VOICE OF FICCI

SHAPING THE AGENDA

April 2021

From the Secretary General

More than 10 million in the age group 18-44 people signed up on the Co-WIN app on 28 April soon after registrations began. FICCI had earlier urged the government to open vaccination for this age group which also forms the majority of our workforce. India also achieved a milestone in its vaccination drive with the country becoming the fastest to achieve 18 crore vaccination in a record time ahead of the United States and China. Yet we have to scale up vaccinations going forward. FICCI has suggested a plan.

At the same time, there has been an upward swing on the number of cases of infection. India, around mid-April, reported the sharpest growth rate of 7.6% in new COVID cases, which was 1.3 times higher than case growth rate of 5.5% reported in June 2020.

The Chamber had recommended to the state governments to increase testing by utilising facilities in the private sector, which includes more than 1200 labs. With the PPP model being encouraged, the last day of April recorded more than 19 lakh (19,20,107) tests, making it the highest single day tests done in India.

FICCI had also suggested that final year BSc and GMN Nursing students be inducted in the healthcare workforce. This suggestion was accepted by the government. In view of the current challenges and crisis being faced by all the healthcare workers across the country, FICCI urged to extend the insurance offered to healthcare workers under the PMGKP incentive scheme for at least one more year.

FICCI has been receiving numerous suggestions from industry members for organising on-site vaccination at workplaces, which will provide easy access to vaccination for all employees and their family members. FICCI has recommended that the private hospitals, that have adequate capacity to vaccinate more people should be allowed to carry out on-site vaccinations in housing societies as well as large corporates houses. FICCI has also constituted an expert group of industry leaders to help provide solutions and support to the Central and State Governments, wherever required.

With all this focus on lives, FICCI is continuously engaging with the Central and state government with recommendations and meeting to support industry as also address the challenges faced in movement of goods and people during lock down.

Dilip Chenoy

Industry recommendations for India-Indonesia WGTI shared with MoCI

FICCI shared Indian industry recommendations with the Ministry of Commerce and Industry for the first meeting of the India-Indonesia Working Group on Trade and Investment (WGTI) scheduled on 27 April.

For detailed recommendation, please write to
Mr Gaurav Vats at gaurav.vats@ficci.com

Earmarking the 3.3-4.2 GHz band for IMT Services (5G deployment)

Post the independent submission of letter by the Broadcast forum on C-Band Spectrum Threat in Broadcast and Cable Services, FICCI ICT Committee in view of reviewing/ revising the National Frequency Allocation Plan (NFAP-2018) gave their own inputs highlighting the importance of 5G and the criticality of the spectrum band 3.3-4.2 GHz for deployment of 5G services in the country. Key spectrum bands must be identified and be attributed to and protected for the IMT services. This band has already been identified by many countries and envisaged in the NDCP 2018 and hence should be protected only for IMT/ 5G allocation. This was submitted to Secretary, Department of Telecommunication.

For detailed recommendation, please write to
Ms Sarika Gulyani at sarika.gulyani@ficci.com

Effective utilisation of telecom services for inclusive growth of the country

The FICCI ICT committee made submission to the DPIIT on the various requirements for the effective utilisation of telecom services for inclusive growth of the country. The note mentioned:

- Extension for use of 10-digit M2M SIMs till March 2023 (only wrt existing 10-digit M2M SIM enterprise users).
- Clarity on regulations on foreign permanent SIM in the IoT devices imported in India.
- Relaxation of restriction of maximum four public IP addresses/ URLs per 13-digit M2M SIM to a least 25 public IP addresses/ URLs per M2M SIM.
- Simplify the bulk mobility KYC norms for ease of doing business.
- Enable telcos to transfer enterprise customer's information to enterprise's foreign HQ/ offices.

'Voice of FICCI' is a service to all our members and shared with key policy makers and thought leaders. The document is a compilation of FICCI's views on macro-economic issues. These issues come to us directly from members, or through deliberations in conferences and seminars on sectoral issues, as also through Government notifications.

