

RBI must cut rates: India Inc

The government's note ban move clearly had a debilitating impact on India's economy, the industry said on Wednesday, after gross domestic product (GDP) data showed growth declined to 6.1 per cent in the January-March quarter. India lost the tag of the world's fastest growing major economy to China with a gross domestic product growth of 6.1 per cent in the fourth quarter. "For the sake of jobs, we need to get our act together and get the growth momentum in place. There is a call on the Reserve Bank of India to reduce the interest rates and boost confidence. "One only hopes that the impact of demonetisation has played out and does not spill into the current financial year," Assocham President Sandeep Jajodia said. Ficci President Pankaj Patel said the fourth quarter numbers point towards moderation which can be attributed to the ban of high denomination currency notes last year. However, he said the process of remonetisation is almost complete and growth impulse is gradually gaining momentum.

PTI

INDUSTRY REACTS

“For the sake of jobs, we need to get our act together... One only hopes that the impact of demonetisation has played out and does not spill into the current fiscal”

SANDEEP JAJODIA
PRESIDENT, ASSOCHAM

“Q4 numbers point at demonetisation... The process of remonetisation is almost complete and growth impulse is gradually gaining momentum”

PANKAJ PATEL
FICCI PRESIDENT

“For the sake of jobs, we need to get our act together and get the growth momentum in place.”



— SANDEEP JAJODIA, ASSOCHAM

Note ban hit GDP growth; RBI must cut rates, says India Inc

• AGENCIES
New Delhi

The government's note ban move clearly had a debilitating impact on India's economy, the industry said today, after GDP data showed growth declined to 6.1 per cent in the January-March quarter. India lost the tag of the world's fastest growing major economy to China with a gross domestic product growth of 6.1 per cent in the fourth quarter. For the full 2016-17 fiscal, GDP growth stood at a three-year low of 7.1 per cent.

"For the sake of jobs, we need to get our act together and get the growth

momentum in place. There is a call on the RBI to reduce the interest rates and boost confidence.

"One only hopes that the impact of demonetisation has played out and does not spill into the current financial year," ASSOCHAM President Sandeep Jajodia said.

Ficci President Pankaj Patel said the fourth quarter numbers point towards moderation which can be attributed to the ban of high denomination currency notes last year.

However, he said the process of demonetisation is almost complete and growth impulse is gradually gaining momentum. Patel said India's eco-

nomic growth is expected to gather pace in the later part of the current year. Jajodia said the underlying sentiment needs to improve.

"Even though the economy would have been demonetised, the manufacturing and other critical sectors would need certain sticky issues like inability of the banks and over-leveraged private sector balance sheets out of the way, before we reach a growth push," the ASSOCHAM President said. The government announced the decision to demonetise high denomination currency notes on November 8 last year, banning 86 per cent of the country's cash in circulation.

Videocon GST awareness drive

In a view to generate awareness and educate retail partners around GST implications, Assocham and Videocon, organised the first-of-its-kind GST Summit for traders. The daylong AGST Summit for traders witnessed deep discussions around GST, addressing retailers' queries, and offering them a clearer understanding of the GST concept.