

Lower tariffs can spur 7% growth, boost competitiveness: NITI's V-C

Business Standard
Manthan

Big ideas take centre stage on concluding day of BS thought summit, as bureaucrats, corporate leaders, and startup pioneers converge

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Lower tariffs could be one way of achieving 7 per cent growth and making the economy more competitive, said NITI Aayog's Vice Chairperson Suman Bery, during a fireside chat at the second edition of *Business Standard Manthan* on Friday in New Delhi.

"It should not be the case that we do things only because it suits the US. We should use this pretext to do things that are in our own interest," Bery said.

Speaking on the concluding day of the thought summit, Bery highlighted that Indian policymakers must keep an eye on the indirect consequences of the Donald Trump administration. He said that India, as the soon-to-be the world's third-largest economy, is heavily influenced by global growth and financial conditions, such as the US dollar movements and US bond yields. Because of the challenges of climate change and technology, he added, the world needs a major investment push.

Discussions at the end of the two-day conference brought together leading figures, from bureaucrats and corporate bigwigs to startup entrepreneurs.

Union Labour Secretary Sumita Dawra, speaking during a panel discussion about the future of jobs, said the employment-linked incentive scheme was underway. "When we look at AI and digital interventions, they are also expected to create jobs in the economy. The integration of AI in the information technology (IT) sector will create more jobs. Tourism and health — these are additional sectors that are going to drive job growth. Not to mention international mobility," she said.

Ajai Chowdhry, HCL co-founder, called for greater government focus on strategic economy and technology sovereignty, even suggesting the creation of a separate ministry of technology. He said



PHOTO: PRIYANKA PARASHAR

"Formalisation of labour contracts and the workforce is important, and it's probably the labour laws that make medium and large scale enterprises shy of hiring labour"

SUMAN BERY, VICE CHAIRPERSON, NITI AAYOG

the government needs a plan for semiconductor and quantum technology.

"We need to make ourselves quantum secure. Every small country is investing in it in large amounts because once a quantum computer appears on the scene, it will threaten cybersecurity for every country," Chowdhry said.

Stressing how small farmers were quick to respond to market signals and adopt technology, Ramesh Chand, a member of NITI Aayog, said agriculture

was, is, and will remain India's strength. Addressing a panel discussion, he said agriculture had achieved a remarkable growth rate over the past decade, but there were significant variations in farm income across the country.

"While there are problems with the agriculture sector in Punjab, it is the model in terms of how agriculture can be transformed so that a farmer's income is higher than that of a non-farmer," he said.

Turn to Page 15 ▶

"India should scrap the long-term capital gains tax to respect the markets and foreign investors"

SAMIR ARORA
Founder & Group CIO, Helios Capital



P7

"If we implement quantum key distribution in the country early, we will be quantum secure"

AJAI CHOWDHRY
Co-founder, HCL



P9

"When we look at AI and digital interventions, they are also expected to create jobs in the economy"

SUMITA DAWRA
Secretary, Ministry of Labour & Employment



P7

▶ **INDIA NATURAL CHOICE FOR MANUFACTURING:** SUNIL VACHANI P8

▶ **TOURISTS SEEK INDIA'S SOUL, NOT JUST ITS SHOPS:** HUBLOT CEO P6

▶ **'LOCALISED SUPPLY CHAIN KEY TO LONG-TERM SUCCESS IN RENEWABLE ENERGY'** P8

▶ **GM ONLY WAY TO LOWER EDIBLE OIL IMPORTS:** NITI'S CHAND P9



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‘India has advantage as world looks for China alternatives’

Samir Arora, founder and chief investment officer of Helios Capital, highlighted that capital gains tax had soured investor sentiment.

“The largest investors in the world and in India are foreign sovereign funds, pension funds, universities, and high-net-worth individuals (HNIs). Taxing them on their gains, especially when they have no tax set-off available in their home country and when they face forex-related risks, is a big mistake that the government is making,” Arora said.

Sunil Vachani, co-founder and chairman of Dixon Technologies, pointed out that India had an advantage as the world looked for alternatives to China. He also said India needs to hold off on reciprocal tariffs until a free-trade agreement is in place.

“We have the largest market for some of the products we manufacture, we have a large pool of labour, and we can excel in design and manufacturing. We have shown that our manpower can be the most productive in the world compared to many other countries if they are given the right inputs,” Vachani said in a fireside chat.

Discussing how India could build its own luxury brand, Julien Tornare, CEO of Hublot, said the country had huge potential when it came to luxury. On why luxury matters, he said: “Luxury provides a great feeling of accomplishment, happiness.”

Tornare, who is visiting India for the first time, said the country could strengthen its tourism ecosystem so that visitors experience not just its culture, food, and heritage, but also its brands.

The discussion on renewable energy witnessed participation from Adani Green Energy CEO Amit Singh, Tata Power Renewable Energy’s Managing Director and CEO Deepesh Nanda, and Suzlon Group Vice Chairman Girish Tanti.

Singh highlighted that localising supply chains alongside developing a large talent pool was essential to accelerating progress in renewable energy.

In a panel discussion on the future of jobs, Radhicka Kapoor, senior employment specialist at the International Labour Organization, said the potential

for AI to augment jobs could outweigh its automation effects.

Meanwhile, Hiranmay Pandya, All India president of the Bharatiya Mazdoor Sangh, called for a human-centric

approach to technology.

Pandya said that while technology has been helping create new jobs, such as gig and platform work, there is a need to upskill the labour force.

On the much-debated issue of a 90-hour work week, Kapoor said: “Having a work-life balance and safe working conditions is most important. Data on work hours should not be seen in isolation from productivity. I would be cautious in interpreting what working hours mean.”

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