- Implementation of Indian Telegraph RoW Rules Nov 2016 across all states and central departments.
- Enabling affordable 5G service.
- Rationalization of Property Tax on Telecom Towers.
- Availability of Input-Tax Credit on Telecom Towers.
- Affordable and faster high speed backhaul connectivity.
- Enablement of Industry 4.0.
- Minimum four telecom operators needed in Indian telecom market for driving competitiveness.
- Enable/provide policy roadmap / certainty for sustaining a stable telecoms market.
- Provide free access to Government infrastructure and Right of Way.
- Involve/give right to deploy telecom infra in s nation building projects.
- Personal data protection law and non-personal data framework.
- IoT devices, working in licensed band, of foreign manufacturers are required to be on-boarded onto different applications for IoT services.
- Legal provisions for safety & security of critical telecom infrastructure from wilful damage & vandalism.
- Affordable and priority electricity connection for telecom installations.
- Affordable and faster RoW permissions for providing ubiquitous cellular coverage.

This was submitted to Department for Promotion of Industry & Internal Trade, Ministry of Commerce and Industry.

For detailed recommendation, please write to
Ms Sarika Gulyani at sarika.gulyani@ficci.com

FICCI urges MeitY to declare FY 2020-2021 as zero/ preparatory year for PLI scheme for the mobile phone segment

The FICCI Mobile Manufacturing Committee made a submission to MeitY requesting to declare FY 2020-2021 as the zero / preparatory year for Production Linked Incentive (PLI) Scheme for Mobile phone segment. There is truly a Force Majeure situation on the ground. Despite all the best efforts, majority of the companies who had to set up new capacities have not been able to meet the year 1 incremental sales turnover targets for the FY 2020-2021. The delay in meeting the thresholds have been due to:

- COVID-19 pandemic a global health emergency which disrupted the important setup activities required during the first year.
- The states that manufacture majority of mobile phones have been worst impacted.
- Actual investments began only in October 2020 (post PLI approval) - amidst peak of COVID-19 in India.
- Constraint on visas for foreign technicians.
- There is further immense disruption with the new plants being set up on the ground caused by the second wave of pandemic.

This was submitted to Secretary, Ministry of Electronics and Information Technology.

For detailed representation, please write to
Ms Sarika Gulyani at sarika.gulyani@ficci.com

FICCI recommendation: Methodology for calculation of interest be altered

Inputs on methodology for calculation of the amount to be refunded/ adjusted charged as interest on interest/ compound interest/ penal interest by Bank/ FIs for the moratorium period.

1) Any amount debited to borrowers©account & credited to Interest Income of the Bank/FI should be considered as interest.
2) All Banks & Financial Institutions should follow the same procedure for calculation of refund. There should be a deadline by which all Banks/FIs should complete the process.
3) The RBI circular clearly states that the relief would be applicable to all borrowers including those who have availed working capital facility during the moratorium period irrespective whether moratorium has been partially or fully utilised. Hence, if a credit card holder does not have any balance as on 29 February and has subsequently availed the credit card facility or has taken enhancement on his/ her credit card limit, and if one applies 29 February as the base for giving relief then it would not be in conformity to the RBI circular and spirit of the relief being granted by the government. Therefore, FICCI recommends applying the same methodology for Credit Cards as being finalized for Banks/FIs.

This was submitted to Senior Adviser- Legal, Indian Banks' Association (IBA).

For detailed representation, please write to
Mr Hemant Seth at hemant.seth@ficci.com

FICCI note for India-Japan MSME Cooperation

FICCI proposed the following action agenda to Under Secretary, IC Section, Ministry of MSME, Govt of India, for the India-Japan SME partnership:

- Connecting with Japanese industrial clusters and prefectures to promote SME cooperation in partnership with JETRO.
- Promoting women entrepreneurship amongst SMEs through FICCI Ladies Organization (FLO)- FICCI has already undertaken several FLO delegations to Japan in past.
- Promoting SME cooperation in the following sectors with opportunity to collaborate, especially in the light of the PLI scheme of manufacturing besides some sectors mentioned

above- Electronics, Pharma & Medical Devices, Telecom & Communications Technology, Fintech, Auto & Auto Components, Financial Services, Healthcare, Tele-medicine & Biotechnology, Defence.

For detailed representation, please write to
Mr Hemant Seth at hemant.seth@ficci.com

FICCI representation: MTNL shutting down web and e-Mail services will affect MSMEs

It has been brought to notice that Mahanagar Telephone Nigam Limited (MTNL) has taken a decision to stop its all web and e-Mail services. The intimation of suspension of the services was received on 17 April 2021 from MTNL, stating that they would be shutting down these services w.e.f. 30 April 2021.

