

**ROUND TABLE DISCUSSION ON
MANAGING CONCENTRATION RISK & FOSTERING COMPETITION IN RETAIL PAYMENTS**

Monday, 24th September, 2018 | Nishith Desai Associates, 3, North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra East, Mumbai

BACKGROUND

The Reserve Bank of India (RBI), in its Monetary Policy Statement in June 2018, noted that it is important that the concentration risk in retail payment systems is minimised from a financial stability perspective. It plans to encourage more players to participate in and promote pan-India payment platforms so as to give a fillip to innovation and competition in the sector. To this end, the RBI is likely to put a policy paper for public consultation by September 30, 2018. The Inter-Ministerial Committee for Finalisation of Amendments to the Payments and Settlement Systems Act, 2007 has recently released its recommendations.

In this backdrop, in order to design effective measures to manage concentration risk and foster competition in retail payments, it is necessary to revisit the causes and factors contributing to emergence of such risks; efforts hitherto made to address them; and assess impact of such efforts. Steps taken in other jurisdictions to address similar risks and promote competition also need to be studied. The roundtable will discuss these issues and suggest a way forward for promoting financial stability through minimising concentration risk while promoting innovation and competition in the retail payments sector in India.

CUTS International has over the years made a continuous and vigorous endeavour to make regulation a balanced and proactive process and not merely a reactive one. Regulation can have varied and divergent impacts on different stakeholders. It is thus necessary to ensure that in the process of achieving its objectives, the costs imposed by regulation on stakeholders do not outweigh its benefits. Consequently, we envision a constructive discussion with a target stakeholder group including Government Representatives, Policymakers, Regulators, Civil Society, Academia, Industry Players and Think Tanks.

AGENDA

14:45 – 15:00	Registration & Networking Tea
15:00 – 15:15	Introduction & Brief Presentation
15:15 – 16:55	Discussion with Stakeholders

Key Issues for discussion:

- What are the segments in retail payments in which concentration risks are emerging?
- What are the reasons for emergence for such risks? Are regulatory frameworks and government actions contributing to such risks?
- Have some steps been taken in the past to manage such risks and promote competition and innovation in retail payments? What has been the impact of such steps? What has been the international experience in this regard?
- What steps can Indian policy makers and regulators take to minimise concentration risk, facilitate financial stability, and foster competition and innovation in retail payments?

Key Speakers include:

- **Mr. Vijay Chugh**, Former Principal Chief General Manager, Department of Payment and Settlement Systems of the RBI
- **Ms. Gowree Gokhale**, Nishith Desai Associates, Head TMT
- **Mr. Probir Roy**, Co-founder, PayMate
- **Karan Kalra**, Nishith Desai Associates, Head, Venture Capital Investment/ StartUps
- **Ajay Kaushal**, Director, BillDesk
- **Sarat Selvarajan**, Director Finance, Mastercard

16:55 – 17:00 **Closing Remarks**

17:00 – 17:15 **High Tea**
