Business Standard

Demonetisation to result in lower interest rates: IMC Chamber

Demonetisation will bring Rs 400 lakh crore of black money into the banking system in the next three years, says IMC Chamber

BS Reporter **November 15, 2016** Last Updated at 02:27 IST

IMC Chamber of Commerce & Industry on Monday said the government's demonetisation move would result in lower interest rates and bring Rs 400 lakh crore of black money into the banking system in the next three years.

IMC Chamber President Deepak Premnarayen pegged black money at almost 30 per cent of India's gross domestic product. Prices in real estate and luxury goods segments are also expected to drop in the short term, he said.

PHD Chamber's prescription: Pay advance salary in cash

As the people struggle to deposit and withdraw cash in the aftermath of the demonetisation move, the PHD Chamber of Commerce and Industry has suggested the government to pay an advance salaries of November in cash to its employees at the rate of Rs 10,000 with new Rs 500 notes.

PHD Chamber President Mahesh Gupta advised the government to instruct public sector and private sector companies to pay their employees in this manner.