

# Economy to grow 6-6.8% next yr, recovery complete: Survey

## 'Fiscal Discipline Will Help Lower Interest Rates, Boost Growth'

TEAM TOI

The annual Economic Survey for 2022-23 projected the economy to grow by somewhere between 6% and 6.8%, depending on global factors in 2023-24, with 6.5% a baseline expectation.

While admitting that the world economy faces considerable uncertainty that could affect India's growth, the survey struck a confident note, mirroring the sunny posture of the government, which plans to showcase the recovery on its watch as one of the main pitches for the 2024 polls. It maintained that reco-

**FULL COVERAGE: P 10, 17-18**

very from the multiple hits sustained due to the pandemic, the Russia-Ukraine war and subsequent policy-induced inflationary pressures

Photo: ANI

### UPSIDE

- **Limited impact of Covid spread in China** on the rest of the world
- Pause in interest rate hikes by central banks in US, Europe **may help foreign fund flows into India**
- If China's opening up does not trigger inflation elsewhere, **India could gain**
- **Stable domestic inflation rate** of below 6%
- Encouraging signs of pick-up in **private sector investment**
- Lower chances of recession in US, Europe **could boost exports**

### DOWNSIDE

- **Export slowdown** if global growth doesn't recover
- If commodity prices remain high, they could impact India's **current account deficit**
- High current account deficit could lead to **rupee depreciation**, making imports expensive and fuelling inflation
- If inflation remains sticky globally, **interest rates could stay high too**
- High interest rates would mean a **squeeze on fund flows** as well as **lower investment**



**MEASURED STEPS:** Finance minister Nirmala Sitharaman at Parliament on Tuesday

## IMF says India will grow at 6.8% in 2024

The IMF on Tuesday said its India's outlook remains robust, with unchanged forecasts for a dip in 2023 growth to 6.1% but a rebound to 6.8% in 2024, matching its 2022 performance. **P 17**

globally is "complete" in India, which has weathered the storm better than most and is poised to resume the pre-Covid growth trajectory.

## Core sector growth at 3-mth high of 7.4%

Production of eight infrastructure sectors rose at a 3-month high of 7.4% in Dec 2022 against 4.1% in the same month of 2021 on a better show by coal, fertiliser, steel and electricity segments. **P 17**

While the Centre had to move away from the path of fiscal consolidation in recent years to focus on reviving growth, the survey said the planned re-

## GST collections rise 10.6% to ₹1.6L crore

GST collections rose 10.6% to Rs 1,55,922 crore in January, logging the second-highest monthly collection, while the number of e-way bills issued in December touched a record 8.3 crore. **P 17**

turn to fiscal discipline would translate into a stimulus by lowering interest rates.

► **Pre-pandemic level, P 15**