

CEPR

CENTRE FOR ECONOMIC
POLICY RESEARCH

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ceprindia@cepr.in



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Contents

1. Round-table conference on the topic ‘India Reboot: FRBM Act and its Impact on Indian Economy’	2
2. Panel Discussions on ‘Modinomics’	3
3. ‘Skill Development Mission: Challenges and Opportunities.....	5
4. Interactions with Rice Exporters.....	7
5. Post-budget Discussion.....	9
6. Deliberation on Job Creation.....	11
7. India Energy Security - 2030.....	13
8. Discussion with Minister of Ayush.....	15
9. Discussion with Minister of Power, New and Renewable Energy.....	15
10. Discussion with Minister of Commerce and Industries.....	16
11. Discussion with Member of Parliament (Rajya Sabha) Sh. Swait Malik.....	16
12. Our Publications.....	18

India Reboot: FRBM Act & its impact on Indian Economy

Centre for Economic Policy Research or CEPR, organized a discussion on “Fiscal Responsibility and Budget Management (FRBM) Act and its Impacts on Indian Economy” which was held on 9 June 2017, at the India International Centre Annexe. The discussion panel consisted of DK Joshi, Swadeshi Jagran Manch’s National Co Convenor, Ashwini Mahajan, and Director of CEPR, Dr. Subhash Sharma. The panel emphasised that the need for broad range for Government’s fiscal deficit in place of the current practice of having a fixed target which led to the formation of the N. K. Singh committee to review the working of the FRBM Act.

The debt to GDP ratio
of 60% is targeted,
shall be
achieved by 2023

The panelists discussed the report threadbare. The first volume of the report addresses the issue of fiscal policy, fiscal roadmap, international experience and recommendations therein. Second Volume refers to international best practices, the third volume deals with Centre-State issues and the fourth volume deals with ‘what we call the domain experts’, both national and international. The panelists discussed about debt as the primary target for fiscal policy. The debt to GDP ratio of 60% was targeted, which should be achieved by 2023 and in order to achieve that, the Committee proposed yearly targets to progressively reduce the fiscal and revenue deficits. Panelists mentioned the addition of an autonomous fiscal policy council that would prepare multi-year fiscal forecasts, recommend changes to the fiscal strategy, improve quality of fiscal data, advise the government if conditions exist to deviate from the target and also to take corrective action for non-compliance with the Bill.

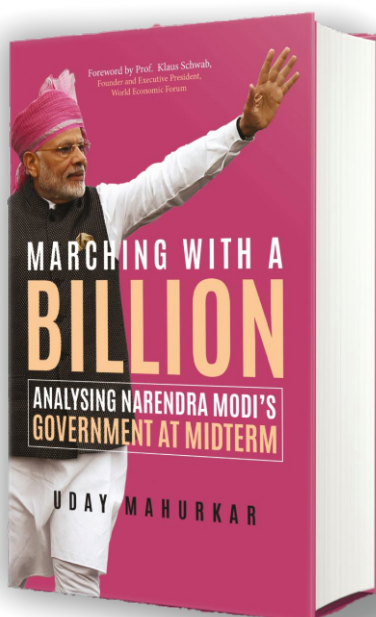
The discussion concluded by talking about the grounds on which the government can deviate from the specific targets and also the circumstances when the government can borrow money from the RBI were a topic of discussion. The dissent note submitted by Arvind Subramanian, Chief Economic Adviser CEA to the Government of India, who believed that there should be a single objective because multiple targets with precise limits may make it difficult to achieve them all was also mentioned by the panel.



