimer

“Economy on the Eve of Union Budget 2024-25” is prepared by PHD Chamber of Commerce and Industry. This report may not be reproduced, wholly or partly in any material form, or modified, without prior approval from PHD Chamber of Commerce and Industry.

It may please be noted that this report is for guidance and information purposes only. Though due care has been taken to ensure accuracy of the information to the best of the PHD Chamber's knowledge and belief, it is strongly recommended that readers should seek specific professional advice before making any decisions.

Please note that the PHD Chamber of Commerce and Industry do not take any responsibility for outcome of decisions taken as a result of relying on the content of this report. PHD Chamber of Commerce and Industry shall in no way, be liable for any direct or indirect damages that may arise due to any act or omission on the part of the reader or user due to any reliance placed or guidance taken from any portion of this publication.

Copyright 2024  
PHD Chamber of Commerce and Industry  
ALL RIGHTS RESERVED

No part of this publication including the cover, shall be reproduced, stored in a retrieval system, or transmitted by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of, and acknowledgement of the publisher (PHD Chamber of Commerce and Industry).

## Economy on the Eve of Union Budget 2024-25

### PHD Research Bureau

PHD Research Bureau; the research arm of the PHD Chamber of Commerce and Industry was constituted in 2010 with the objective to review the economic situation and policy developments at sub-national, national and international levels and comment on them in order to update the members from time to time, to present suitable memoranda to the government as and when required, to prepare State Profiles and to conduct thematic research studies on various socio-economic and business developments.

The Research Bureau has been instrumental in forecasting various lead economic indicators national and sub-national. Many of its research reports have been widely covered by media and leading newspapers. The Research Bureau has undertaken various policy studies for Government of India and state governments.

Research Activities	Comments on Economic Developments	Newsletters	Consultancy
<ul style="list-style-type: none"> <li>Research Studies</li> </ul>	<ul style="list-style-type: none"> <li>Macro Economy</li> </ul>	<ul style="list-style-type: none"> <li>Economic Affairs Committee Newsletter (EAC)</li> </ul>	<ul style="list-style-type: none"> <li>Trade &amp; Investment Facilitation Services (TIFS)</li> </ul>
<ul style="list-style-type: none"> <li>State Profiles</li> </ul>	<ul style="list-style-type: none"> <li>States Economic Development</li> </ul>	<ul style="list-style-type: none"> <li>Global Economic Monitor (GEM)</li> </ul>	
<ul style="list-style-type: none"> <li>Impact Assessments</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Trade &amp; Investment Facilitation Services (TIFS) newsletter</li> </ul>	
<ul style="list-style-type: none"> <li>Thematic Research Reports</li> </ul>	<ul style="list-style-type: none"> <li>Foreign exchange market</li> </ul>	<ul style="list-style-type: none"> <li>State Development Monitor (SDM)</li> </ul>	
<ul style="list-style-type: none"> <li>Releases on Economic Developments</li> </ul>	<ul style="list-style-type: none"> <li>International Trade</li> </ul>		
	<ul style="list-style-type: none"> <li>Global Economic Developments</li> </ul>		

