

Hyderabad CEOs unveil top risks hindering India's economic growth

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HYDERABAD

When business leaders from pharma, agriculture, energy, healthcare, manufacturing and law came together for the fourth roundtable discussion of the *Mint Leadership Dialogues*-Season 2 in Hyderabad, the opening question was simple: from an Indian economy perspective, what is the single biggest risk?

But the answers show the depth and persistence of India's structural challenges—and why many of them have proved resistant to change.

"Disparity in incomes," said N. Balasubramanian, CEO of Sresta Natural Bioproducts, setting the tone for a conversation that repeatedly returned to the uneven distribution of growth, fragility of supply chains, climate change, weak skilling pipelines and the limits of policy-led solutions.

Sidharrth Shankar, partner at JSA Advocates & Solicitors, broadened the frame, said, "Environmental issues and political instability worldwide," he said, adding that geopolitics increasingly shapes trade and growth outcomes. "A lot of these factors do play a role—trade and other things."

Regulation, uncertainty

Regulatory change featured

prominently. "Too many," Shankar said when asked about regulatory shifts. He cited recent developments: "In November itself we've seen two very large changes. One is the whole data protection which has become live. And then we see the labour codes—29 legislations and laws which have been combined into four labour codes."

From a pharma perspective, Raja Bhanu K., director-general of industry body Pharmexcil, highlighted both opportunity and vulnerability. "Drugs worldwide is almost like a \$1.6-trillion business, and by 2030 it will be almost \$2.4 trillion," he said. Yet the Indian

pharma market, he noted, remains heavily export-oriented, with heavy dependence on the US. "All these years we tried to put all eggs in one basket—one-third (of exports) was going to the US." That will need to change.

Tech, capital, infra gaps

Mahesh Godi, founder and CEO of GODI NOVA India, framed risk through the lens of competitiveness. "Technology and R&D are the biggest risks," he said, pointing to continued brain drain. "Access to capital is the other big risk. Free capital is available in western world and China but getting huge capital into the Indian ecosystem is quite challenging."

Infrastructure, he argued, is the third big risk and remains a binding constraint.

KEY TAKEAWAYS

CROWD in private sector capex to sustain growth

REDUCE income disparity to unlock mass consumption and scale

BUILD resilient domestic supply chains in energy, EVs, pharmaceuticals, chemicals, and advanced manufacturing

LOWER exposure to geopolitical shocks and tariff risks by diversifying trade and actively leveraging FTAs

PRIORITIZE enforcement over new regulation, improve execution across sectors

STRENGTHEN climate resilience, particularly in agriculture and food systems

RAISE farm-level productivity and cut wastage, address inefficiencies

OVERHAUL skilling and education systems, aligning curricula with industry needs

USE AI and automation to augment jobs, improve productivity

INNOVATE to shift from low-cost manufacturing to high-value products and globally trusted brands

and the majority not having the means to afford—will create a big problem," he said. "We are therefore not seeing too many brands able to scale to a global level."

Private capex, limits of state

Masood Mallick, managing director & CEO of Re-Sustainability, highlighted investment cycles. "In the near term, the biggest challenge is private sector capex," he said. "The government has practically run out of its bag of tricks." Sustaining growth would require businesses to step in. "Private sector capex needs to come in and substitute the state capex and that is a story that's yet to be written."

Supply chain dependence

Supply chain vulnerability was a strong point of convergence. Amara Raja's executive director, Harshavardhana Gourineni, said India's dependence on imports was a systemic risk. "One of the largest risks the country is facing is around supply chain dependence," he said, citing energy, specialty chemicals and advanced manufacturing inputs. Referring to clean energy, he warned: "If we look at the new energy landscape, all roads at the moment lead to China."

He linked this directly to affordability in essential sectors. "Healthcare is much more disheartening—very fragmented markets, prices going through the roof, and inflation will only make it worse."

For Irfan Khan, chairman & CEO of EBG Group, the defining risk is environmental. "Carbon emission is the biggest risk in India," he said, arguing that profitability alone cannot remain the sole focus. "Businesses are thinking more about generating profits and Ebitda."

He called for stronger measurement and accountability. "The government should introduce a carbon calculator to assess, audit any business in terms of how much emissions they are doing."