Sh. Anil Sharma
Director, UCO Bank,
D. K. Srivastava,
Chief Policy Advisor,
EY, and
Dr. Subhash Sharma



Panel Discussions on 'Modinomics'



Centre for Economic Policy Research or CEPR in collaboration with Penguin India organized two panel discussions on Modinomics --a mid term review of PM Narendra Modi's work. The first discussion happened at India International Centre on July 3, 2017 and second at Punjab Raj Bhawan, Chandigarh on July 21, 2017. The first discussion hosted Union Minister for Transport, Highways and Shipping, Nitin Jairam Gadkari, as the chief guest. The discussion was moderated by Senior Associate Editor, India Today Group, Anilesh S. Mahajan. The second discussion had Punjab's Governor & Administrator of UT Chandigarh, VP Badnore & Himachal Pradesh's governor Acharya Dev Vrat.

Before the both the discussions started, book authored by India Today's Deputy Editor, Sh. Uday Mahurkar's 'Marching with a Billion: Analysing Narendra Modi's Government at Midterm' were released. To start the first discussion, Sh. Gadkari shared his personal anecdote to illustrate the decision making of the Prime Minister. In fact, in the second discussion inaugural, Sh Badnore said that the PM Modi believes in doing simple things right, and has immense eye for details.

In the first debate other panellists include, former advisor to PM, Sh. Sanjaya Baru, National Organiser of SJM, Sh. Kashmiri Lal, BJP's General Secretary, P Murlidhar Rao. The second discussion at Chandigarh had BJP's president there, Sh Sanjay Tondon, Lt General (retd) KJ Singh and SAD General Secretary DS Cheema. The speaker of Punjab Vidhan Sabha, Rana K.P. Singh also spoke on the occasion.

In his speech, Sh. Gadkari underlined how the PM Modi is connecting the nodes of Indian economy. He gave example of the integrated transportation initiative for roads, railways, waterways and civil

aviation. He added that the *Sagarmala* and *Bharatmala* programmes to construction of new ports and expressways will act as gateway of India's prosperity.

Uday Mahurkar said that, Modinomics is based on involving all Indians in economic growth of India. He believes, that this approach wasn't there earlier. He appreciated the work of the present government and the monumental changes the prime minister has brought about, including digital innovation and the uprooting of middlemen, which has resulted in an unprecedented level of transparency, and a resolute assault on poverty.

Kashmiri Lal, National Chief, Swadeshi Jagran Manch, he listed several reforms initiated by the NDA government, and listed series of challenges in the three years, which people in governance may have to address. This include the investments coming in from the China.

Later in Chandigarh, Lt General Singh, said that political courage PM Modi has shown to own surgical strikes after the Uri attack is exemplary. Similarly, DS Cheema --whose party SAD is part of the NDA, said that the new regime is giving more space to the state governments in terms of independence in planning their expenditures. He said that in the first half of the tenure, the states have started responding to a newer idea of federalism floated by the PM Modi.

Dr Subhash Sharma proposed the vote of thanks and lauded the performance of the Modi government for the past three years and cautioned that the government must remain focused on development and inclusive growth.



Nitin Gadkari making his points to discuss the working style of the PM Narendra Modi

Above Right: Dr Sanjaya Baru, ex-Advisor to PM, Sh Uday Mahurkar, Dy Editor, India Today, Sh. Kashmiri Lal national organiser, SJM, Nitin Gadkari, Minister of Road Transport & Highways, Shipping and Water Resources, River Development & Ganga Rejuvenation, P Murlidhar Rao, General Secretary BJP and Dr Subhash Sharma, Director CEPR

Below left: Panel discussion at Punjab Raj Bhawan Chandigarh: Dr Subhash Sharma, Chandigarh BJP president Sanjay Tondon, LT General (retd) KJ Singh and ex-education minister in Punjab, DS Cheema.



Skill Development Mission: Challenges and Opportunities

**we not only need to
train youth with the
skills, presently
required but
also with the skills
that will be required
in times to come.**

Centre for Economic Policy Research or CEPR, organised a discussion on “Skill India Mission Challenges and Opportunities”. The dignitaries who took part in the event were Dr. Meenal Sharma, Associate Professor, Dr. Ashwin Johar, Vice Chairman, CEPR, Satish Kumar, Vice President, Swadeshi Jagran Manch and Dr. Subhash Sharma, Director, CEPR. The discussion was moderated by Muni Shankar, Program Director, CEPR.