MTNL has been providing e-Mail service to its subscribers for decades (xxxx@bol.net.in) and their major clients have been MSMEs. Each of these subscribers use their MTNL e-Mail IDs for registration on government procurement portals and with various stakeholders in their value chain.

This service was made chargeable from 01 April 2020 and MTNL had then migrated these services under the NIC. Accounts were recharged again in March 2021 and at that time there was no indication given by MTNL that the services would be discontinued in a month's time. Being a major source of e-mail provider for MSMEs, this decision would lead to a major crisis for several MSMEs. The approach taken by MTNL to discontinue the services, seems very arbitrary, impulsive, and executed without any planning. This was submitted to Union Minister for MSME.

For detailed representation, please write to
Mr Hemant Seth at hemant.seth@ficci.com

FICCI recommendation: New timber policy to boost locally produced certified solid wood and encourage FSC certification

Limited availability of certified raw material is a challenge for the furniture sector. Imported competitive, certified raw material are the short-term solution to start the growth of the furniture industry in India and locally produced certified solid wood must be a precondition in the mid to long term perspective. Keeping this in view, it was suggested if a new timber policy to boost locally produced certified solid wood could be developed. The policy could focus on certification, incentivise farmers to grow required wood, intensive scientific management of forest planation as well as sustainable management of non-timber forest produce. For export of wooden furniture, FSC (Forest Stewardship Council) certification is major requirement which requires need of responsibly managed forests for its material and chain of custody transparency. India has its own forest areas that can be managed in a sustainable manner and tie ups can be explored with the FSC authority. This was submitted to Joint Secretary, DPIIT.

For detailed representation, please write to
Ms Mousumi Ghose at mousumi.ghose@ficci.com

PPA Tariff reduction proposal by PSPCL for Solar Power projects in Punjab

PSPCL has communicated to Solar Power Developers (SPDs) with operational solar power projects in the state to reduce PPA tariff by at least 15%. The reasons cited by PSPCL for seeking this unprecedent reduction is due to severe cash deficit being faced by PSPCL and many structural changes that have taken place in the power sector.

It is humbly submitted that such requests for seeking discount on tariff for operating project, with signed Power Purchase Agreements, is not maintainable under the provisions enshrined in the Electricity Act, 2003, as well as the notifications issued by MNRE and MoP from time to time. Further, it is undisputed that tariff under the PPA, especially that being discovered under the competitive bid process and adopted under Section 63 of the Electricity Act 2003, cannot be tinkered with. Any reduction in the tariff will violate the sanctity of a contractual obligation and adversely affect the developer's ability to repay loans to their lenders, which would lead to recall of loan facilities and widespread bank loan defaults.

It may be noted that it is not justified to suggest a reduction in tariff or attempt to renegotiate on its subsisting and binding obligation to purchase the contracted capacity of solar power from the developers at the stipulated tariff. PSPCL has voluntarily entered in a 25-year long term PPAs with developers, is bound by the same, and must not violate the terms of the same on the grounds of a temporary cash crunch, that too in the absence of any provision which allows for seeking such a reduction in tariff. Contracts cannot be circumvented for any reasons and certainly not short-term financial difficulty.

This was submitted to Minister of Power, Government of Punjab:

- To help ensure regulatory certainty.
- To honour the sanctity of the signed contracts and to help ensure PSPCL abides by the terms of Power Purchase Agreement.

For detailed representation, please write to
Ms Rita Roy Choudhury at rita.roychoudhury@ficci.com

FICCI representation on disposal of fly ash and bottom ash by Thermal Power Plants

FICCI made a representation regarding issues related to disposal of fly ash and bottom ash by Thermal Power Plants (TPPs) to Secretary, Ministry of Power.

The following are the key points of the recommendation:

- Creating a positive ecosystem- the government can create infrastructures such as large silos at the ports and railway vessels (cement bulker) on PPP model for transporting fly ash on rail and ship for inland cement plants/ export.
- It is suggested that the ash may be supplied at free of cost. However, the cost of transportation should be paid by the ash user agency. Free transportation to user industries for 100 km would result in increase in cost of power by 08 paise. This would add to the financial stress of power generating companies.

