

India's 2022 GDP growth to decline to 5.7%: UNCTAD

India's economic growth is expected to decline to 5.7 per cent this year from 8.2 per cent in 2021, a top UN agency projected on Monday, citing higher financing cost and weaker public expenditures.

India's GDP will further decelerate to 4.7 per cent growth in 2023, according to the forecast by the United Nations Conference on Trade and Development (UNCTAD) Trade and Development Report 2022.

"India experienced an expansion of 8.2 per cent in

2021, the strongest among G20 countries. As supply chain disruptions eased, rising domestic demand turned the current account surplus into a deficit, and growth decelerated," the report said.

It noted that the Production-Linked Incentive Scheme introduced by the government is incentivising corporate investment, but "rising import bills for fossil energy are deepening the trade deficit and eroding the import coverage capacity of foreign exchange reserves. **PTI**