## Economy on the Eve of Union Budget 2024-25

### Studies Undertaken by PHD Research Bureau

#### A: Thematic research reports

1. Comparative study on power situation in Northern and Central states of India (September 2011)
2. Economic Analysis of State (October 2011)
3. Growth Prospects of the Indian Economy, Vision 2021 (December 2011)
4. Budget 2012-13: Move Towards Consolidation (March 2012)
5. Emerging Trends in Exchange Rate Volatility (April 2012)
6. The Indian Direct Selling Industry Annual Survey 2010-11 (May 2012)
7. Global Economic Challenges: Implications for India (May 2012)
8. India Agronomics: An Agriculture Economy Update (August 2012)
9. Reforms to Push Growth on High Road (September 2012)
10. The Indian Direct Selling Industry Annual Survey 2011-12: Beating Slowdown (March 2013)
11. Budget 2013-14: Moving on reforms (March 2013)
12. India- Africa Promise Diverse Opportunities (November 2013)
13. India- Africa Promise Diverse Opportunities: Suggestions Report (November 2013)
14. Annual survey of Indian Direct Selling Industry-2012-13 (December 2013)
15. Imperatives for Double Digit Growth (December 2013)
16. Women Safety in Delhi: Issues and Challenges to Employment (March 2014)
17. Emerging Contours in the MSME sector of Uttarakhand (April 2014)
18. Roadmap for New Government (May 2014)
19. Youth Economic (May 2014)
20. Economy on the Eve of Union Budget 2014-15 (July 2014)
21. Budget 2014-15: Promise of Progress (July 2014)
22. Agronomics 2014: Impact on economic growth and inflation (August 2014)
23. 100 Days of new Government (September 2014)
24. Make in India: Bolstering Manufacturing Sector (October 2014)
25. The Indian Direct Selling Industry Annual Survey 2013-14 (November 2014)
26. Participated in a survey to audit SEZs in India with CAG Office of India (November 2014)
27. Role of MSMEs in Make in India with reference to Ease of Doing Business in Ghaziabad (Nov 2014)
28. Exploring Prospects for Make in India and Made in India: A Study (January 2015)
29. SEZs in India: Criss-Cross Concerns (February 2015)
30. Socio-Economic Impact of Check Dams in Sikar District of Rajasthan (February 2015)
31. India - USA Economic Relations (February 2015)
32. Economy on the Eve of Union Budget 2015-16 (February 2015)
33. Budget Analysis (2015-16)
34. Druzhba-Dosti: India's Trade Opportunities with Russia (April 2015)
35. Impact of Labour Reforms on Industry in Rajasthan: A survey study (July 2015)
36. Progress of Make in India (September 2015)
37. Grown Diamonds, A Sunrise Industry in India: Prospects for Economic Growth (November 2015)
38. Annual survey of Indian Direct Selling Industry 2014-15 (December 2015)
39. India's Foreign Trade Policy Environment Past, Present and Future (December 2015)
40. Revisiting the emerging economic powers as drivers in promoting global economic growth (February 2016)
41. Bolstering MSMEs for Make in India with special focus on CSR (March 2016)
42. BREXIT impact on Indian Economy (July 2016)
43. India's Exports Outlook (August 2016)
44. Ease of Doing Business : Suggestive Measures for States (October 2016)
45. Transforming India through Make in India, Skill India and Digital India (November 2016)
46. Impact of Demonetization on Economy, Businesses and People (January 2017)
47. Economy on the eve of Budget 2017-18 (January 2017)
48. Union Budget 2017-18: A budget for all-inclusive development (January 2017)
49. Annual Survey of Indian Direct Selling Industry 2015-16 (February 2017)
50. Worklife Balance and Health Concerns of Women: A Survey (March 2017)
51. Special Economic Zones: Performance, Problems and Opportunities (April 2017)
52. Feasibility Study (socio-Economic Survey) of Ambala and Rohtak Districts in Haryana (March 2017)
53. Goods and Services (GST): So far (July 2017)

## Economy on the Eve of Union Budget 2024-25

54. Reshaping India-Africa Trade: Dynamics and Export Potentiality of Indian Products in Africa (July 2017)
55. Industry Perspective on Bitcoins (July 2017)
56. Senior Housing: A sunrise sector in India (August 2017)
57. Current state of the economy (October 2017)
58. Equitable finance to fulfill funding requirements of Indian Economy (October 2017)
59. The Wall of Protectionism: : Rise and Rise of Protectionist Policies in the Global Arena, (November 2017)
60. India-Israel Relations: Building Bridges of Dynamic Trade(October 2017)
61. Role of Trade Infrastructure for Export Scheme (TIES) in Improving Export Competitiveness (November 2017)
62. India - China Trade Relationship: The Trade Giants of Past, Present and Future (January 2018)
63. Analysis of Trade Pattern between India and ASEAN(January 2018)
64. Union Budget 2018-19 – (February 2018)
65. Ease of Doing Work for Women: A survey of Delhi NCR (February 2018)
66. Restraining Wilful Defaults: Need of the hour for Indian Banking System (March 2018)
67. Impact of GST on Business, Industry and Exporters (April 2018)
68. India – Sri Lanka Bilateral Relations: Reinforcing trade and investment prospects (May 2018)
69. Growth Prospects of the Indian Economy: Road to US USD5 Trillion Economy(May 2018)
70. India's Free Trade Agreements Dynamics and Diagnostics of Trade Prospects(May 2018)
71. India – UK Trade Relations and Societal Links: Way Forward (June 2018)
72. Rural Economy: Road to US USD5 Trillion Economy(September 2018)
73. Indian Economy on the Eve of Union Budget 2019-20 (Interim): Steady...strong...fastest moving economy (Jan 2019)
74. Interim Budget 2019-2020: A Dynamic, Inclusive & Pragmatic Budget (February 2019)
75. Women Entrepreneurship: Transforming from Domestic Households to Financial Independence (March 2019)
76. Prospects for Exports from India: Five Pronged Strategy to Achieve USD700 Billion Merchandise Exports by 2025 (March 2019)
77. India Towards Shared Prosperity: Economic Agenda for the Next five Years (March 2019)
78. Job Creation: A Pan India Survey of Households (March 2019)
79. India Inc. Speaks Live: Wish List for the Next Five Years (May 2019)
80. Suggestive Roadmap for Revitalizing Economic Growth (June 2019)
81. Indian Economy on the Eve of Union Budget 2019-20 (July 2019)
82. Union Budget 2019-20: Road to USD 5 trillion economy (July 2019)
83. Ease of Doing Business for MSMEs (September 2019)
84. Report Emerging contours in the defence and homeland security
85. Framework of University-Industry Linkages in Research DSIR
86. India's Trade and Investment opportunities with ASEAN Economies (November 2019)
87. Indian Economy on the Eve of Union Budget 2020-21 (February 2020)
88. Union Budget 2020-21: Aspirational, Caring and Developmental Budget (February 2020)
89. Macroeconomic Indicators and Pandemic COVID-19 Stimulus provided by Select Economies (April 2020)
90. Analysis on Relief Measures -Salaries wages by pandemic COVID-19 impacted countries (April 2020)
91. Report on impact of Pandemic COVID-19 by PHDCCI (April 2020)
92. Tax relief measures provided by Pandemic COVID-19 impacted Countries (April 2020)
93. Impact of Pandemic COVID-19 : PHD Chamber's detailed representation on short term and long term measures submitted to the Government (April 2020)
94. Mitigating the Impact of Pandemic COVID-19 on Trade & Industry: PHDCCI Representations to Government of India and State Governments (April 2020)
95. Compendium of various relief measures provided by the States to mitigate the impact of pandemic COVID-19 (April 2020)
96. Calibrated Approach to Exit from Lockdown (April 2020)
97. Compendium on Relief Measures provided by the Govt. under Direct & Indirect Taxes to mitigate the impact of pandemic COVID (April 2020)
98. Relief Measures provided by Ministry of Finance, Ministry of Commerce & others (April 2020)
99. Relief measures provided by various countries to mitigate the daunting impact of pandemic COVID-19 on economy, trade and industry
100. Analysis of COVID at International and Sub-national Level- Speed of Spread, Mortality and Recovery.