The panel initiated the discussion by highlighting the future requirements of the Nation in terms of skills. They believed that Artificial Intelligence (AI) is the future and people should be prepared to embrace it. Panellists put forward the idea that the youth needs to be trained for the skills presently required and also the skills required that would be required in future.

The success and challenges of Skill India Mission in Punjab were highlighted in the discussion. The initiative is believed to be a strong step forward in the direction of Economic Development and can become successful with proper implementation and monitoring.

Challenges that require urgent redressal were discussed. They spoke about the, National Skills Development Agency or NSDA, that proposed Certification Program in accordance to which any trained labour after passing an exam or test could get the certification.

Panellists believed in the idea that, Young India should focus on basic skills like education, Cattle Farming and Dairy Farming, Tourism. Since, the requirements of skill development are different from region

to region, an area-specific skill policy should be localized rather than a uniform and centralized policy.

The panel concluded the discussion by suggesting that the Skill Development Mission must focus on Youth and Employment, keeping in mind the demographic dividend of the Nation. They believed in the idea that the roots need to be connected and groundwork be done, in order to turn Prime Minister's vision into reality.



Youth putting up queries in front of the dias related to various schemes under National Skill Development Mission

Sh. Muni Shankar Pandey, Program Director, CEPR, Dr. Meenal Sharma, Associate Professor, Dr. Subhash Sharma, Director, CEPR, Sh. Satish Kumar, Vice- President, SJM, and Dr. Ashwin Johar, Vice-Chairman, CEPR Addressing the hall full of youth.



Dr. Meenal Sharma, Associate Professor facilitating the participants.



Interactions with Rice Exporters

A discussion on the strength and challenges in the export of Basmati Rice supported by All India Rice Export Association or AIREA was organized at Swadeshi Mela.

Basmati Rice generates maximum foreign exchange as compared to any other agricultural product in India

Prominent speakers like Dr. Ritesh Sharma, Principal Scientist, Basmati Export Development Foundation under APEDA, Ministry of Commerce, Dr. Subhash Sharma Director of Centre for Economic Policy Research, CEPR and an expert in agricultural sciences along with Vinod Rishi, Prant Sanyojak, Punjab, Swadeshi Jagran Manch were a part of the discussion. The discussion was moderated by Muni Shankar, Program Director, CEPR.

The panel stressed on the fact that Basmati Rice generates maximum foreign exchange as compared to any other agricultural product in India. Hence, the quality of exports should be maintained and this responsibility falls upon the shoulders of Basmati Farmers and the prescribed practices should be followed to grow a good quality basmati. In their view, the greatest fear among farmers is to get their Basmati rejected before export which affects the Basmati Farmers economically.

The practices that help maintain the desired quality, begins with choosing the right kind of seed. The characteristics of good quality seeds include higher genetically purity, higher physical purity for certification, possession of good shape, size and color.

Various seeds are being developed by agricultural research centres like Indian Agricultural Research Institute or IARI, Punjab Agricultural University or PAU, which are suitable for different areas and are easily available at Government seed centres. The panel advised the farmers to attend workshops and training sessions to understand the process.

**In the long run,
the focus should be on
the organic farming
techniques to maintain
the health of the fields**

Transfer of seedlings from the nursery to the rice fields is a critical step, because the nursery helps in producing healthy seedlings, without insect pests which gives better yield. Sowing of plants, proper spacing of saplings, irrigation of fields and use of organic fertilizers and composts, should be done with precision. Saplings should be sown at the correct time to produce the desired fragrance which is a must for Basmati.

Panellists suggested the use of manual methods to protect the fields from the constant threat of weeds and pests and also the farmers should be aware about bugs like dragonfly which destroy pests and bugs that are harmful to crops. Chemical pesticides should be the last resort, only when prescribed by the scientist.

