

**Thiru. Banwarilal Purohit, Hon'ble Governor of Tamil Nadu participated as Chief Guest at the Chamber Day Celebrations & Conference of Champion of Humanity Awards organised by Hindustan Chamber of Commerce**

Hon'ble Governor of Tamil Nadu, Thiru. Banwarilal Purohit, participated as Chief Guest at the Chamber Day Celebrations & Conference of Champion of Humanity Awards organised by Hindustan Chamber of Commerce at Hotel Savera, Chennai today (29.01.2019).

Hon'ble Governor said, "I am happy to be here today at the Chamber Day celebrations of the Hindustan Chamber of Commerce. All of you assembled here must be equally happy having seen the Chamber of Commerce grow in strength since its inception in 1945. The rapid growth of the Indian economy in recent years augurs well for the future giving us all more reasons to be happy.

Chambers of Commerce act as a bridge between the policy makers and the business and industrial establishments. They enable a conducive atmosphere for stable policy making by explaining the expectations of the business and industrial establishments to the policy makers and by convincing industry and business about the reasons and the background behind the formulation of policies. The founders of your Chamber in particular played a stellar role in this respect. They were all captains in the fields of industry, business and trade. It, therefore, comes no surprise to me that your chamber is affiliated to all major apex bodies functioning in the country for furthering the cause of industry and business.

The Economic history of India is indeed informative. India had the largest and most advanced economy in the world for almost 1800 years between the 1<sup>st</sup> century and 18<sup>th</sup> century. We remained economically integrated with the world, with high levels of trade and investment.

Even during the Mughal Empire, our nation was the world leader in manufacturing, producing 25% of the world's industrial output.

The advent of British rule changed all that British economic policies gave them a monopoly over India's large market and resources. India served as both a significant supplier of raw goods to British manufacturers and a large captive market for British manufactured goods.

Protectionist policies such as high tariffs on Indian textile goods, for example restricted our sales. Instead, raw material such as cotton was transported without tariffs to British factories which manufactured textiles and sold them back to India. Such imperialistic policies crippled Indian Industry and Commerce.

The economic drain that was practiced resulted in India's share of the world economy declining from 24.4% in 1700 to 4.2% at the time of independence in 1947.

The decades after Independence have witnessed the transformation of India into an economic power. The first four decades after independence saw industrialisation focused on self-sufficiency and import substitution. This was regulated through central planning and licences and quotas. Public Sector Units and Joint Sector units took the lead followed by private sector initiatives. The Green Revolution made India self-sufficient in food production.

Subsequently with liberalisation and the process of economic reforms there has been faster economic growth with the emergence of new businesses such as IT, IT services and Telecom. The twenty-first century has seen capital and investments going beyond geographical barriers and flowing into start-ups, some of which have become Billion dollar enterprises in a few years. Consequently, first generation entrepreneurs with technological talent have developed new business models to serve global needs in both manufacturing and services sectors.

The Indian economy is increasingly getting integrated with the global economy. Thanks to the efforts taken by the Government of India in the last few years, the foreign exchange reserve position is comfortable and the foreign exchange rate has been stable. The current account deficit is well under control and it is easily met by inflows in the form of remittances by Non Resident Indians and through foreign direct investment channels. Consequently India's foreign exchange reserves have crossed US\$ 400 billion.

In the last 18 years India's Foreign Direct Investment (FDI) equity inflows have touched US\$ 400 billion with the maximum investments taking place in services, computer software and hardware, telecommunications, construction, trading and automobiles.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded annually.

Our ranking in 2018 in the World Bank's Ease of Doing Business Report has improved by 30 spots over the 2017 ranking and today we are ranked 100 in the list of 190 countries figuring in the report.

India's share in world trade is growing and top export destinations of India are the United States, the United Arab Emirates, Hong Kong, China and the United Kingdom. The top import origins are China, the United States, the United Arab Emirates, Saudi Arabia and Switzerland.

It should therefore come as no surprise to us that the World Bank sees India as the fastest growing major emerging economy for the next 3 years. It is expected that economy will see a robust GDP growth of around 7.5% annually during this period.

India is also on the threshold of realizing the full benefits of the Demographic Dividend. The average age of the population of about 125 crores is 29 years and more than half the population is below the age of 25 years. This augurs well for both short term and long term growth.

At least ten million Indian youth enter the country's workforce each year. The benefits of the demographic dividend will be realised fully when this large workforce finds gainful employment through proper skill training.

Chambers of Commerce can play a major role in collaborating with Universities and Colleges to impart skill training. This would help us to bridge the gap between the need of industries and the skills sets of the students and thus create job opportunities.

It must always be remembered that a nation's growth is dependent on its health and educational attainments and on the focus given to infrastructure. For this resources are needed. The Government is focused on widening the tax base and in curbing black money so that income tax evasion is eliminated. I remember a time when Income Tax rates used to be about 90%. Now the rates are very reasonable i.e. only about 30%. Therefore there is no reason for any citizen of the country to avoid payment of income taxes if he is liable to do so. We should understand that payment of taxes fully and promptly is the duty of every citizen. Chambers of Commerce and Industry can play a useful role in promoting a spirit of healthy tax compliance in the country.

You are in your 74<sup>th</sup> year of commendable service in promoting commerce and industry in India and I wish you well.

The Chamber has contributed tremendously towards transforming the industrial complexion of India. It has played a catalytic role in policy-making, representing business and industry in government bodies, providing a platform to businessmen for discussion, and interacting and working with the government to resolve problems faced by the industry. It has disseminated information on business and economy, organized seminars, workshops and training programmes, and published books and papers on subjects in its domain of work. It has promoted trade by organizing meetings with visiting foreign business delegations, and facilitating the participation of Indian industry delegations in trade fairs abroad. As this august body glows with glory, it is heartening to note that the passion and zest that characterised its functioning in the past continue to be the hall mark of its performance in the present era as well.

It is a matter of great satisfaction that the personalities responsible for this outstanding performance of the Chamber have been felicitated today. They have through their valuable contributions kept the banner of the Hindustan Chamber of Commerce flying high all these years. I wish to place on record my appreciation for their work and extend my congratulations to them on their achievement. I am sure that the present office bearers will match them in performance and dedication and carry forward the mission.

Let us all put our shoulder to the wheel and try to make India become the world leader. For this perseverance should be our watchword and discipline our guiding light. I am sure that India which is already the 3<sup>rd</sup> largest economy in PPP terms will emerge stronger in the years to come. The nation has had many visionaries who have guided its destiny. Some of them have been economists. Some of them have been Scientists and some of them have been industrialists and political leaders. They have all worked closely with your chamber in the past. The future will also witness a similar process of consultation and growth. May the Hindustan Chamber of Commerce and Industry continue to perform its role with the same dedication towards the development of the nation as in the past.”

On this occasion, Thiru. CA. Rajendra Kumar.P, President, Hindustan Chamber of Commerce, Thiru. Sathyanarayan R Dave, President Elect, Hindustan Chamber of Commerce, Dr.Bharath Krishna Sankar, Thiru Ashok Kumar Mehta, Thirumathi K.G.Chitra, Secretary, Hindustan Chamber of Commerce, Thiru.

P.G.Sadguru Das, Senior Vice President, Hindustan Chamber of Commerce and other dignitaries participated.

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Raj Bhavan, Chennai – 22

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Date : 29.01.2019

Joint Director (PR)