## Economy on the Eve of Union Budget 2024-25

101. Supplement of Recent Notifications by the Central Government, State Governments and Tax Authorities to Mitigate the Impact of Pandemic COVID-19
102. PHDCCI COVID-19 Updates
103. PHDCCI Quick Survey on Post Lockdown Business Scenario May 29th 2020
104. Impact of GST on Economy and Businesses (Aug 2020)
105. India's Imports from China: Strategy for Domestic Capacity Building (Sept 2020)
106. PHDCCI Economic and Business Momentum (EBM) Index (October 2020)
107. The Future of Expanding India-USA Bilateral Relations: Strengthening bilateral ties through FTA (November 2020)
108. New Year Economics – Growth Story Continues (January 2021)
109. PHDCCI Economy GPS Index (January 2021)
110. PHD Chamber Analysis on the Union Budget 2021-22 (February 2021)
111. Analysis of State Budgets FY2021-2022 (April 2021)
112. Impact of Coronavirus 2.0 on Economy and Businesses (May 2021)
113. Achieving a higher export growth trajectory 75 potential products and 75 focused markets (September 2021)
114. PHDCCI Analysis of Union Budget 2022-23 (February 2022)
115. Economy to resume normal growth curve in 2022-23 (April 2022)
116. Ease of Doing Business for MSMEs in India: Percolation EODB Reforms at the Factory Level (May 2022)
117. Prospects and Potential for Enhancing Exports and Reducing Imports of India (May 2022)
118. Pre and Post COVID Economic Dynamics of Leading Economies (June 2022)
119. PHDCCI Inflation Trends (June 2022)
120. India is an attractive destination for Green Hydrogen (August 2022)
121. Impact of Monetary Tightening on Inflation (November 2022)
122. India's Export Outlook (December 2022)
123. Mapping of 75 products among the States (December 2022)
124. India: A Growth Leader in G20 Nations (December 2022)
125. PHDCCI-India's Exports Outlook (IEO)-A Survey of Exporters' order books (January 2023)
126. India-UAE FTA. Unleashing Export Potential (January 23)
127. PHD Chamber Analysis of Union Budget 2023-24-(February 2023)
128. Post Pandemic Recovered and Unrecovered Economies (April 2023)
129. Effectiveness of policy rates of top ten leading economies (May 2023)
130. India consistently resilient in the global economy (May 2023)
131. The India-USA Bilateral Relations: Steady Strides into the Future (July 2023)
132. An Analysis of India's Trade Pattern with Latin American and Caribbean Countries (July 2023)
131. Growth Dynamics of India's Exports (July 2023)
132. Agriculture Boosts Economic Resilience (October 2023)
133. India's Emerging Export Dynamics: Vision USD 2 Trillion Exports by 2030( November 2023)
134. Mapping Post-Pandemic Socio-Economic Resilience of the States' in India ( December 2023)
135. Geopolitical Spillovers and Resilience of the Indian Economy ( December 2023)
136. New Year Economics PHDCCI Economic Outlook 2024 (January 2024)
137. Interim Budget 2024-25 A Reflection of Viksit Bharat (February 2024)
138. Viksit Bharat@2047 A Blueprint of Micro and Macro Economic Dynamics (April 2024)
139. Suggestions for the 100 days agenda of the new Government
140. Framework to Strengthen India's Gold Processing Industry-A Step in Building Gold Self-Reliance

