
Report

7th National Conference on Economics of Competition Law

Economics Division, CCI¹

The Competition Commission of India (CCI) organised the 7th National Conference on Economics of Competition Law on 4 March 2022. The conference endeavours to develop and sustain interest in the economics of competition law and create a critical mass of antitrust economists in the country. The objectives of the conference include: (a) stimulating research and debate on contemporary issues in the field of economics of competition law, (b) developing a better understanding of competition issues relevant to the Indian context, and (c) drawing inferences for the enforcement of competition law in India. Owing to the COVID-19 pandemic, the conference was organised through the virtual mode.

The 2022 edition of the conference comprised an inaugural session; a plenary session, themed “Reforms and Deepening of Markets”; and two technical sessions on “Competition and Regulation: Empirical Inquiries” and “Competition Law and Policy: Issues and Approaches”. Three papers selected by the Conference Paper Selection Committee were presented at each session. A summary of the conference deliberations is presented hereunder.

1. Inaugural Session

Sangeeta Verma, Member, CCI, inaugurated the conference with her opening remarks. **Ashok Kumar Gupta**, Chairperson, CCI, delivered the special address. **Neelkanth Mishra**, Member, Economic Advisory Council to the Prime Minister, was the keynote speaker.

In her opening remarks, **Sangeeta Verma**, Member, CCI, spoke about the feedback loop between antitrust research and enforcement. She emphasised the need for evolving academic discourse and the shifts in economic understanding to be reflected in antitrust enforcement. On the other hand, a growing body of antitrust case laws with rigorous economic

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analyses could stimulate follow-up research, she added. For accurate yet speedy investigation and disposal of cases, she stated that it was important that parties, both in antitrust and combination matters, made their submissions and arguments giving due regard to the economic framework that applies to the concerned industry.

In his special address, **Ashok Kumar Gupta**, Chairperson, CCI, outlined the role of economics in unravelling the intricacies of markets and in understanding the state of competition and what aids, abets, or hinders it. He stated that the architecture of the Competition Act, 2002 is such that adjudication entails appreciation of the economics of markets and the impugned conduct. Referring to the growing emphasis placed by the Commission on market studies, Mr. Gupta mentioned that the application of this complex economic legislation could only be effective when it appropriately accounted for market specificities. Given the inherently dynamic nature of markets, especially new-age markets, he mentioned that the Commission engages proactively with stakeholders through its market studies and stakeholder consultations. The learnings from these market studies allow the Commission to appreciate various strategic market interactions in oligopolistic markets. He added that, going forward, the Commission proposes to undertake several market studies for the purpose of enforcement and advocacy.

Neelkanth Mishra, Member, Economic Advisory Council to the Prime Minister, focused on the continuous rise of technology giants and the challenges and novel questions this poses for regulation and regulators. He discussed key technological and economic factors such as network effects, scale economies, and synergies between intangible assets within technology ecosystems, that give rise to the concentration of market power in digital markets. Elucidating the features and metrics that are relevant in digital markets, distinguishing them from traditional markets, he referred to the importance of investments in intangible assets such as brands, software, and patents, as well as financing aspects such as the predominance of venture capital funds and private equity funding. He highlighted that, while technology sectors, owing to their innate features, may be susceptible to winner-take-all market structures, they also hold enormous potential to drive innovation, facilitate new business models, and help remove inefficiencies in the value chain. The question that merits

attention in this context is whether concentration of capital and market power, size, and scale of technology giants by themselves can be seen as a threat to competition. He concluded by presenting a set of questions for regulators to ponder over so that the regulatory approach remains informed of the complexities of digital markets, entailing deep-rooted assessment, global collaboration, and cautious reaction.

Payal Malik, Adviser, CCI, thanked Mr. Neelkanth Mishra for his insightful address. She said that competition authorities are dealing with big technology companies with higher market share than the old economy giants, and going forward, digital economy will see competition among few. She added that competition authorities need to work on the negative aspects of the digital hegemony of certain companies to work towards the welfare of the economy.

