



# Reformative measures like introduction of GST will improve economy: Vice President

## Addresses 90th Anniversary Celebration of Andhra Chamber of Commerce

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The Vice President of India, Shri M. Venkaiah Naidu has said that reformative measures like the introduction of GST will improve the economy. He was addressing the 90th anniversary celebration of Andhra Chamber of Commerce, in Chennai, Tamil Nadu today. The Governor of Tamil Nadu, Shri Banwarilal Purohit and the Minister for Fisheries, Personnel and Administrative Reforms, Tamil Nadu, Shri D. Jayakumar were present on the occasion.

Following is the text of Vice President address:

"I am extremely pleased to be amidst you and inaugurate the 90<sup>th</sup> anniversary celebrations of the Andhra Chamber of Commerce.

Ninety years is indeed a major milestone in the journey of this organization which was witness to the birth of Indian Republic and many other momentous events since it was formed in 1928.

From 35 members when it was formed, the Andhra Chamber of Commerce has grown into one of the most reputed industry associations and is having 1800 members at present. Besides, 55 trade and industry associations are affiliated to it.

Friends, the world is changing at a rapid pace aided by technological and digital revolutions. Any nation unable to keep pace with the changes will become a laggard. India is at the threshold of becoming one of the major economic powers and the private sector can play a huge role in accelerating the growth and development of the country.

Tamil Nadu is among the States which are in the forefront of industrialization. This State is known, among others, for the automotive, leather and textiles industries and the hard working nature of the population. To spur growth, we have to improve infrastructure, resource efficiency and promote innovative technologies.

Reformative measures like the introduction of GST will improve the economy in the long run, although there might be some teething problems in the initial stages of implementation. In the end, such reforms will also benefit the consumers.

With various measures taken by the government to step up economic growth, including FDI in various sectors and given the strong macro-economic fundamentals, India will continue to grow steadily. "The economic activity", according to the 'Country Snapshot' published by the World Bank, "is expected to stabilize, maintaining annual GDP growth at 7 % in the year 2018". The report goes on to say, "Growth is projected to increase to 7.4% by Fiscal year 2020, underpinned by a recovery in private investments prompted by a recent increase in public capex and an improvement in the investment climate (partly due to the passage of the GST and the bankruptcy code and the measures to attract FDI)".

Describing the two major recent reforms in India—demonetisation and goods and services tax (GST)—as a monumental effort, IMF chief said it is hardly surprising that there "is a little bit of a short-term slowdown" as a result. "But for the medium term, we see a very solid track ahead for the Indian economy," she said to a question on India.

Reasons for lower GDP growth during the past quarter. Imagine that you have appointed a Principal, director of a college which is notorious for poor quality of education. You find that most students cheat during the examination with support of the teachers and do well in exams. The result of the college has been always 90 per cent in recent years. You are a person with principles. And hence you have decided to eliminate cheating from the examination. You installed CCTV cameras in all examination halls and also take proper actions towards the students and the teachers' malpractices. The result is that, cheating is totally stopped in the examinations. However, the performance of your college dips drastically and less than 50 per cent students passed. This has been a bad performance in the recent years. You know face flack from all sides. Students are angry because they failed due to your strictness, teachers are angry because their track record got spoiled because of your, trustees of the college are angry because the result of their college has taken a beating under your charge. That is what happening in India right now.

Women's empowerment is one of the key parameters for the progress of any nation or society. I am happy that Andhra Chamber of Commerce led by Mrs. Indira Dutt, has set up Women's Business Forum to impart training to women students and employees to enable them become entrepreneurs. It is a laudable initiative. I hope the training is not confined to Chennai alone and will be conducted all over the State. The Chamber must identify a few leading industries in each district and tie-up with them for imparting training to women students and employees.

I am told that the forum also encourages women to take up community development. I feel that community development programmes must not only help the local communities to empower themselves but also enable them to take up initiatives to reduce poverty, promote sanitation and hygienic practices and create self-employment opportunities, among others.

I must also laud the Chamber for proposing to set up a skill development centre in Andhra Pradesh. Setting up of such centres is the need of the hour. As all of you are aware, about 65 per cent of India's population is under the age of 35 years and the youth need to be provided employment or training to become self-employed. Perhaps, the Chamber might do well to establish more such centres, both in AP and Tamil Nadu.

There is also a huge need to supplement Government's efforts in regard to Make in India and Digital India programmes. Make in India has been launched with a view to increasing the share of manufacturing in our GDP to 25 per cent by 2025. By doing so, it is estimated that additional employment opportunities to the extent of 90 million jobs will be generated.

The government is rightly focusing on generating employment and financial inclusion so that bottom of the pyramid, the poorest of the poor gain maximum advantage.

A study by the State Bank of India has shown that villages who opened bank accounts under Jan Dhan Yojana may be saving more and reducing their consumption of alcohol and tobacco. We must collectively build on this momentum. Organizations like yours have a crucial role.

My best wishes to the Chamber for all its future endeavours.

JAI HIND!"

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