

- **FICCI COMMENTS ON WPI BASED INFLATION DATA**
(14th July 2016)

Commenting on the WPI based inflation data, FICCI said that the increase in wholesale inflation is driven by a jump in food prices. We are seeing continuation of price pressure in case of commodities like pulses and vegetables. Even food products and sugar are experiencing an upward pressure in prices. Dealing with this trend calls for supply side measures both from the point of view of enhanced production and seamless distribution. The government has taken up a series of measures and with the expectation of a normal monsoon, it is hoped that these spikes will come under control.

There is a need to have greater production of pulses and look at diversifying sources of pulses imports. The recent agreement entered into with the Government of Mozambique on supply of pulses is an encouraging move. Increase in the MSP for pulses and increasing the buffer stocks for the same should also help alleviate price pressure in the future. Further, in case of vegetables, there is a need to ramp up our storage and distribution network. Better logistics and efficient supply chain management is the key given the perishable nature of these products.

- **FICCI COMMENTS ON IIP DATA**
(12th July 2016)

The growth in manufacturing remains subdued and a cause for concern. The weak consumer and investment demand points to the fact that recovery is going to be slow in manufacturing and the need for addressing more deep rooted structural issues, said FICCI.

The Government has implemented many measures in terms of ease of doing business and to improve business environment in the country which we are convinced will help in lifting the growth of manufacturing in the country.

FICCI's Voice – SG's Desk is a service to all our members and also shared with key policy makers and thought leaders. The document is a compilation of major topical issues that we take up with the Central, State governments and other concerned authorities. These issues come to us directly from members, or through deliberations in conferences, seminars etc. on sectoral issues, as also through Government notifications.

**** This issue of FICCI's Voice is a compilation of issues taken up by FICCI in the month of July 2016**

- **NEED TO FOCUS ON CREATING QUALITY INFRA TO BOOST TOURISM**

To harness the enormous investment opportunities offered by the tourism sector, the Department of Industrial Policy & Promotion (DIPP) and Invest India are setting up an investment desk. The emphasis so far has been on attracting tourists but now the time has come to focus on creating quality infrastructure and filling the gaps on the supply side to allow tourists to have a fulfilling experience.

FICCI said that the Ministry of Tourism and various states are ensuring that the right strategic initiatives are taken to guide stakeholders in making the right investment decision, and FICCI has been working on Tourism Infrastructure development for the last four years. This year at Tourism Investors Meet more than 600 meetings had been pre-scheduled between 72 buyers and seven sellers. These numbers indicate a substantial increase from the last year which witnessed around 350 meetings and 52 buyers.

FICCI also stated that the challenge lies in building a world class infrastructure, rationalizing cost of land procurement and simplify licenses of land towards creating 'Brand India'. In order to achieve this, the Government, Industry and Institutions must make collaborative efforts to create a supportive ecosystem for tourism.

- **NEED TO AMEND DRUGS AND COSMETICS ACT 1940 TO PROMOTE E-PHARMACY IN INDIA**

With the advent of e-pharmacy, there is a need to amend the Drugs and Cosmetics Act 1940 as it does not differentiate between offline and online pharmacies. The Government is seized of the issue and is working towards amending the existing law to develop a framework where the consumers are benefitted.

FICCI said that there was an urgent need to nurture the e-pharmacy sector with the right set of policy frameworks and guidelines in order to provide the benefits that the sector fosters for the consumers. As one of the key agenda of the Government has been to provide easy, quality and affordable access of health services to the consumers, the evolving concept of e-pharmacy will definitely give an impetus to the health sector of the country.

- **INCLUSION OF CORONARY STENT IN NATIONAL LIST OF ESSENTIAL MEDICINE IS WEAKENING THE INDUSTRY SENTIMENT FURTHER**

As the Indian medical device industry braces up for new opportunities, it remains tied up in the restrictive business environment. With the recent announcement on inclusion of coronary stent of all categories in National List of Essential Medicine the industry sentiment has further weakened.

Pharmaceutical formulations and medical devices are two inherently different sectors and cannot be dealt with by the same formula. Unilateral and unsuitable price controls on Stents and Medical Devices will adversely affect the usage of innovative and high quality products in India and thus reduce the levels of patient outcomes. This will have an unfavourable impact on the Make in India intentions and FDI inflow in the sector, said FICCI.

Industry feels, with the recent notification the access to latest technologies to patients in India is likely to be prohibited and will hugely impact both medical tourism which thrives on availability of latest medical technology, and clinical outcome for Indian patients. Attracting global investments for realizing Make in India would need a mature handling of policy decisions for this sector, to keep investor sentiment high and a positive outlook on investing in India for this sector.

Innovation and incremental improvement is the foundation of the medical devices sector that has to regularly invest in research and development for upgrading medical technology for the benefit of the patients. Price controls create disincentive for manufacturers to bring new technology to market.

In no market around the world has there been improvement in access to high quality medical treatment without a combination of strong reimbursement mechanism and high quality medical technology adoption. Price control does not improve access.

It is time for the government, insurers, manufacturers, and providers to embrace common objectives and to acknowledge and fully support the crucial role of medical technology assessment in the enhancement of the quality of health care.

- **REVAMPED NATIONAL VOLUNTARY GUIDELINES FOR CORPORATE SUSTAINABILITY IN PUBLIC DOMAIN SOON**

FICCI said that sustainability is becoming an issue of business conscience, and therefore, of business strategy. It is becoming a momentum for deliberation and strategic direction among different players in the economy, be it industry, investors, policymakers and regulators and stock exchanges.

The sustainability is becoming synonyms with 'responsibility', responsibility towards environment and society. With the Sustainable Development Goals, the role of business is expected to be transformative not just for its own competitiveness, but for the country's development priorities as well. There are trailblazers and trendsetters in the corporate world who have taken the lead in embracing sustainability. The real momentum will be felt only if these are replicated widely through learning and innovation across sectors.

The aim is at discovering the momentum that sustainability related initiatives have gained in the corporate sector, in light of the magnitude of financial, corporate and environmental regulations focused on sustainability, and responsibility disclosures that have been mandated by the Indian Government in recent times.

For more details contact FICCI Membership
at tripti.kataria@ficci.com