- Proposed penalty @ INR 1000 per ton on thermal power plants for non-utilization of ash (fly ash and bottom ash) maybe kindly reviewed and the penalty should be imposed based on the efforts and the opportunities available for eco- friendly disposal to a plant.
- Imposing penalty on purchasers/ user agencies may prove to be counterproductive and it will not encourage off-take of fly ash. It is suggested that the penalty should be reduced to nominal INR 1/ waived off for purchasers.

For detailed representation, please write to
Ms Rita Roy Choudhury at rita.roychoudhury@ficci.com

FICCI urges for permitting sale of coal in open market by PSUs to enhance coal supply in India

FICCI made a representation regarding permitting sale of coal in open market by PSUs, other than CIL (NLC, SCCL), to enhance coal supply in India.

Recently, the Government of India amended the MMDR Act and allowed 50% sale of coal on merchant basis annually from coal produced from captive mines. These amendments have been implemented with the intention of increasing production of coal from captive mines and increase in coal availability in the market leading to reduction in import of coal.

In this regard, it is felt that the earlier coal blocks allocated under CMSP Act, 2015 should also be treated at par with coal block allocations under MMDR Act and coal block allocatees under CMSP Act, 2015 should be allowed to sale coal on merchant basis directly on its own rather than going through CIL subsidiaries.

Hence, Central PSU captive coal block allottee (such as NLC, SCCL, etc.,) who have surplus coal or are not able to consume entire coal should be allowed to directly sell coal in the open market with prior approval of Ministry of Coal on annual basis. This is also in line with CMSP Act, 2015 and MMDR Act which allowed Central Government companies to engage in sale of coal.

This was submitted to Minister of Coal & Mines and Minister of Parliamentary Affairs, Govt of India.

For detailed representation, please write to
Ms Rita Roy Choudhury at rita.roychoudhury@ficci.com

Low gas prices to impact financial performance of upstream oil and gas companies

The investments in India's upstream sector will dry up at the present pricing as operators are only ready to take the geological and market risks on investments but not these regulatory and controlled pricing risks. These are too overbearing on them in what is essentially a high-risk business with no guarantee of success. The upstream sector is cross subsidising the end user industries with the prevailing low domestic gas prices. The end-user industries, specifically fertilisers and City Gas Distributors (CGD) are expected to benefit out of this, and the upstream players are bleeding as no producer in the country will be able to take risk of exploring gas in the current price regime. In industry parlance, upstream companies deal primarily in exploration of resources and thus, to cater to India's energy challenge of satisfying growing energy needs and make it a gas-based economy, it is imperative to ramp up domestic gas output from the upstream companies. This was submitted to Secretary, Ministry of Petroleum and Natural Gas.

For detailed representation, please write to
Mr Vivek Pandit at vivek.pandit@ficci.com

FICCI requests for permissions for unrestricted movement of telecom staff, including field engineers for telecom infrastructure

As the fight against COVID-19 pandemic has entered a critical stage yet again with various states are moving towards limited / full lockdown and curfew to counter the current crisis. In such time of crisis full proofing country's digital and telecom network is critical and will play an important role to fight the pandemic. Considering telecom infrastructure is critical in event of dissemination of the information to the public in large, financial transactions by the public and banks, public entertainment, etc. Hence in the current situation regarding the outbreak and spread of COVID-19 infection across India, there will be a need to ensure the availability and continuity of the telecom operators and to provide 24x7 telecom services. This representation was made to support in allowing all the work related to the Digital Network preparedness activities to continue without any delay as an enhanced state of Digital Network Preparedness will empower the nation and citizens to prepare and respond to various challenging scenarios. This was submitted to Home Secretary, Government of India.

For detailed representation, please write to
Mr Vivek Pandit at vivek.pandit@ficci.com

Industry recommendations for export of major defence platforms submitted to MoD

FICCI organised a brainstorming session on Strategies for Formulation of Export Promotion for Major Indigenous Defence Platforms with Mr Sanjay Jaju, Addl Secretary (DP), Ministry of Defence and other senior officials from Department of Defence Production, Ministry of Defence on 12 April.

Eight companies in the private sector, engaged in the manufacturing of defence platforms shared their views and experiences on this important issue. The purpose of this interaction was to identify policy and procedural changes required to support export of Major Indigenous Defence Platforms. Following the interaction, the consolidated recommendations made by industry were forwarded to Ministry of Defence.

