EAC-PM welcomes the measures taken by the Government to Revive Economic Sentiment

News

The Minister for Finance & Corporate Affairs Smt Nirmala Sitharaman made path breaking announcements today by revising the corporate tax rate downward and altering the percentage and application of Minimum Alternate Tax in certain cases.

What is EAC-PM?

- Economic Advisory Council to the Prime Minister is a non-constitutional, non-permanent and independent body constituted to give economic advice to the Government of India, specifically the Prime Minister.
- The council serves to highlight key economic issues facing the country to the government of India from a neutral viewpoint.
- It advises the Prime Minister on a whole host of economic issues like inflation, microfinance, industrial output, etc.
- The PMEAC is chaired by a Chairperson and consists of eminent economists as members.
- It is supported in its functions by a team of officials and administrators.
- There is no fixed definition on the exact number of members and staff of the EAC-PM.
- Its role would thus be different from that of the NITI Aayog, the latter’s role will be to provide the bird’s eye view, while the former will focus on providing “critical interventions” to accelerate economic growth and employment.

Highlights:

- Measures to stabilize and enhance the flow of funds into the capital market and broadened the scope of CSR funding.
- EAC-PM has welcomed these comprehensive measures.
- These are important steps which will boost investment and enhance India’s economic growth.
- The Council feels that an even lower tax rate of 15% for companies making fresh investments in the coming months is bound to trigger new investments which will further augment India’s GDP.