2. Technical Session I: Competition and Regulation: Empirical Inquiries

The session began with opening remarks by the session chair, **Pami Dua**, Director, Delhi School of Economics, who introduced the presenters, highlighted the topics of all three papers, and welcomed the discussant, **Sanjay Kumar Singh**, Professor, Indian Institute of Management, Lucknow. The following three papers were presented in this session:

- **Competition and Innovation: A Panel VAR Approach**, *Akash Krishnan and Nabendu Paul*
- **The Deterrent Effect of an Antitrust Policy: Evidence from India's Competition Law**, *Jorge Al'e-Chilet and Vidhya Soundararajan*
- **Deregulation and Welfare in Indian Banking: Demand Estimation and Welfare Implications of Saving Interest Rate Deregulation**, *Varun Yadav and Abhiman Das*

The first paper was titled "**Competition and Innovation: A Panel VAR Approach**", co-authored by **Akash Krishnan**, Assistant Professor, Masters Union School of Business, and **Nabendu Paul**, Assistant Professor, IIM Amritsar. The paper was presented by Nabendu Paul, followed by Akash Krishnan. The presenters discussed the existing literature on the debate around the impact of competition on innovation. The authors intended to address their research question regarding the link between competition and innovation using the country-level panel data of the Global Competitive

Index from the World Economic Forum, comprising 170 countries for the period 2006–15. The index was categorised into factor-driven, efficiency-driven, and innovation-driven economies on the basis of scores across 12 parameters. The authors considered composite indices for domestic competition and foreign competition as a measure of competition and the composite index for R&D innovation as a measure of innovation. The Vector Autoregressive (VAR) model was employed to conclude that: (a) for factor-driven economies, the state must focus on innovation, as innovation impacts domestic competition positively and domestic innovation impacts foreign competition positively. Therefore, the policy variable of interest for regulators must be innovation; (b) for efficiency-driven economies, domestic competition impacts both innovation and foreign competition. This implies that maintaining domestic competition would be the thrust of policy, meaning that greater antitrust intervention is necessary for such nations; and (c) for innovation-driven economies, innovation impacts both domestic and foreign competition. Therefore, there needs to be greater focus on incentivising innovation, and only regulation of competition may not be effective to bring about innovation.

The second paper, titled “**The Deterrent Effect of an Antitrust Policy Evidence from India’s Competition Law**”, was co-authored by **Jorge Al’e-Chilet**, Lecturer, Bar Ilan University, and **Vidhya Soundararajan**, Assistant Professor, IIT Bombay. Jorge Al’e-Chilet presented the paper at the conference. The paper addressed the research question of whether antitrust enforcement deters cartels and anti-competitive behaviour. The authors defined deterrent effect as follows: (a) *Direct effect*: Collapse of prosecuted cartels or agreements or practices and; (b) *Indirect effect*: Collapse of hidden cartels or agreements or practices. The paper used firm-level and plant-level data; a database of antitrust cases in India which were decided under Section 26(2), Section 26(6), and Section 27, with a focus on manufacturing industries, collected from the CCI website and media articles on the coverage of these cases collected from Google; plant-level longitudinal panel data for the period 2009–10 to 2018–19 from the Annual Survey of Industries (ASI), administered by the Ministry of Statistics and Programme Implementation (MoSPI), Government of India; and data from MCA 21 on the three-digit industries (NIC codes) for the period 2009–10 to 2018–19, which included cases under Section 26(6) or Section 27 of the Competition Act, 2002. The authors applied the fixed effects regression

model and Cox survival analysis method to conclude that (a) there is a negative effect on profits and value added on firms in the same industry group when a contravention order is given; (b) the antitrust enforcement by CCI is effective in curtailing anti-competitive behaviour by other firms and indirect effect is prevalent; and (c) companies are hesitant to enter a market where antitrust cases are prevalent, while antitrust enforcement in such sectors has a mixed effect on the exit decision of firms.

The third paper was titled “**Deregulation and Welfare in Indian Banking: Demand Estimation and Welfare Implications of Saving Interest Rate Deregulation**”. It was co-authored by **Varun Yadav**, Research Scholar, IIM Ahmedabad, and **Abhiman Das**, Professor, IIM Ahmedabad. Varun Yadav presented the paper and began by providing its institutional context as well as the history of banking sector reforms, specifically those of interest rates in India. The paper aimed to estimate a structural model of demand to study the attributes valued by a consumer while choosing a bank for deposit services and study the evolution of consumer welfare before and after deregulation using the estimated structural parameters. The authors used proprietary data from the Reserve Bank of India (RBI) on deposits and credits of banks at the state level from 2008–13 and proprietary data set from RBI on bank characteristics, such as the number of employees and number of branches at the state level. Analysis was restricted to a subset of 19 big private and public sector banks (Scheduled Commercial Banks; SCBs) accounting for a large share of the deposits market (>70% deposits in SCBs). Authors simulated logit and nested logit models on the considered data set to conclude that: (a) consumers respond favourably to an increase in the deposit interest rate and an improvement in observable bank characteristics, such as the number of branches, ATM density, electronic infrastructure of the bank, and employees per branch; (b) rate of welfare increased in most markets in the post-deregulation period; (c) the year 2011 seems to be an inflection point, where the rate of increase in welfare became positive from negative in most markets; (d) the gain in welfare has been greater, relative to a baseline scenario where prices are kept fixed at 2011 levels; and (e) price is not the only driver of welfare; rather, an assessment of the impact of product characteristics may be a more holistic approach.