For detailed representation, please write to
Mr Vivek Pandit at vivek.pandit@ficci.com

FICCI recommendation on indigenous content aspects of DAP 2020 submitted

FICCI perused DAP 2020 regarding Indigenous Content and proposed an amendment to ensure that there is no ambiguity in interpretation of statements in the DAP at two places.

This was submitted to ADG, Acquisition Land Systems & Director General (Acquisition).

For detailed recommendation, please write to
Mr Vivek Pandit at vivek.pandit@ficci.com

Permission sought for 24x7 food delivery in Telangana/ Hyderabad

As per the new state curfew guidelines, restaurants are required to close by 8 pm. While e-Commerce deliveries are permitted beyond 8 pm, the same, however, does not apply to food deliveries. Given the current scenario, permission was sought to deliver food 24x7 in Telangana/ Hyderabad.

This was submitted to Secretary, IT & Industries.

For detailed recommendation, please write to
Mr Akhilesh Mahurkar at akhilesh.mahurkar@ficci.com

FICCI lends support to Telangana's vaccination drive

FICCI requested the state government to increase vaccination points by including accredited diagnostic labs, pharmacies, and home care organizations to ensure rapid vaccination. FICCI will participate in the vaccination process and looks forward to working shoulder to shoulder with the state government in achieving the vaccination targets. This was submitted to Chief Minister of Telangana.

For detailed recommendation, please write to
Mr Akhilesh Mahurkar at akhilesh.mahurkar@ficci.com

FICCI recommendation on SEBI discussion paper on review of regulatory provisions related to IDs submitted

Based on a discussion paper issued by SEBI, FICCI has made detailed submission on proposed recommendations on definition of IDs, appointment, reappointment & removal process, remuneration, prior approval of shareholders, resignation, etc.

For detailed representation, please write to
Ms Abha Seth at abha.seth@ficci.com

FICCI requests to set off excess CSR spend as contribution to PM CARES Fund in March 2020

In response to an appeal made by MCA to CEOs of Indian industry to contribute liberally to PM CARES Fund to help combat the impact of the pandemic, many companies had contributed generously to PM CARES Fund. Through this appeal, an assurance was given to India Inc that contributions by a company to PM CARES Fund, which are over and above the prescribed 2% CSR spend of the year (excess amount), can be set off against CSR obligations arising in subsequent years. However, this set off has not been allowed by the Government. FICCI has submitted that the Government may take recourse to the power bestowed under Section 462 of the Companies Act, 2013 and allow CSR expenditure that was undertaken in March 2020 to be treated as allowable CSR expenditure in the subsequent year, as was stated in the appeal issued by MCA. This was submitted to Finance Minister, GOI.

For detailed representation, please write to
Ms Abha Seth at abha.seth@ficci.com

FICCI seeks clarification on disclosures in respect of analyst/ institutional investor meets

FICCI has sought clarification on new requirements relating to review of disclosures in respect of analyst/ institutional investor meets by listed entity applicable only to organised by the company, and not all analyst/ investor interactions. Any one-on-one or group meetings between corporates and investors/analysts do not have to be recorded and uploaded on the company website. This was submitted to ED, SEBI.

For detailed representation, please write to
Ms Abha Seth at abha.seth@ficci.com

FICCI submission on CSR Amendment Rules 2021 implementation challenges

Based on interaction with Mr GK Singh, Joint Secretary, Ministry of Corporate Affairs, and inputs from members on CSR Amendment Rules 2021, FICCI has made detailed submission on implementation challenges relating to the Amendment Rules to JS, Ministry of Corporate Affairs.

For detailed representation, please write to
Ms Abha Seth at abha.seth@ficci.com

FICCI recommendation: Deferment of new requirements under amended CSR Rules be made applicable

FICCI has submitted that the new requirements of Impact Assessment, CFO certification and CSR annual reporting in a new format under CSR amendment Rules be made applicable from the FY beginning from 01 April 2021, i.e., from the Financial Year 2021-22 onwards. This was submitted to Secretary, MCA.

For detailed recommendation, please write to
Ms Abha Seth at abha.seth@ficci.com

COVID related relaxations under Companies Act & SEBI Regulations

FICCI has submitted detailed recommendations on relaxations and extensions sought under Companies Act & SEBI Regulations due to the second wave of COVID related disruptions. These were submitted to Finance Minister, SEBI Chairman and Secretary, MCA.