IPM techniques, namely – Pheromone trap and Trichocard are helpful in removing the bugs. They said that the harvesting process must not be delayed even if the lower section of the crop is not ripe because cutting is best done with hands 8 inches above the ground. The last step is choosing the Rice Mill with modern equipment and best food processing capacity should be first preference of the farmers.

The event came to an end after creating excitement among the exporters by discussing practices that would ensure more foreign currency in their pockets.



Eminent agriculture experts including Dr Subhash Sharma, Director , CEPR Vivek Rishi ex-member PPSC and Ritesh Sharma, Principal Scientist, Basmati Export Development Foundation under APEDA, Ministry of Commerce addressing a hall full of rice farmers and exporters. Supported by Moderations from Sh. Muni Shankar Pandey, Program Director CEPR





Post - Budget Discussion

Post-Budget roundtable discussion was organized by Centre for Economic Policy Research or CEPR at Haryana Bhawan Conference Hall on February 5, 2017.

The gathering witnessed the presence of experts from various spheres of life, like Vipul Chatterjee, Rohit Vaswani, Prof S C Sharma, Dr. Subhash Sharma, Director, CEPR, Dr. Ashwini Mahajan and R S Butola, Former Chairman, Indian Oil Corporation, who gave their valuable inputs for critical yet constructive analysis of the budget to bring forth the sectors which have a scope of improvement. Anil Mahajan, Senior Associate Editor – India Today moderated the event. The panel discussed about the, Pradhan Mantri Jan Aushadhi Yojana, which makes medicines available at affordable rates. Earlier, Yojana's procurement was limited but NDA government revived it and it was branched out from Central Public Sector Undertakings or CPSUs to Current Good Manufacturing Practices or CGMP manufacturers. The introduction of e-tendering, they believe, has made the process transparent and the Government has surpassed its target of 3000 stores.

The panel shortlisted the efforts of the Government, aimed at helping people in the rural area. The efforts include the Minimum Support Price or MSP enhancement and also 'Bhavantar Yojana', which is a scheme to compensate the government for horticulture growers at the lower prices of their produce in Mandi. But, these policies lack proper implementation and the Government must focus on it.

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Eminent journalists, academicians, tax-experts, macro-economists, agriculture experts, prominent politicians, ex-bureaucrats, activists, politicians, corporate honchos, corporate lawyers attended the discussion.





Deliberations on Job Creation

Centre for Economic Policy Research (CEPR) organised a roundtable discussion on 'Job creation in India' on February 24, 2018.

The discussion began with the deliberation on present scenario and the panellists underlined the challenges country's job market is facing.

CEPR roped in discussants from influential backgrounds and hence witnessed the presence of people like Bibek Debroy, Chairman of the Prime Minister's Economic Advisory Council, R S Butola Former Chairman, Indian Oil Corporation, Dr. Ashwani Mahajan, National Co-Convener of Swadeshi Jagaran Manch, Bharat Salhotra, MD, Alstom Transport, Manish Kumar CEO, National Skill Development Corporation, Shwait Malik, MP, Rajya Sabha, BJP, R K Tyagi, Director at Air India, Pratyush Kumar, President, Boeing India, Pawan Kumar, Zonal Organising Secretary, Bhartiya Mazdoor Sangh or BMS, Satish Kumar, National President, Swadeshi Jagran Manch Kamal Sharma, National Yuva Co-operative Society, and Kashmiri Lal, National Organiser of Swadeshi Manch. Anilesh Mahajan, Senior Associate Editor, India Today, moderated the whole event.

The panel outlined NDA Government's promise of creating 10 million jobs annually. But, as per the recent report published, named, 'Towards a Payroll Reporting in India', authored by Prof. Pulak Ghosh, Professor, IIM Bangalore and Soumya Kanti Ghosh, Group Chief Economic Adviser, SBI, only 70 lakh jobs were created in the formal sector. NITI Aayog helped them get access to Employee Provident Fund Organisation or EPFO data to help them with the report.

