

## 7th Pay Commission: Salary hike to boost demand in consumer durables sector

[http://zeenews.india.com/business/news/companies/7th-pay-commission-salary-hike-to-boost-demand-in-consumer-durables-sector\\_1901839.html](http://zeenews.india.com/business/news/companies/7th-pay-commission-salary-hike-to-boost-demand-in-consumer-durables-sector_1901839.html)

New Delhi: Implementation of the 7th Pay Commission recommendations will give a much-needed boost to demand in the consumer durables sector, which has witnessed sluggish sales in the last couple of years, industry players said.

Terming the Seventh Pay Commission as key to boosting demand especially when the global economy is reeling under the Brexit impact, Consumer Electronics and Appliances Manufacturers Association (CEAMA) President Manish Sharma said consumer spending is expected to rise.

"We strongly believe that consumer spending will be on the rise owing to an increase in income levels by 23.55 percent.

"With the rise in disposable income and scaling of e-commerce, the consumer durable industry is expected to grow by 15 percent in this fiscal," Sharma said in a statement.

Echoing similar sentiments, South Korean manufacturer LG said that both urban as well as rural sales will improve.

"Certainly Seventh Pay Commission implementation will have a positive impact. We expect people will upgrade their consumer durables post increase in disposable income," LG India Corporate Marketing Head Niladri Datta said.

According to Sony India Sales Head Satish Padmanabhan, the hike would have a quite positive impact as more money would come into the market.

"Overall sentiment is looking quite good because of on par monsoon and all in all, it would be a good bonus for the business," said Padmanabhan.

Panasonic India Head, Sales and Service, Ajay Seth said, "With the festive season approaching imminently, we have already channelised our businesses to meet the heavy demand for consumer durables and smartphones."

Videocon COO C M Singh said that the pay panel recommendations would favor 50 lakh central government employees and 58 lakh pensioners, which in turn will trigger purchases.

"This will certainly have an impact on the sales and trigger purchases. Favoring a tilt in demand for premium products, we expect the new age technologies segment to boost our business," said Singh.

Whirlpool of India Managing Director Sunil D'Souza said, "This is great positive for the consumer durables industry since this will definitely spur demand for discretionary and aspirational products".

"We look forward to this contributing to good growth in the later part of this year," he added.