

## CIB Mumbai Chapter Meeting A Report

On December 10, 2016 the CIB Mumbai Chapter met at Kumaram, the IofC flat at Mumbai. The eight persons that gathered together spent the hour on one key topic, "Demonetization".



At the time of the meeting, the entire country was facing a severe cash crunch. Restrictions on how much money one can withdraw, serpentine queues outside banks, non-functional ATM machines put citizens through enormous difficulties. In addition the shortage of cash forced thousands of labourers and workers to return to their village as many small traders and businesses did not have the working capital to pay them. Businesses in the organized sector took a hit too; for as people held tight on their spending, sales dropped and

production slowed if not stopped altogether. Given this back-drop, the Mumbai Chapter looked at this crucial phase in the Indian economy. Some of the highlights of the discussion could be summed up as below:

- "Economy will slow down by about 1% vis-a-vis original estimates," said one member.
- "It is one step in a series of steps to curb corruption," said another.
- "If there is a series of supporting measures and laws, as planned by the government, this would help in ensuring that demonetisation becomes an even bigger success in promoting ethical values," was another point that came across.

There were differing views on the hardships that people faced. Some were of the view that this phase is temporary but will eventually help in the long run. Others drew attention to the impact it had in rural areas where banks were not easily reachable and when they were, money was not available. Some felt that the execution was poor while others felt that such difficulties are inevitable when carrying out change in a country as large and complex as India.

The question that was then thrown open was, "As a country, are we in the right direction?"

The responses to this too to were varied.

- "It's a wait and watch scenario," said another. To this there were mixed reactions.
- "The effectiveness will be judged on successful implementation of the decision," commented yet another.
- "Overall this may lead to reduced corruption but it may not necessarily promote an ethical society," surmised one more.



S. Venkatesh thanked all present for the fruitful discussion. One of the members, Delzad Jivaasha later commented that it was an extremely engaging meeting with members from both CIB and IofC with an excellent exchange of views on pertinent and contemporary topics. "It was indeed a pleasure listening to the views of senior, experienced people from all walks of life." He warmly thanked everyone who attended, making it an enriching experience. Special appreciation was in place for Sunil Anand who hosted the meeting in his parents' absence.