For detailed recommendations, please write to
Ms Abha Seth at abha.seth@ficci.com

FICCI recommendation: Separation of role of Chairman and CEO/ MD in companies be deferred

FICCI represented industry's concern vis-à-vis the requirement of separation of offices of Chairperson and MD/ CEO. In the current COVID scenario and in view of the profound impact that the pandemic has had on the corporate sector, it has been submitted that implementation of the requirement of separation of the roles of Chairperson and MD/CEO for companies where such dual roles already exist may be deferred. This was submitted to SEBI Chairman.

For detailed representation, please write to
Ms Abha Seth at abha.seth@ficci.com

FICCI urges GIDC to not increase Land Allotment Price for 2021-22

As per notification, the Gujarat Industrial Development Corporation Land Allotment Price for industrial sector for the year 2021-22 has been increased by an average 15% across all GIDCs in Gujarat. With COVID-19 pandemic induced lockdown in Gujarat, migration of labour, reduction in market demand and other associated challenges, business operations are severely hit, and revenues are impacted.

Over the past 12-14 months, the Government of Gujarat has taken cognizance of the issues faced by the industry and provided necessary relief to help industry tide through these difficult business times. However, the move by GIDC to increase Land Allotment Prices under current challenging business and economic scenario seems counterproductive to Government of Gujarat's efforts to support industries in state under such challenging times.

FICCI requested that the Land Allotment Prices for GIDCs for the year 2021-22 to not be increased. This will significantly help and support our industries to continue to invest in their business operations. This was submitted to Vice Chairman and Managing Director, Gujarat Industrial Development Corporation.

For detailed representation, please write to
Mr Pankaj Tibak at pankaj.tibak@ficci.com

FICCI note on recommendations to RBI's Working Group on digital lending

Recent experience on account of the unregulated players in the market has brought to fore the following issues regarding digital lending by these entities. These entities do not showcase who they are representing. These lenders are not genuine, and they are not transparent in showing who they represent.

- There is no transparency in the rate of interest charged to the borrower.
- Repayment schedules are also not properly defined.
- Coercive practices in recovery are often used without giving opportunity to borrowers.
- Because of the easy availability of loan, many borrowers are getting over-borrowed.

A related fallout of the crackdown on the unregulated apps has been felt by payment gateways. These payment gateways had tied up with digital lending apps for repayments. The Enforcement Directorate, Reserve Bank of India and other agencies have issued notices to payment gateways to cancel the accounts of several unregulated apps. Payment gateways companies are also being questioned about the reasons behind opening accounts for such firms. Further, the payment gateways are not being allowed to integrate with even the genuine digital lending apps.

Amidst these concerns around online lending platforms/ mobile lending apps (digital lending), Reserve Bank of India, vide notification dated 13 January 2021, constituted a Working Group (WG) to study all aspects of digital lending activities in the regulated financial sector as well as by unregulated players with the intent of putting an appropriate regulatory approach in place. The objective is to enable orderly growth of this sector balancing the interest of the lenders and borrowers.

The aim of this white paper is to submit recommendations from the fintech industry to the WG that reflects the views as well as the business activities of players in the digital space. There is a need to distinguish between the genuine and the spurious entities and halt activities that are harmful to Indian consumers without stifling growth of the fintech sector which has the potential to contribute in a large extent to the financial inclusion initiatives of the government and the regulators. The industry submits that lending is a regulated activity in India and only the following entities should operate in the Indian digital lending market in an unhindered manner under and within the purview of the current regulatory norms. This was submitted to Director, DEA.

For detailed recommendation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

FICCI note on success factors for the Account Aggregation ecosystem

The RBI approved a new class of NBFCs in 2016 to act as Account Aggregators (AAs) to provide data aggregation and sharing services based on the explicit consent of data owners. Account aggregators can extract, aggregate, and transfer, but not read or store, users' encrypted data. The RBI has issued in-principal approval to a few entities to offer AA services. While it has been five years since the regulation, the AA needs to be commercially launched. The note provides some suggestions that are important for the success of the Account Aggregation ecosystem. This was submitted to Director – DEA.