Idea of creating not only jobs but quality jobs, not only employment but underemployment, were promoted. Also, ways to boost agriculture were pointed out, since it is the sector with maximum employment.

The panellists believed that Policy of Minimum Government and Maximum Governance, if promoted efficiently will help change the scenario in a positive way.

Many of the panellists pointed out that the biggest problem is generation of good quality data and they believe that the time has come for a New Education Policy or NEP to help meet the changing dynamics of the population's requirement with regards to quality education, innovation and research.



Eminent journalists, top policy makers, leaders of MNCs, Industry CEOs, MNCs academicians, ex-bureaucrats, activists, intellectuals participated in the discussion; Right: Dr Subhash Sharma initiating the discussion by inviting PM Economic Advisory Council's Chairman Sh. Bibek Debroy. Below: Sh. Pratyush Kumar, vice president, Boeing International, Sh RK Tyagi, ex-CMD, HAL, BVR Mohan Reddy, ex-chairman NASSCOM

Right Below: Sh. Manish Kumar, CEO, NSDC making his presentation.





India Energy Security: 2030

Centre for Economic Policy Research or CEPR, organized a roundtable discussion on India Energy Security – 2030 which was sponsored by GAIL. The discussion was moderated by Senior Journalist, Sh. Anilesh S. Mahajan, who set the tone of the discussion.

The discussion was attended by former top bureaucrats along with top CEOs like Dinesh Sarraf, ex-chairman, ONGC, Sh. R S Butola, ex-chairman, Indian Oil Corporation, B K Chaturvedi, ex-cabinet secretary, Govt of India, Sh. Ashok Balyan, CEO, Reliance oil and gas, Sh. Vineet Mittal, Chairman, AVAADA Group, Sh. Anil Razdan, ex-power secretary Sh. GC Chaturvedi, ex-petroleum secretary, Sh. I A Khan, Chairman Telangana Electricity Regulatory Commission, Dr. Ashwani Mahajan, National Co-Convenor, Swadeshi Jagran Manch, Sh. Rahul Walawalkar, President, Customized Energy Solutions Sh. Sunil Jain, CEO, Hero Future Engines, Sh. Saji Narayanan C.K, Sh. R.K. Tyagi, ex-chairman HAL and Dr. Subhash Sharma Director, CEPR.

The aim of the event was to look for solutions, which will help India secure the energy fortunes and make the country self-sufficient. And also play a pivotal role in creating more business opportunities for indigenous players and employment generation. The discussion started with the references to reports made by the erstwhile Planning Commission and in continuity at NITI Aayog. The latest report, indicated that country will need 6-7 per cent more energy, but there is a stronger need of diversification of energy basket as well as the sources of imported fuel.

The industry experts present at this roundtable, especially Sh. Sarraf and Sh. Butola lauded the government's efforts to liberalize the exploration policy and ensuring marketing freedom. In this roundtable, a deliberate effort was made to make all the stakeholders sit and talk to each other, so that a comprehensive energy road map can be drawn. The coal based generators talked about the challenges faced because of challenges of evacuation of fuel.

The roundtable also discussed the challenges faced because of not so benign infrastructure sharing mechanism. The gas players pointed out that there is a good need of cheaper and assured supplies of gas. Sh. Sarraf, who is at present chairman of Petroleum and Natural Gas Regulatory Board, or PNGRB noted the observations and said that regulator is committed to reform the energy network in the country, especially gas.

Sh. Walawalkar gave a detailed presentation on need of policy framework to support the energy storage mechanism in the country.



Above: Bharatiya Mazdoor Sangh's national president, Sh Saji Narayanan C.K., CEPR's Director Dr Subhash Sharma and senior journalist Sh. Anilesh Mahajan



Eminent journalists, economists, academicians, industry CEOs, market leaders, policy makers, former bureaucrats participating in discussion.