Income inequality

The issue of income disparity resurfaced with greater urgency as the discussion turned to consump-

tion and affordability. Madhivanan Balakrishnan, CEO of Apollo Health Co & chief digital & technology officer, Apollo Group, said, "In spite of the growth that we're showing, the disparity is continuously expanding and that's a big worry."

Balasubramanian returned to the

same theme from a market-scaling perspective. "For businesses to scale, this income disparity—or a handful of people having money

ble than in agriculture. Brahmani Nara, executive director of Heritage Foods, linked supply chain disruption directly to climate change. "Estimates show us that supply chain related disruptions because of climate change have lost us about \$3.3 trillion in agri economies globally in the last three decades," she said, adding that unpredictability is affecting farmers.

"Q1 of this year itself in India we've seen with untimely unseasonal rains and colder weather conditions, how that impacted consumption and as a result how that impacted farmers at the farm level."

Balasubramanian highlighted

long-standing inefficiencies. "Everyone talks about 30% wastage in our entire agri production system," he said. "But no one has measured it." He recalled decades-old examples that still repeat today. "There are scenes where farmers have thrown tomatoes in the field... This was in the 1980s and '90s."

Organic farming, he added, is even more constrained. "If I have floods in Maharashtra in the place where I'm growing my pulses, I don't have a choice."

Mallick offered a stark illustration of irreversible change. "The issue of the mango belt and its shift because of climate change," he said, noting that changing weather patterns have altered long-established growing regions.

Gourineni, whose company operates a mango processing unit,

confirmed the impact. "Seasons are getting shorter, unseasonal rains... there's no consistency," he said.

Jobs, AI, and skilling gaps

Balakrishnan framed the jobs issue as underemployment. "We don't have an unemployment issue. Maybe we are having an underemployment issue," he said, citing logistics and quick commerce as large employment generators.

Nara of Heritage Foods emphasized skilling shortages at the grassroots. "We find it so difficult to find veterinarians at the village level," she said, noting that most trained professionals are absorbed by government institutions.

Raja Bhanu K echoed this concern in pharma. "They have theoretical knowledge but industry readiness is important," he said.

Godi was more blunt. "The fundamental problem is the skill set," he said, adding that both high-end and low-end skills suffer from gaps in discipline, accountability and relevance.

Circularity, enforcement

Amid the risks, Mallick highlighted opportunities in sustainability and circularity. "A pollutant... is actually a resource," he said, describing waste-to-energy and recycling as massive job creators.

Yet he identified a single binding constraint. "We don't need any more regulations," he said. "There should be enforcement."

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We have an underemployment issue. Today, quick commerce, logistics employ so many for last-mile delivery

M. BALAKRISHNAN
CEO, APOLLO HEALTH CO



No brand from India is able to globally create a market; looking at low-cost propositions is holding us back

N. BALASUBRAMANIAN
CEO, SRESTA NATURAL BIOPRODUCTS



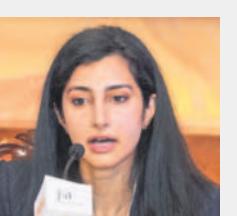
To sustain growth on the trajectory we've been promising each other, private sector capex needs to come in

SIDHARRTH SHANKAR
PARTNER, JSA ADVOCATES & SOLICITORS



In the new energy landscape, all roads lead to China—EV, components, materials—that's a huge risk and concern

IRFAN KHAN
CHAIRMAN AND CEO, EBG GROUP



Supply chain-related disruptions from climate change have lost agri economies about \$3.3tn globally in the past three decades

MAHESH GODI
FOUNDER AND CEO, GODI NOVA INDIA



From ITIs to diplomas to BTechs, there is no skill set that is relevant to the technologies that are coming up

RAJA BHANU K.
DIRECTOR-GENERAL, PHARMECIL



We should think how VCs can be pulled into pharma research... there should be an exit mechanism also

SIDHARRTH SHANKAR
PARTNER, JSA ADVOCATES & SOLICITORS



The supply chain is always going to be a challenge. The way we fix it is by leveraging on free trade agreements

RAJA BHANU K.
DIRECTOR-GENERAL, PHARMECIL



The govt should introduce a carbon calculator to assess, audit any business's emissions, and have an offset strategy

MASOOD MALLICK
MANAGING DIRECTOR AND CEO, RE-SUSTAINABILITY