

Manufacturers and traders in India are pocketing windfall profits with appreciation of Indian Rupee

NEW DELHI, Oct 2 APP: The manufacturers and traders in India are enjoying windfall profits over appreciation of Indian Rupee against the US dollar, without passing on benefits to the commonman.

With the huge investment of dollars in equity market and other related factors, the Indian Rupee has registered 20% appreciation against dollar during the last two years.

The economists here observed that exporters have suffered due to this economic phenomenon but a large number of manufacturers and importers are pocketing profits.

The import of oil and raw material for industries have become cheaper but this benefit has not been passed on to the consumers.

The economists and financial managers have drawn the attention of the government to this grave situation and asked it to intervene and protect the interests of the consumers.

Chairman of the Indian Institute of Finance Dr. J.D Agarwal asked the Indian Government to ensure reduction of prices of goods being manufactured using imported raw materials.

He complained that the industry and trading houses had pocketed the profit arising out of the appreciation instead of passing it on to the consumers.

The importers and producers of goods with contents of imported raw materials also get benefited for lower payments of customs and excise duty.

According to him, most of the white goods such as Refrigerators, Air Conditioners, Computers, Laptops, Televisions, luxury Cars, Mobile Phones and branded software have high content of imports either in terms of raw materials or finished goods, which should be cheaper in India, but this is not the situation. The consumers have suffered, he added.