



Indian Chamber of Commerce

Press Release

Amit Shah addresses ICC in Kolkata, says country cannot grow at 10% unless East catches up

Kolkata, 12th August, 2015: India cannot possibly grow at 10 % unless the Eastern Region including States like West Bengal catches up with the rest of India, and grows fast, commented BJP National President Amit Shah, while addressing the Indian Chamber of Commerce (ICC) in Kolkata today. Shri Shah was speaking at a high-profile Exclusive Interactive Session, titled “Economic Agenda For Development of Eastern Region”, which was jointly organized by the ICC and the Chamber’s Ladies’ Study Group (LSG). The Forum saw huge turnout of people from the Industry, Media, Politics and other cross sections.

Sharing his views on the Indian economy in general, and the possible future growth path of Eastern India, in particular, the BJP President said that the UPA Govt. had created an atmosphere of policy paralysis, and when the previous Govt. went out of power, India’s growth rate had plummeted to only 4.4% of GDP. While referring to the pro-active steps that are being taken by the BJP-led Govt. at the Centre, Shri Shah opined that a liberal FDI regime, the ‘Make in India’ Campaign to boost Manufacturing ; the coal and power sector reforms, direct transfer of subsidies, streamlined tax regimes etc. have created a new wave of enthusiasm about the Indian economy among the domestic & the international investor community, and in about one year’s time, GDP growth rate increased from 4.4% to 5.7% . He further elaborated how this reform-oriented Government is trying to improve ease of doing business in the country, and unleash the potential for an investment-led growth by addressing key economic challenges and infrastructure bottlenecks. Emphasising that the Union Govt. is serious about streamlining of processes and procedures, Mr. Amit Shah said decision-making has become much easier now, which has led to improvement in Industry’s perception about governance in the country. Focusing on macro fundamentals, he said that overall inflation which used to be in the range of 5-7%, has come down to an extremely impressive -2.4%, thus proving the Govt.’s ability to undertake prudent fiscal & monetary measures & policies. The ambitious ‘Make in India’ campaign will go a long way in boosting technology-driven Manufacturing & technology transfers to India, and will give a big push to employment generation, Shri Shah opined. Commenting that Manufacturing Excellence and employment generation will need massive improvements in Infrastructure, Mr. Shah said that while during the UPA regime, 4 km of road used to be built per day on an average, this figure has gone up to 13 km per day now. The Black Money Bill, the push to Agricultural Reforms, establishment of the Niti Ayog for ensuring Policy formulation through participative consultations with the States, the FDI reforms, among other things , will set the ball rolling for higher future growth & development , the BJP Strategist emphasized. Commenting that the Govt. wants 24x7 electricity in every Indian village by 2019 under the Din Dayal Upadhyay Gram Jyoti Yojana, he added that there has been a 8.6% increase in production of electricity in this country, and 22,000 MW added to installed capacity over the last one year or so.

Talking about the East & North-East’s future growth prospects and constraints, Shri Shah said once a leader , a State like West Bengal, and the entire East as a matter of fact, has now become a laggard due to economic mismanagement. He said India cannot grow at 10% unless the East catches up, and manages to grow fast, and uneven growth within the country cannot be sustained. Emphasizing that the BJP-led Govt. believes that all regions and states across India should grow in tandem irrespective of whichever Party is in power in those States, Shri Shah said that the Central Govt. is trying it’s best for ensuring that high-potential States like Bengal can usher in a steady process of industrialization. Lauding the absence of any corruption allegations against the current Govt. , Shri Shah said that more than Rs 2 lakh crore has been added to the nation’s treasury by transparent auction of coal mines , adding that this has tremendously benefited States like West Bengal, Odisha, Jharkhand and Chhattishgarh in significantly augmenting their resources necessary for growth & development, and wiping out their fiscal deficits. Stressing upon the Central Govt.’s commitment to bring in balanced

growth across States and co-operative federalism, the BJP National President highlighted that as per the recommendations of the 14th Finance Commission, the East & the North-East will benefit the most, and States like Nagaland, which will get a post-devolution revenue deficit grant of Rs 18,475 crore for a 5-year period, and West Bengal which will get Rs 11,760 crore, are among top 5 beneficiary revenue deficit states. Among the other beneficiary revenue deficit states are Assam, Manipur, Meghalaya, Mizoram and Tripura, Mr. Shah informed, adding that this trend of benefitting the East & the North-East proves that the Union Govt. places immense importance upon this region's future progress. The decision to increase states' collective share of taxes collected by the Union Government to 42 % from the earlier 32 % would give more freedom to the States, he said, adding that the cash-starved East can now spend more on its developmental priorities.

Talking specifically about West Bengal, the BJP President said that Bengal used to be a leading State at one point, but due to several reasons ranging from economic mismanagement to political turmoils, the state is unfortunately now considered to be an unattractive investment destination. He said that while the Union Govt. is committed to handhold Bengal and partner the State in its future progress, it is of utmost importance that investment climate in the State improves considerably. Unless law & order, investment climate and business sentiments improve, the impact of pro-active Policymaking at the Centre will not percolate down to Bengal, Mr. Shah said, adding that the political will to deliver, and take industrialization forward is lacking in West Bengal, and this has to be corrected if the state has to realize its true potential.

Earlier, Mr. Aditya Agarwal, Senior Vice President, ICC welcomed Mr. Shah, and said that the Eastern states are front-runners in agricultural and horticultural production, have significant mineral resources, and offer a huge base of low cost labour. Further, since the region is strategically positioned and shares international borders with countries like Nepal, Bhutan and Bangladesh, Mr. Agarwal emphasized that it can act as a Gateway to the South & South-East Asian markets, and can play a huge role in taking India's 'Act East' focus forward. The Central Government has framed a definitive agenda which strongly focuses on improving the overall business environment of the nation, and Mr. Agarwal expressed that ICC is confident that the Government led by our dynamic Prime Minister, will continue to play a significant role in empowering regions and states of the country, and the East, led by states like West Bengal, will be a partner in that progress.

Ms. Rita Punwani President of the Ladies' Study Group (LSG) of the Indian Chamber, in her address, said that the recent policy reforms initiated by the Central Government have deeper implications for the Eastern part of the country. She said that the Government's "Make in India" initiative is in perfect sync with East India's comparative advantage of being the manufacturing base of a number of industries including textiles & garments, jute, leather, handlooms and handicrafts. Ms. Punwani also informed about the various initiatives and plans of the LSG which focus upon women empowerment & entrepreneurship, and requested the BJP President to elaborate on the various schemes and measures that the Govt. has taken, or plans to take regarding women safety & empowerment, and also women entrepreneurship.

The Session ended with a Vote of Thanks by ICC Director General Dr. Rajeev Singh

For further information please contact:

Sreeraj Mitra / Kaushik Chatterjee / Saurav Mukherjee

Sagittarius Communications

Ph: 9007307884 / 8697719310 / 9830006528