

# EAC-PM expects GDP growth in 2022-23 at 7%-7.5%

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Members of the Prime Minister's Economic Advisory Council (EAC-PM) met in New Delhi on November 18 to assess the country's growth prospects.

The EAC-PM members were positive about real and nominal growth forecasts in the following fiscal year (FY 22-23), looking beyond the present fiscal year (FY 21-22).

## **Key Highlights**

- According to an official announcement, all members unanimously agreed that the budget for 2021-22 was well taken in all domains due to transparency and realism and that it was reformist and growth-oriented.
- The budget for 2021-22 was praised for reform efforts, as well as transparency and realism in the statistics, according to the report.
- Since the COVID-19 pandemic has resulted in a human capital deficit, EAC-PM members believe that these features should be carried on into the FY22-23 budget as well, signalling the use of the surplus revenue in the form of capital expenditure and human capital spending.
- Members agreed that a clear path for privatisation should be established and that the budget's growth orientation from the previous year should be maintained.
- The Reserve Bank also predicts 9.5% GDP growth this fiscal year, while the average expectation varies from 8.5 to 10%. Moreover, the Narendra Modi-led government's prediction is approximately 10%. In the June quarter of FY22, GDP increased by 20.1%.

**SOURCE:** *The Hindu*