Panel discussant Sanjay Kumar Singh posed pertinent questions and provided useful inputs to all paper presenters. He stated that all three papers addressed diverse important issues.

3. Technical Session II: Competition Law and Policy: Issues and Approaches

The session began with opening remarks by the session chair, **Aditya Bhattacharjea**, Senior Professor, Delhi School of Economics, who introduced the presenters, highlighted the topics of all three papers, and welcomed the discussant, **Pulak Mishra**, Professor, IIT Kharagpur. The following three papers were presented in this session:

- **Leniency of the Competition Commission of India**, *Catarina Marvao and Vincent Sahil Abraham*.
- **Debate on the Legality of Resale Price Maintenance: Evidence from Across Countries and Time Periods**, *Amit Bansal, Nandita Jain, Rutuja Jain, and Prasanna Sakhadeo*.
- **Balancing Different Forms of Competition Regulation in the Digital Economy**, *Kuldip Singh, Abhishek Malhotra, Vikas Gautam, and Shivangi Mittal*.

The first paper, titled “**Leniency of the Competition Commission of India**”, was co-authored by **Catarina Marvao**, Lecturer, Technological University of Dublin, Ireland, and **Vincent Sahil Abraham**, Research Scholar, Technological University of Dublin. The paper was presented by Mr. Vincent Sahil Abraham. The paper was an empirical study evaluating the magnitude of monetary penalties sanctioned in cartel cases by CCI. The research focused on firm-level cartel data, acknowledging the distinction between firms, associations, and individuals involved in cartel activities. The research question aimed to evaluate the factors that contribute towards the monetary penalties set by CCI in case of cartels through an attempt to assess the leniency policy based on data sets from 2009–21, collected from publicly available final orders. The speaker discussed that the paper’s contribution was threefold: first, empirically examining the factors that impact monetary cartel sanctions for different types of entities (firms, associations, and individuals); second, analysing the large gap between the imposed fines and their legal limit; and third, investigating the impact of the leniency policy for the detection of cartels in India. The analysis is

done using a novel data set which consists of firm-level data on convicted cartel cases and accounts for the distinction between firms, associations, and individuals involved in cartel activities. The author suggested that the cartel penalty regime should be amended to ensure the predictability of severe monetary sanctions that would enhance the deterrence and punishment effect of such penalties and increase competition in the Indian market.

The second paper, titled “**Debate on the Legality of Resale Price Maintenance: Evidence from Across Countries and Time Period**”, was co-authored by **Amit Bansal**, Partner, Deloitte; **Nandita Jain**, Associate Director, Deloitte; **Rutuja Jain**, Assistant Manager, Deloitte; and **Prasanna Sakhadeo**, Senior Associate, Deloitte. The paper was presented by Ms. Nandita Jain. The presenter initiated the presentation by providing an introduction to Resale Price Maintenance (RPM), or vertical price fixing. She went on to argue that RPM cannot be considered anti-competitive unless its impact is analysed in terms of its pro-competitive or anti-competitive effects, as some variants of RPM have long been construed as having pernicious effects from a competition standpoint, while others have been passed on as generating efficiencies. The pro-competitive impact includes: (a) safeguarding against free-riding by retailers and consumers; (b) incentivising sellers to increase services allied to the product in consideration; and (c) preventing retailers from undercutting each other. The speaker also expressed two theories of harm: (a) conferring exclusive excess of distributor chain to the manufacturer and (b) facilitating cartels in upstream or downstream firms. The speaker further discussed the treatment of RPM across various jurisdictions and key case laws such as Leegin (2007), Volkswagen (2001), Roland (2020), Bull (2021), and automobile manufacturers (2020). The presenter further recommended that the way forward is: (a) analysing RPM on a case-by-case basis; (b) using data to improve detection of RPM-induced artificial intelligence collusion; and (c) spreading awareness about the illegality of RPM.