Below: Swadeshi Jagran Manch's national co-convenor, Dr Ashwani Mahajan making his point



Discussion with Minister of Ayush

Centre for Economic Policy Research, or CEPR team met Sh. Shripad Yesso Naik, Minister of State (independent charge) Ayush, at Chandigarh and appraised him with the challenges faced by Indian traditional medicine manufacturers and service providers.

A few of them were: a) lack of validation of products, quality control procedures and the less number of state of the art ayurveda centers & institutes to do research. There are a few AYUSH hospitals with NABH accreditation. b) complaints of adulterated products, not so efficient policing of spurious drugs c) batch by batch inconsistency in the product's composition. d) no clarity in policy to get land to grow herbs and other medicinal plants. e) the health insurance companies don't approve the ayurvedic treatments. The CEPR delegates suggested series of reforms required to make the Ayurveda and traditional medicines a mainstay of India's healthcare system.



Dr. Subhash Sharma briefing Sh. Shripad Yesso Naik, Minister of Ayush (independent charge) of CEPR findings.

Discussion with Minister of Power, New & Renewable Energy

Centre for Economic Policy Research or CEPR met with Sh. Piyush Goyal, Minister of State (Independent Charge) Power, New & Renewable Energy, Coal & Mines on August 7, 2017 to discuss the challenges faced by the equipment manufacturing industry in power, wind and solar sector are facing.

89% of the solar panels used in India are imported, mostly from China, Taiwan, and Malaysia --roughly 10-25 per cent cheaper than locally made ones. The exponential jump in imports is leading to not only challenges of balance of payment, but is forcing existing players to shut their capacities. CEPR appraised the minister that the dumping is impacting the employment opportunities as well. CEPR suggested that a comprehensive solar manufacturing policy is required to change the scenario, and must be brought at earliest.



Dr. Subhash Sharma briefing Sh. Piyush Goyal, Minister of State (independent charge) Power, New & Renewable Energy, Coal and Mines of CEPR findings.

Discussion with Minister of Commerce & Industries

Centre for Economic Policy Research, or CEPR met with Sh. Suresh Prabhu, Minister of Commerce & Industries, before he leaves for Ministerial Conference-11 of World Trade Organization, or WTO at Buenos Aires, Argentina.

CEPR suggested that India must not fall in the trap of the western & developed world. India must support the agenda agreed at Doha Development Round. Along with this, India must strive for the permanent solution for public stockholdings. The CEPR team briefed the minister, of ground realities in e-commerce sector. & suggested that India must not accept the introduction of new agendas, especially the ones not on the agenda of WTO. This include the issues related to investment facilitation and e-commerce. India must push the other member countries to find resolutions to existing challenges first.



Dr. Subhash Sharma, along with Sh. Kashmiri Lal, National Organiser, SJM & their Co-Covenor Dr. Ashwani Mahajan briefing Sh. Suresh Prabhu, Minister of Commerce & Industries of CEPR findings.

Discussion with Member Parliament (Rajya Sabha) Sh. Shwait Malik

Centre for Economic Policy Research, or CEPR met with Sh. Shwait Malik, Member Parliament, Rajya Sabha. The team briefed him of the interim report on the cyber security challenges faced by India. The team briefed the MP, the challenges pan from awareness –both at victim as well as law enforcement level, in the existing laws governing information technology and data privacy, in judicial processes and technology. CEPR suggested that there is a need to update the law, especially the Information Technology Act, and bring in provisions identifying the newer crimes like cyber bullying, cyber threats along with identifying responsibilities for the service providers.



Dr. Subhash Sharma, Director, CEPR Sh. Devansh Sinha, Convenor Cyber Security, CEPR, along with Cyber Law experts Smt. N. S. Nappinai and Sh. Vineet Mittal, met with Sh. Shwait Malik, Member of Parliament (Rajya Sabha)

Our Publications

