

Policy Research & Development Committee

Conference on INDIA 2025: Enhancing Competitiveness of India

Date : 9 March, 2018, Friday, 2.30 p.m. - 8.15 p.m.

Venue : InterContinental, Marine Drive, Mumbai

135, B Road, Marine Drive, Churchgate, Mumbai 400 020

On 9 th March, 2018, The Policy Research & Development Committee, Taxation & Accountancy Committee and PEVC Committee of Bombay Chamber organized a signature event on '**Vision 2025: Enhancing Competitiveness of India**' at InterContinental, Marine Drive, Mumbai.

Shri Vijay Srirangan, Director General, Bombay Chamber inaugurated the event by delivering the welcome address. The half day event was divided into five different sessions.

The first session was on **Macro economy, Public Finance and Taxation**. **Dr. Rathin Roy**, Director, NIPFP and Member, Prime Minister's Economic Advisory Council delivered the address by the Keynote Speaker at the inaugural session. He shared his thoughts on '**Structural Challenges Facing India's Fiscal Policy**'. Dr. Roy opined that 'India does not have a complex economy but it does have a complex sociology which causes the economy to display complexities. It is not the other way round.....'. He added....from Demand Perspective, Relative Price in this country have moved to benefit the consumption of some Indians but not the consumption of all Indians.....'. According to him"....Development Transformation will be possible when at least half of India's population will be players of this country's economic development.....". He suggested that "Food, Clothing, Healthcare, Education& Housing...all are jobful areas....no Robot or Artificial Intelligence is going to change the production function so radically that employment in these areas could fall in foreseeable future.....". Dr. Roy concluded his speech with the message that ".....In India Transformation is not going to happen through Fiscal Policy....it is a structural problem and can only happen by changing the Business Model.....may be from Incremental Transformation to a Non-incremental one.....". Mr. Sudhir Kapadia, Chairman, Direct Tax Committee, Bombay Chamber and Partner & National Tax Leader, Ernst & Young anchored the session.

The second session was on **Labour, Employment and Technology**. **Dr. Ajit Ranade**, Chief Economist, Aditya Birla Group in his keynote address emphasized that labour displacement would not automatically lead to less jobs in the same industry. He suggested sometimes labour displacing had ended up as a huge opportunity. He agreed 'labor intensive low cost manufacturing strategy is no longer available' but he added '...it does not mean there is no other strategy.....'. He concluded by saying that ".....'re-skilling' could be one solution of

coexistence of job shortages & skill shortages in the same market.....”. Mr. Milan Seth, Partner and Leader Automation Practice, Ernst & Young anchored the session.

The third session was on **Legal & Regulatory Aspects**. The Address by the keynote speaker was delivered by **Mr. Nishith Desai**, Founder & Managing Partner, Nishith Desai Associates. Mr. Bharat Vasani, Chairman, Legal Affairs & IPR Committee, Bombay Chamber anchored the session. In the fourth session on **Exchange / Capital Markets Perspective**, **Mr. Ashishkumar Chauhan**, Managing Director & CEO, Bombay Stock Exchange shared his views with the esteemed audience. Mr. Ashith Kampani, Chairman, PEVC and Capital Markets Committee, Bombay Chamber anchored the session.

The Chief Guest of the event , **Shri Viral Acharya, Dy. Governor, Reserve Bank of India** addressed the audience on **“Global Spillovers: Managing Capital Flows and Forex Reserves”**. In his research based speech, Dr. Acharya conveyed the message that capital flows into emerging markets can reverse quickly, leading to a sudden stop in their external borrowing with attendant macroeconomic consequences. He examined theoretically the role of reserves management and macro-prudential capital controls as ex-post and ex-ante safeguards, respectively, against sudden stops, and argued that those measures were complements. With foreign investment flows into both domestic and external borrowing markets, capital controls need to account for the possibility of regulatory arbitrage between the markets. Through the lens of the model, he analyzed movements in foreign reserves, external debt, and the range of capital controls being employed by one large emerging market, viz. India. Dr. Siddhartha Roy, Chairman, Policy Research & Economic Advisory Committee, Bombay Chamber anchored the session.

This high profile event was concluded with Vote of Thanks by **Ms. Pinky Mehta** ,Chair Person, Indirect Taxation Committee, Bombay Chamber and CFO, Aditya Birla Capital Ltd.