The third paper was titled “**Balancing Different Forms of Competition Regulation in the Digital Economy**” and was co-authored by **Kuldip Singh**, Principal Advisor, Broadband India Forum; **Abhishek Malhotra**, Founding & Managing Partner, TMT Law Practice; **Vikas Gautam**, Lead Economist, Koan Advisory; and **Shivangi Mittal**, Senior Associate, Koan

Advisory. The paper was co-presented by Vikas Gautam and Abhishek Malhotra and attempted to offer a framework to balance different forms of competition regulation. It addressed the intersection of: (a) different aspects of technology adoption/evolution and its effect on businesses; (b) core economic principles that govern attribution of costs and benefits and lead to strategic behaviour between firms which, at times, lead to an “unfair playing field”; and (c) regulatory stances in dealing with the inherent conflicts as a consequence of (a) and (b). Additionally, the paper explained the complex construct of regulatory architecture which, in principle, is beset with a multiplicity of stances to choose from. The presenters broadly classified the regulatory intervention choices into four categories: (a) **Deregulation:** Removal or reduction of regulatory burdens on market players; (b) **Forbearance:** A situation when regulators opt to not intervene or impose regulations on market players; (c) **Ex-ante regulation:** Identifies areas that require regulatory interventions beforehand and mandates market players to act in a certain way; and (d) **Ex-post regulation:** Details situations that regulators want to avoid. Regulatory action takes place once a market failure or distortion occurs, and regulatory stances vary on the basis of the presence of sectoral regulators in the respective market. The research team conducted a survey of 23 experts from the field of legal-technology research. Specifically, each respondent was asked to give a weight to alternate regulatory stances on a scale of 1–10, with the base case being a score of 5 for the regulator’s stance. The speakers concluded that the expert survey findings converge with the regulator’s stance for each case. The key findings were summarised as follows: (a) In an emerging market, forbearance was preferred; (b) In a mature market with sectoral regulators (with few players, i.e., an oligopolistic setup), ex-ante regulation (as a standard of precautionary effort) with ex-post regulation (commensurate with the harm level) was preferred; (c) Markets with no sectoral regulators or cases pertaining to general economic environment preferred ex-post regulation; and (d) Mature markets with/without sectoral regulators (with many players, i.e., competitive setup) preferred deregulation.

Panel discussant Pulak Mishra posed pertinent questions and gave useful inputs to all paper presenters. He stated that all three papers addressed important issues and provided insights for policies and regulations, and there is scope for further research in the Indian context.

4. Plenary Session: Reforms and Deepening of Markets

The plenary session was moderated by **Latha Venkatesh**, Executive Editor, CNBC TV18. The plenary had a distinguished panel that included **Amitabh Kant**, Chief Executive Officer, NITI Aayog; **Tuhin Kanta Pandey**, Secretary, Department of Investment and Public Asset Management, Ministry of Finance, Government of India; **M. S. Sahoo**, Distinguished Professor, National Law University Delhi; and **Nachiket Mor**, Visiting Scientist, The Banyan Academy of Leadership in Mental Health and Senior Research Fellow, IIT Bangalore.

Amitabh Kant highlighted that asset monetisation embodies the idea of reforms and deepening the markets for public infrastructure. He stated that it will bring about a paradigm shift in the way infrastructure is created, operated, and funded in India. The pandemic highlighted the importance of infrastructure, and the government took bold measures to enhance the capacity and quality of India's infrastructure. Recent budgets have been reaffirming the commitment and strengthening resolve through the creation of a virtual cycle of private investment crowded in by public capital investment. He further claimed that the policy of asset monetisation is aimed at accelerating the cycle of private investment by providing commercially sustainable avenues in the form of brownfield core assets, which can be simultaneously supported through greenfield infrastructure creation by public sector on Public Private Partnership (PPP) mode, thereby creating a vibrantly competitive market in infrastructural sectors for a multiplier impact on the economy. As part of the overall philosophy of reforms, competition, and market-based initiatives, several enabling policies and regulatory measures have been undertaken in the last few years. He added that sectoral policies and contractual framework for private participation across infrastructure sub-sectors have also been reviewed.