For detailed recommendation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

FICCI recommendations for Paperless Financial Onboarding

The recent regulatory initiatives taken up by the government and the regulators have made paperless and presence-less finance a reality in India. For instance, the introduction of the Video-based Customer Identification Process (VCIP) was one of the key reforms towards accelerating the next phase of digital financial inclusion. In a post-COVID world, there is an immediate need to move to a complete digital, paperless, and presence-less process of conducting customer due diligence for all regulated entities thereby doing away with the need of conducting face-to-face customer meetings and verification. This note lists out three key suggestions for aiding these recent regulatory initiatives in the post-COVID world. These suggestions include long-standing items along with some new ones that require attention on account of the recent regulatory developments in the FinTech space.

- Simplification of the Video Customer Identification Process (VCIP): RBI's recent, ground-breaking announcement to allow the use of video KYC is a huge leap for digital finance. The Master Direction now allows RBI regulated entities to conduct video KYC for onboarding customers remotely. However, the process of V-CIP as provided in the Master Directions is not completely consumer-friendly and friction-less and needs to be simplified to ensure greater adoption. Firstly, it is suggested that a PAN verification report retrieved through Digilocker should be treated as equivalent to and in lieu of an e-PAN in the VKYC process. A positive confirmation stating that PAN verification report retrieved through Digilocker is equivalent to an e-PAN under the RBI KYC Master Directions for the purposes of conducting V-CIP (VKYC) would go a long way in simplifying the VKYC process for faster customer onboarding. This is so because the PAN data is verified by DigiLocker (https://digilocker.gov.in) as per data provided by the issuing authority, Income Tax Department, Govt of India, and the said report is also digitally signed.

Secondly, it is suggested that CKYC output/checks is permitted to be used as an alternative to Aadhaar XML verification in the V-CIP process. The CKYC output can be equated to Aadhaar because of the following reasons:

1) It is retrieved from source and hence cannot be manipulated by end user.
2) Has fields like name, date of birth & photo for comparison/verification with application data/ live face capture.

- Explicit CKYC mandate from RBI in Master KYC Direction: Explicit mention by RBI is required in Master KYC Directions to the effect that CKYC Registry API level checks should be considered as full KYC by Banks and NBFCs in a completely digital and non-face-to-face mode, without having the need to conduct any face-to-face verification, further KYC checks or due diligence. As an additional risk mitigation measure, it is suggested that in addition to or combination with the CKYC Registry API level checks, a verification through a one-time password (OTP) sent to the registered mobile number of the said individual (as available in the CKYC records) is carried out to mitigate any residual risks. Since the mobile number would have been captured and already verified by a bank/regulated entity before uploading on the CKYC portal, it may be safe to rely on such information for the further checks as mentioned above. Further an explicit provision in the RBI KYC Master Directions mandating the REs to upload their customer's KYC records with the CKYC Registry within 10 days from commencement of an account-based relationship will result in greater industry adoption of CKYC Registry and uniformity of KYC records as well as document standardisation. This will enable REs to focus on their core businesses and reduce compliance cost and additional due diligence processes towards customer onboarding.
- Widening the scope of Aadhaar based authentication: Firstly, it is suggested that OTP based e-KYC authentication process should be allowed with increased limits that can meet customer loan requirements in the post-COVID era. Currently, lending through OTP-based e-KYC authentication under RBI KYC Master Direction is capped at INR 60,000, whereas the average loan size through the online digital mode basis our market research is approximately INR 2.61 lakh in metros and INR 2.84 lakh in non-metros. As the digital ecosystem is maturing, the time is right to revise the limits upwards to at least INR 6 lakhs n the KYC Directions and Guidelines in respect of loans permitted through OTP-based e-KYC. This will enable a hassle-free process to borrow small ticket size loans for both retail consumers and SMEs. Similarly, issuance of credit card accounts should also be allowed via this process and there should be an explicit mention to include credit cards under the OTP based e-KYC authentication process in the RBI KYC Master Direction.

Secondly, at present only banks can use Aadhaar based online authentication facility. Entities such as insurance and mutual fund companies, NBFCs, investment advisors, PFRDA intermediaries, and FinTech entities which are regulated should also be allowed Aadhaar access for online account openings, cost reductions, and overall convenience to customers. Pursuant to notification dated May 9, 2019, any reporting entity may apply to UIDAI through its concerned regulator to be notified as an entity allowed to use the E-KYC facility of UIDAI. While UIDAI has the powers to consider such applications, the criterion for approval is not specifically clear. We recommend that any reporting entity under the PMLA who is a PCI-DSS certified and ISO-27001 certified should be eligible to receive such approval from UIDAI under the said notification.

