



**10<sup>TH</sup>** NATIONAL  
FINANCE  
CONCLAVE

19<sup>th</sup> October, 2019

# Getting to \$5 Trillion: Navigating the Financial Landscape



## Introduction

The government's goal to get to a \$5 trillion economy by 2024 is ambitious yet feasible. However, to reach this goal would require adept policy making to achieve an annual real GDP growth rate of 8% along with skillful exchange rate management. It would not only make India the 4th largest economy globally but also provide its citizens opportunities to meet their growing aspirations.

The path to this milestone is strewn with a multitude of challenges and uncertainties, especially in view of deteriorating global economic conditions, and slowdown in the domestic economic activities. The policy makers will need significant dexterity in navigating this path in view of these headwinds. In particular, getting access to large financial resources in the form of risk capital, either from domestic or international sources, is essential to accelerate the investment rate required to meet the target GDP growth. The cost of capital, risk aversion of banks, low consumer confidence, fiscal pressures, adverse agricultural terms of

trade, etc. are some of the issues that need immediate policy response (including structural reforms) to help garner resources to meet the planned investments in infrastructure as well as to spur private investment.

On the positive side, the current industrial slowdown is forcing companies to cut costs and improve their operational efficiency, which will improve their competitiveness and in the process weed out weaker firms, thereby contribute to the growth momentum in the future.

What are the imminent issues that need addressing to reverse the declining growth trend? What policy responses are required to meet these challenges and set the course for accelerated economic growth in the country? Are the problems of the banking sector a drag on investment? How important are structural reforms and what is holding these back? These are some of the issues that the conclave will discuss and debate.

**Panel Discussion 1:**

**Reviving the Animal Spirits: Charting a Course for Growth**

Following Keynes, Animal spirits refer to the ways that human emotion can drive financial decision making in uncertain environments and volatile times. Not all investment decisions are an outcome of quantitative calculations of expected returns but “a spontaneous urge to action rather than inaction.” In the absence of an Animal Spirit, business investment goes down, risk aversion rises, and an economic activity suffers. The current economic environment wherein private sector investment has slowed down to a standstill, points to sluggishness in the Animal Spirit whose revival can jump start a virtuous business cycle. Is it possible to revive the Animal Spirit through policy action, and if so, what are the required policy changes?

**Panel Discussion 2:**

**Known Terrain yet Uncertain Path: Challenges in Financing the Growth**

The bad loan problem of the banking industry has wrecked bank balance sheets, and impaired their ability to extend fresh credit and underwrite new risks. Also, the liquidity crisis faced by the NBFCs at the aftermath of the ILF&S and DHFL defaults, has further undermined credit growth. The resulting risk aversion of the banking sector towards certain sectors has severely impacted new investments in manufacturing, real estate, and infrastructure. And these are precisely the sectors that have the capacity to absorb large investments, thereby directly affecting GDP growth. What needs to be done to increase the flow of risk capital to the deserving sectors of the economy? Is interest rate reduction adequate to de-clog credit flow pipeline? What needs to be done to develop a corporate debt market?

**FINATIX Topics**

- Impact of the Insolvency and Bankruptcy Code (IBC)
- Liquidity crisis in NBFCs – Lessons in Asset Liability Management
- Corporate re-engineering during recession
- Financial Inclusion – A reality check
- Sustainable Finance
- Capitalizing on the demographic dividend
- Decoding the fiscal constraint
- Agricultural terms of trade and rural demand





# Flashback

9<sup>th</sup> National Finance Conclave (Future of Work) | 2018

## Who should Attend?

Students having an inclination towards finance must look forward to be a part of the conclave and benefit from the discussions and interaction with the industry experts. It is also an opportunity to test their business acumen by participating in the contests.

Industry experts shall share this platform with other stalwarts from industry as well as academia to discuss and debate on diverse

issues concerning the future of Indian finance.

It is also an opportunity for them to interact with the young minds to get a fresh perspective on various aspects of India's changing financial sector.

Academicians can utilise the conclave to share their thoughts on the future of the country's with participants from industry as well as students.

## Programme Details

9:00 AM - 9.30 AM	Registration of Delegates
9.30 AM - 10.30 AM	Inauguration and Keynote address
10:30 AM - 10.45 AM	Announcement of winners of the Pre-conclave competitions
10:45 AM -11.00 AM	<b>TEA BREAK</b>
11:00 AM - 12.15 PM	<b>1<sup>st</sup> Panel Discussion on:</b> Reviving the Animal Spirits: Charting a Course for Growth
12:30 PM - 1.45 PM	<b>2<sup>nd</sup> Panel Discussion on:</b> Known Terrain yet Uncertain Path: Challenges in Financing the Growth
1.45 PM - 2:30 PM	<b>LUNCH BREAK</b>
3:00 PM - 4.15 PM	Parallel interactive student workshops on conclave subthemes
4:30 PM onwards	<b>Chai pe Charcha</b>

## About Us

**KIIT School of Management (KSOM)** is a constituent unit of KIIT Deemed to be University, established under section 3 of the UGC Act, 1956. This is the 26th year of its existence. The National Institutional Ranking Framework (NIRF) has ranked KSOM in the top one percent of five thousand plus B-schools in India since last two years. It has been rated in 'A' Grade by National Accreditation and Assessment Council (NAAC). The school is an SAP University Alliances partner and also has tie-up with Dassault Systems, a world leader in Product Lifecycle Management solutions.

**Kalinga Institute of Industrial Technology (KIIT)** with an impressive cluster of 28 academic campuses spread across 25 square kilometers, has the unique distinction of becoming the youngest educational institution in the country to be declared as Deemed to be University (U/S 3 of the UGC Act, 1956). Recently it has been conferred with category 'A' status by Ministry of HRD, Govt. of India.

However, the jewel in the crown has been Kalinga Institute of Social Sciences (KISS), where more than 27000 children from lesser known tribes are being provided free boarding, lodging, education and vocational training. It is education coupled with empathy that makes KIIT stand out from the rest.

**Kalinga Institute of Social Sciences (KISS)**, Bhubaneswar, India is a fully free, fully residential home for more than 27000 poorest of the poor indigenous children who are provided holistic education from Kindergarten to Post Graduation along with lodging, boarding, health care facilities besides vocational, life skill empowerment. With an humble beginning in 1992-93 with only 125 students, it has now become World's largest residential institute for indigenous children. The Institute plans to educate 2,00,000 poor indigenous children over the next decade by setting up branches in 30 districts of Odisha and all the states of India.



**KALINGA INSTITUTE OF INDUSTRIAL TECHNOLOGY**

Deemed to be University U/S 3 of the UGC Act, 1956

**SCHOOL OF MANAGEMENT**

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