### **B: State profiles**

141. Rajasthan: The State Profile (April 2011)
142. Uttarakhand: The State Profile (June 2011)
143. Punjab: The State Profile (November 2011)
144. J&K: The State Profile (December 2011)
145. Uttar Pradesh: The State Profile (December 2011)
146. Bihar: The State Profile (June 2012)
147. Himachal Pradesh: The State Profile (June 2012)
148. Madhya Pradesh: The State Profile (August 2012)
149. Resurgent Bihar (April 2013)

## Economy on the Eve of Union Budget 2024-25

150. Life ahead for Uttarakhand (August 2013)
151. Punjab: The State Profile (February 2014)
152. Haryana: Bolstering Industrialization (May 2015)
153. Progressive Uttar Pradesh: Building Uttar Pradesh of Tomorrow (August 2015),
154. Suggestions for Progressive Uttar Pradesh (August 2015)
155. State profile of Telangana- The dynamic state of India (April 2016)
156. Smart Infrastructure Summit 2016- Transforming Uttar Pradesh (August 2016)
157. Smart Infrastructure Summit 2016-Transforming Uttar Pradesh : Suggestions for the State Government (August 2016)
158. Rising Jharkhand: An Emerging Investment Hub (February 2017)
159. Punjab: Roadmap for the New Government Suggestions for the Industrial and Socio-Economic Development – Focus MSMEs ease of doing business (May 2017)
160. Prospering Himachal Pradesh: A Mountain of Opportunities (August 2017)
161. Kashmir: The way forward (February 2018)
162. Analysis of State Budgets for 2018-19: Select States (March 2018)
163. Rising Uttar Pradesh One District One Product Summit (August 2018)
164. Rajasthan: Steady Strides into the Future- Emerging Growth Dynamics and the Way Forward (September 2018)
165. Rising Jharkhand: Economic Profile (January 2019)
166. Rising Jharkhand: Skill Development to Spur Socio-Economic Growth (January 2019)
167. Progressive Haryana: Economic Profile (February 2019)
168. Progressive Haryana: The Agricultural Hub of India (February 2019)
169. Progressive Haryana Steady Growth Strides into the Future (June 2020)
170. Progressive Haryana Steady Growth Strides into the Future (June 2020)
171. States' Policy Conclave 2021: Role of States (December 2021)
172. Analysis of States' Budget 2022-23 (April 2022)
173. Gross and Inflation Dynamics in Select States (July 2023)
174. Rising Jharkhand: Economic Profile (January 2019)
174. Rising Jharkhand: Skill Development to Spur Socio-Economic Growth (January 2019)
175. Progressive Haryana: Economic Profile (February 2019)
176. Progressive Haryana: The Agricultural Hub of India (February 2019)
177. Progressive Haryana Steady Growth Strides into the Future (June 2020)
178. Progressive Haryana Steady Growth Strides into the Future (June 2020)
179. States' Policy Conclave 2021: Role of States (December 2021)
180. Analysis of States' Budget 2022-23 (April 2022)
181. Gross and Inflation Dynamics in Select States (July 2023)





**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY  
VOICE OF INDUSTRY AND TRADE

## About Us

PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 119 years. It is a forward looking, proactive and dynamic PAN-India apex organization. As a partner in progress with industry and government, PHDCCI works at the grass roots level with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

PHDCCI, acting as the “Voice of Industry & Trade” reaching out to more than 1,50,000 large, medium and small industries, has forged ahead leveraging its legacy with the industry knowledge across multiple sectors to take Indian Economy to the next level.

At the global level, we have been working with the Embassies and High Commissions in India and overseas to bring in the International Best Practices and Business Opportunities.

### PHD Chamber has special focus on the following thrust areas:

- Economic & Business Policy Advocacy
- Industry
- Infrastructure
- Housing
- Health
- Education & Skill Development
- Agriculture & Agri-business
- ICT
- International Trade
- Defence & HLS
- Banking, Financial Services and Insurance

## PHD CHAMBER OF COMMERCE AND INDUSTRY

PHD House 4/2 Siri Institutional Area, August Kranti Marg, New Delhi 110016

Phone: 91-11-49545454 | Fax: 91-11-26855450, 26863135 | Email: [research@phdcci.in](mailto:research@phdcci.in) | Website: [www.phdcci.in](http://www.phdcci.in)