

Management Education & Research Institute

Report

India's Economic Slowdown

Guest Lecture by Prof. Umesh Kalra former Indian Economic Services (IES)

Date:-28/01/2020



India's economy is facing a deep slowdown and a credit crisis the GDP has fallen to 4.8 % which has raised lot of concerns about India's growth, with this in view MERI organised a guest lecture on India's Economic Slowdown by Prof Umesh Kalra . Mr Kalra discussed the reasons for slowdown in very simple way in a story form , he highlighted the fact that various policies and decisions by former governments during 1988-90 sow the seeds of this recession that repercussions we are facing today further he explained that though liberalisation, Privatisation & globalisation (LPG)gave a boost to the Indian economy during 91-2010 but easy loans to even Organisations with negative balance sheets / poor credit worthiness and poor recovery mechanism further lead to increasing NPAs of banks which has caused slump in consumer demand . GST , Demonetisation and slump in automobile sector

further added to it. He suggested that if the current government reduces the tax slabs and brings changes in investment under section 80C it will definitely increase the purchasing power of consumer giving a push to consumer demand and leading to increase in GDP.