Syllabus subtopic: Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

Prelims and Mains focus: about CCIG and its significance for India’s economy

News: The newly-formed Cabinet Committee on Investment and Growth (CCIG) held its first meeting on Monday as the government looks to boost spending to bring back a sputtering economy on track.

Background

- The meeting came against the backdrop of gross domestic product growth slowing to a six-year low of 4.5 per cent in the July-September quarter as the twin engines of investment and exports sputtered. Adding to the woes is a slowdown in consumption. This was the sixth consecutive quarter when the growth rate fell.
- Last week, Fitch Ratings cut its growth forecast for India to 4.6 per cent for 2019-20 fiscal on significant deceleration in the past few quarters due to credit squeeze and deterioration in business and consumer confidence. Moody’s has put 2019-20 growth at 4.9 per cent and the Asian Development Bank (ADB) estimates it at 5.1 per cent. The finance minister is likely to present her second budget on February 1, 2020

About the meeting

- PM Modi chaired the meeting of the CCIG.
- The panel has four other members — Home Minister Amit Shah, Highways and MSME Minister Nitin Gadkari, Finance Minister Nirmala Sitharaman and Commerce & Railways Minister Piyush Goyal.
- The meeting took stock of the latest economic indicators and also the immediate concerns of the economy. a source added, without divulging any further details.

About CCIG

- The Cabinet Committee on Investment and Growth was set up in June 2019 after the BJP won a second term in office.
- It was aimed at boosting spending to bring back the sputtering economy on
track.