



NAMO: THE MAKING OF A MODERN INDIA

CHOGM Welcomes PM Modi



The Commonwealth of Government meeting is being hosted by UK Government when UK is working hard to rebuild trade relations with members of the Commonwealth. In recent years the UK has concentrated in doing business within the EU and in many ways ignored the Commonwealth.

The leader who will be most awaited and watched will be PM Modi. He has become a powerful world leader and well respected too. Once again the Indian diaspora is preparing to give him a really warm welcome. India is now the fastest growing economy of the World. The ease of doing business in India has also improved by a big margin from 136 position to 103 making it amongst the top 100 countries to do business with. This is a remarkable jump and reflects the major reforms that PM Modi and his government have implemented. This indicates that these reforms are being looked at as positive changes by the World.

The Indian economy has further jumped in the World rankings and is now the 5th biggest in the World, surpassing France and UK. PM Modi's economic reforms and policies have aimed to improve the life of the average person by putting more money in his or her pocket. This makes sense as if the average person is happy and satisfied, the society will live in peace and work towards economic progress. In this context it is notable that the Government recently introduced free medical care for the poor. This is unprecedented and never happened in the past. There is increasing attention and support provided to the farmers, whose plights were being ignored leading to many suicides.

There are certain quarters who have been critical about Modi in quoting examples of excessive Hindutva, corruption etc. One can debate about these but no one can dispute the argument that the Indian economy has now been brought to a strong footing by the current Government. Moreover, it takes a lot of effort to implement major changes. Yet this government has demonstrated capability to bring in bold reforms such as demonetisation and GST. Would you rather have a Government that does nothing or one that keeps on trying with new and bold reforms, even if some of

these might not be as effective or perhaps slower in achieving the desired objective?

All this begs the question on whether take risk with an alternative Government or allow this Prime Minister to continue in 2019. In my past dealings with Mr Modi I have always seen him as a promoter for business and investment. I am now seeing a different dimension in him. He has clearly embarked on improving the worth of the average person of India. 22% of India's population still lives below the poverty line.

This is an improvement from the past but remains a challenge. The economic reforms will work to improve this position and also help grow the economy further. The more people come out of poverty the more the economy benefits as more consumers are added. For the UK, India represents a huge market to target. Whilst India and UK are both 3rd biggest investors in their respective countries, the trade statistics are rather disappointing. UK exports to India have remained static since 2000 whilst the rest of EU exports to India have tripled in the same period. UK has a lot of work to do but there also lies a great opportunity. The reforms and changes in India over the years makes it a near developed economy vastly different from 50 years ago when

many UK Companies started to reduce their focus on India as they found it difficult to business there. Time has come again to mark the needs of over 300 m middle class of India. It is this group who are earning good income, creating wealth and aspiring to become international citizens with similar spending power.

There are also opportunities for UK companies to develop corporate transactions with Indian companies who are looking for collaboration on technology, skills transfer, joint ventures for mutual benefit etc.

India has now risen to a position where Britain can no longer look down as an economy that does not matter but a country that has great potential and must be addressed as an equal partner. Already, the rest of Europe has seen tremendous increase in their exports to India. UK has always had a strategic advantage with India given the common language and the 1.3 m Indian diaspora connection. Time has come for UK to view India afresh as India is no more a country it was 30 years ago.

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