He further stated that innovative mechanisms for creating a secondary market for infrastructure investments in the country by way of instruments such as infrastructure investors trusts and real estate investment trust have been introduced. This has not just facilitated recycling of public and private capital in infrastructure but has also enabled active participation of institutional and retail investment in infrastructure. It has provided an alternative avenue of investment for the public and institutions such as the

National Investment and Infrastructure Fund (NIIF) and the National Bank for Financing Infrastructure and Development, which have been created to facilitate long-term funding alternatives to infrastructure projects through private participation. For incentivising targeted investors with an appetite for such investments, such as sovereign wealth and pension funds, suitable tax exemptions have also been provided. In order to provide direction to the initiative and visibility of projects over a medium term to investors, NITI Aayog prepared the National Monetisation Pipeline (NMP), which is a whole-of-government initiative in collaboration with concerned line ministries and departments.

Existing empowered institutional mechanisms such as the Public Private Partnership Appraisal Committee (PPPAC) and state finance commissions (SFCs) are being leveraged for the appraisal of central sector projects. NITI Aayog and the Ministry of Finance are handholding asset owners through transaction structure guidance and policy-level initiatives for institutional, regulatory, and procedural norms. He further pointed out that NITI Aayog has also developed a dashboard for ministries to serve a real-time monitoring of overall transactions. From the time of the launch of the monetisation pipeline, a proactive approach was followed to deliver the envisaged targets. He added that NMP has seen various pathbreaking initiatives during its first year of launch.

In line with the mandate of cooperative federalism, NITI Aayog is also handholding the states in undertaking asset monetisation, he stated. Structured efforts are being made to engage with the states by sharing good practices from the central and private sectors and for creating awareness. Under the recently institutionalised scheme for special assistance to states for capital expenditure, it has been decided that incentives be provided for asset monetisation and disinvestment by state governments. As an incentive for asset monetisation, additional allocation equivalent to 33% of the value of assets realised and deposited in state consolidation funds or in the accounts of state public sector enterprises owning the assets will be supported. He concluded by highlighting that the ultimate objective of these initiatives is to incentivise efficient capital allocation and commercial self-sustainability of state-level infrastructure and thus, create a win-win situation for all stakeholders and, most importantly, the citizens of the country.

Tuhin Kanta Pandey provided an overview of how the government's disinvestment policy has unravelled over the course of time. He explained that strategic disinvestment refers to a substantial part of divestment of equity along with management control, and if this goes to private players, it is called privatisation, and if the transfer occurs between Central Public Sector Enterprises (CPSEs), it is called strategic disinvestment between the CPSE space. Between 1999–2000 and 2003–04, 30 CPSEs, including 19 subsidiaries, were disinvested, including hotels of the India Tourism Development Corporation (ITDC), Hindustan Zinc, Videsh Sanchar Nigam Limited (VSNL), and India Petrochemicals Corporation Limited (IPCL). However, from 2004–14, strategic disinvestments were shunned as part of the national Common Minimum Programme introduced by the new government formed at that time, and only the minority stake sale disinvestment took place. In 2016, the government again brought strategic disinvestment to the fore. In 2021, the centre released a new set of guidelines for the implementation of its Public Sector Enterprise (PSE) policy, which is now the guiding policy for divestment and strategic disinvestment. As per the PSE policy, there were four strategic areas where bare minimum presence of PSEs was to be ensured, i.e., if there are existing enterprises in the four specified strategic areas, such enterprises would be retained as a bare minimum presence. The remaining PSEs in the four strategic areas would be privatised, subsidiarised, merged, or even closed. In non-strategic areas, either the enterprises would be privatised or, when that is not feasible, closed. Thus, the option of closure was considered in cases where there are feasibility issues so that money and resources can be utilised elsewhere. The PSE policy, he averred, is predicated on the belief that, when control is shifted to the private sector, it might encourage greater capital infusion, better management practices, and better technology in a world that is dynamic and in an industry that is continuously evolving. The economic and employment potential of the enterprise and productivity potential of the economy is sought to be optimised through this policy of strategic disinvestment. There are experiences and studies which substantiate that the disinvestment of public enterprises has a positive impact on growth, employment, profitability, and labour productivity. There has been minimal privatisation in the last 20 years; most of the sales were from one CPSE to another, which does not change the inherent character of management and thus, could not bring any efficiency in the

system. The new PSE policy is aimed at providing impetus to growth and restructuring the economy, and it will be pro-employee, as its potential can be realised only if the employee potential of the organisation remains sustainable.

