

'Global economic crisis is crisis of confidence'

■ Business Bureau

RENOWNED speakers from different fields were optimistic about the prevailing economic crisis blowing down soon without affecting the Indian economy significantly. They felt that the crisis was merely a crisis of confidence. This was the outcome at the panel discussion was organized by the Economic Forum of Vidarbha Industries Association (VIA).

R B Gupta, AGM Bank of Baroda, traced the history that led to the financial crisis. He said that the American Government failed to kick off any remedial measures even though they were fully aware about the growing hollowness. He termed the present crisis as a Financial Tsunami, which will ease after a few months. The crisis is mainly a loss of confidence, he felt.

He said there were no problems with Indian banks, especially the scheduled banks. With RBI playing the role of a strict watchdog the Indian banks were very careful in disbursing loans, he said.

Praksh Soni, Director of Soni Polymers was of the view that in spite of globalization, the Indian econ-



Delegates at the panel discussion organised by VIA.

omy was dependant on domestic market. He called upon the exporters to restrain caution while dealing with American companies. He called upon the exporters to explore new countries for exports and concentrate on China and far east countries. Rajesh Loya, Past Chairman of ICAI, Nagpur branch termed the crisis as "Man Made." It will be a short time impact because of the uncontrolled American banks. This may not have major effect on Indian

economy but will have some affect on unstable rupee value. He warned the traders to be realistic and act astutely and called upon the industrialist not to take risks to register higher turnover.

He said that the industries should also increase their margin money, as it would lower the interests. He was of the firm opinion that one should not venture into new projects for the next six months and focus on fundamentals only. He

said that the industries should also increase their margin money, as it would lower the interests.

Prashant Wasankar, share broker said that market can dip below the 8000 mark, but was optimistic about the boom in economy in the next 2 to 3 years.

Dr V K Jain, Past Chairman of ICSI Nagpur chapter attributed the present crisis to CDO and CDS schemes of the America and that it will not have much impact on Indian economy. Since The Indian Economy is based on sound fundamentals this crisis will be of short-term he said.

Sameer Bendre, Director of Persistent Systems endorsed the views of all speakers and said that as 90 per cent of the IT clientele were from US.

"This sector is feared to be most badly affected. The companies may not register an impressive growth like in the past and may be less than half too., he said.

Pravin Tapadia, President of VIA in his welcome address said VIA has formed the Economy Forum. Anil Parakh, Co-ordinator of Economy Forum conducted the proceedings.