

BUSINESS

Demonetisation will bring economy to a new equilibrium, says NITI Aayog CEO

**SPECIAL CORRESPONDENT**

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Demonetisation will bring the Indian economy to a new equilibrium with low tax regime and lower interest rates, NITI Aayog CEO Amitabh Kant said here on Saturday.

“In the long term, there will be a new equilibrium in the economy with low interest rate and low tax rate which will lead to efficiency,” Mr. Kant said here at a conference organised by Confederation of All India Traders (CAIT).

“Bank deposits will go up and the move will address the structural weaknesses in the banking system. But the biggest achievement would be the end of a parallel economy,” he said.

Mr. Kant urged traders to facilitate cashless transactions through various modes such as debit and credit cards, bank transfers and e-wallets.

“Around 86 per cent transactions in India are through cash which is the highest globally. This leads to corruption and leakages. Demonetisation will take India towards a cashless economy,” he said.

Aadhaar-enabled payment

Ajay Bhushan Pandey, CEO, Unique Identification Authority of India called traders to adopt Aadhaar-enabled payment system to go cashless. “Aadhaar number and fingerprint will be sufficient for customers to make transactions. They will not be required to carry their debit or credit cards once their bank details are linked with the Aadhaar number.”

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