M. S. Sahoo spoke on the issue of reviving the productive assets of firms. Over the last three decades, it has been the endeavour of the state to create and deepen markets. Towards this end, it has been ensuring freedom in the marketplace through the provision of freedom to start and continue/discontinue business. This makes it easier for everyone to conduct business in the country and leads to the creation of markets. Depending on the nature of business and supporting institutions, there are market structures that are close to perfect competition, while some are close to monopoly, though most market structures resemble oligopoly. Regardless of the market structure, the aim is to promote competition and innovation, given that these deepen markets and are essentially the drivers of markets. Citing the work of the Global Economic Forum, he stated that countries that primarily depend on competition and innovation to drive growth typically have a per capita Gross National Product (GNP) of not less than USD 17,000. On the other hand, countries where less than 40% of the income comes from competition and innovation typically have a per capita GNP of less than USD 2,000. This difference between the per capita GNP is largely explained by the intensity of competition and innovation in a country.

However, in competition, efficient firms drive inefficient firms out of the market, while in innovation, the new order drives out the old order. The failure of inefficient firms is inherent in business; the higher the intensity of competition and innovation, the greater the likelihood of failure of firms. A well-functioning market identifies failing firms and segregates them into two categories: (a) failing but viable firms and (b) failing and unviable firms. The market tries to rescue firms in the former category to make them performing and efficient again. Simultaneously, the market tries to push firms in the latter category out of the market and release productive assets from such firms for use by more dynamic and efficient firms. In that sense, the market is leveraging only performing firms to be able to use its productive assets to the highest possible efficiency. Inevitably, productivity is higher and growth is faster. However, if the

markets do not rescue productive firms or push out inefficient firms, such firms may grow in number over time and outnumber performing firms and thus, would engage productive assets but no businesses. In this case, competition and innovation cannot drive growth and thus, cannot deepen markets. He stressed that deep markets are required for inputs such as capital, land, labour, and output, i.e., the goods and services produced. Further, deep markets are required for failing firms and businesses where productive assets are stuck. For productive assets that are stuck in failing firms, insolvency bankers should provide market mechanisms for the revival of failing but viable firms through a resolution plan which hands over a firm to a capable and credible individual who can put the firm back on its feet, thus recouping the productive assets once again for use.

Nachiket Mor spoke on the role of financial sector regulation and its participants. The very first issue that he pointed out was in relation to consumer welfare and the measure of consumer welfare. He stated that a financial product such as health insurance and healthcare need to be separated and need to compete in independent markets so that the consumer is able to choose the health insurance provider and, consequently, the healthcare provider. Against this background, he highlighted that the world has moved on to managed care models in which insurers and providers are allowed to merge, which may be anti-competitive, because one is forced to buy insurance only from the concerned provider that owns the insurance company. It essentially changes the nature of competition from an incomplete product, where price is not the sufficient statistic, to a more complete product, where price is a sufficient statistic. Regulation, he averred, which has a bias for simplicity and a bias for price, is inconsistent with consumer welfare. He advocated for the use of a more superior test such as the one which is already a part of the competition law, i.e., the test for welfare. He suggested that the focus should be directed towards how the welfare of the consumer can be defined.

The second issue that he touched upon was that the government does not ask for a large return and is offering products in the market that are underpriced. He stated that the Indian financial sector does not serve the economy. The ratio of credit to Gross Domestic Product (GDP) is 60%, where 60% is the national average. States such as Bihar stood at 16% in terms of this ratio, while the north eastern states stood at an abysmally

low 1%. He highlighted that the financial sector in India, in this sense, is very small. One of the reasons for the same is that the public sector behemoths are allowed to continue mispricing products in the market.

The third issue, he highlighted, relates to the regulatory tools being deployed. The primary role of these tools is to preserve market prudence, market stability, and systemic stability and allow competition. However, there is a concern that even regulation is being used as a tool to preserve incumbent hegemony, particularly government-owned incumbent hegemony. For instance, the minimum capital requirement for starting a health insurance company in India is INR 100 crores, whereas in the EU, this figure is INR 15 crores. According to him, the system is being driven not by prudence but by the need to protect incumbents from competition. Regulation today, he stressed, seems to be driven by concerns as to how to continue preserving the banking business, and this makes banks riskier. This implies that a systemically important entity is being forced to originate credit in high-risk areas. However, this is supposed to be the role of Non-Banking Finance Companies (NBFCs).

The conference concluded with the vote of thanks, given by **Payal Malik**, Adviser, CCI. She highlighted key learnings from the conference and extended sincere thanks to the Commission, Chairs, paper presenters, speakers, and participants for making the conference a success.

The conference was attended by approximately 225 delegates, including policymakers, members of the econo-legal fraternity, and academia.