The recent amendments to the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 (Rules) and RBI Master KYC Direction is a positive step by the Government and Regulators to provide different alternatives to REs to digitally onboard an individual in a paperless and presence-less manner. The success of a completely digital solution for KYC is necessary and concerted efforts from both financial institutions and RBI is needed to address the above issues to develop the paperless and presence-less onboarding of customers for financial products. This will enable credit access and financial inclusion for every Indian citizen and India's march towards Government of India's vision of $5 trillion economy. The three points listed above will help to fix the three digital KYC policy changes required by FinTech to fast-track credit growth. This was submitted to Director – DEA.

For detailed recommendation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

FICCI note on Regulatory Sandbox

Around the world, 57 countries currently operate 73 fintech sandboxes. The RBI, SEBI, and IRDAI launched parallel sandboxes in 2019. While the basic premise of supporting and encouraging responsible fintech is common to all three, their designs differ, particularly regarding eligibility criteria and testing environments. The regulatory sandbox set up by the regulators have a dedicated fintech wing responsible for developing the enabling framework and defining the operation and structure of the sandbox.

For the first cohort, RBI chose retail payments as a theme, with the explicit intention of spurring innovation in the digital payments space and helping to offer payment services to the unserved and underserved segments of the population.

While RBI's regulatory sandbox framework has made a good start, it is important to further improve the model and take it forward. Basis consultations held with members of the Fintech sector, FICCI would like to share the following feedback for consideration of the Government and Regulator and hopes that this will be a useful input for improving the sandbox environment. This was submitted to Director – DEA.

For detailed recommendation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

Concept note on QoS in Digital Payment submitted to Indian Banks Association

QoS For Bharat. The QoS framework is intended to be an ecosystem reference framework that improves quality of service (QoS) in the overall payments industry. It integrates available data on transaction records (including completion of transactions/declines), RBI's recent Turnaround Time framework for resolution of customer complaints across payment systems, and global practices outlined in the ITU QoS manuals. This was submitted to CE, Indian Banks Association.

For detailed recommendation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

Extension of ECLGS scheme and introduction of ECLGS 3.0

In reference to the recent announcement made regarding extension of ECLGS scheme, the government has now extended the scope of Emergency Credit Line Guarantee Scheme (ECLGS) through the introduction of ECLGS 3.0 to cover business enterprises in Hospitality, Travel & Tourism, Leisure & Sporting sectors, which had, as on 29.02.2020, a total credit outstanding not exceeding INR 500 crore and overdues, if any, were for 60 days or less, on that date i.e., 29 Feb 2020.

ECLGS 3.0 would involve extension of credit of up to 40% of total credit outstanding across all lending institutions as on 29.02.2020. The tenor of loans granted under ECLGS 3.0 shall be six years, including a moratorium period of two years. The validity of ECLGS, i.e., ECLGS 1.0, ECLGS 2.0 & ECLGS 3.0 have been extended up to 30.06.2021 or till guarantees for an amount of INR 3 lakh crore are issued. Last date of disbursement under the scheme has been extended to 30.09.2021.

Further, as per ECLGS 2.0, the Healthcare sector along with 26 other sectors stressed due to COVID-19 is listed by the KV Kamath panel. The Gems and Jewellery industry is also enlisted in the same.

As per the scheme, the scheme will have no upper ceiling on annual turnover and will receive an additional credit of up to 20% of the outstanding as on 29 February 2020 of above INR 50 Crores and up to INR 500 Crores subject to the account being standard and under SMA 0. As per inputs received from industry members from Gems and Jewellery sector, the industry is:

- Providing employment to 4.30 Mn persons.
- Adding US $ 36 bn to India's export kitty.
- World leaders in diamond exports and manufacturing.
- Responsible for more than 85% of the manufacturing activity done under the MSME segment.
- Highly working capital intensive as all raw material is being imported and then most of it is being exported as well.

However, considering the mass employment, exports and production carried out by the larger players having facilities beyond INR 500 Crores are being left out completely and isolated from all the packages announced till date by the government. In some cases, it has been informed that due to the loan amount being more by 2-10% and further on revaluation of dollar limits at prevailing FEDAI rate (as on 29.2.2020) instead of rate considered at the time sanction, the respective borrowers have become ineligible for loan under ECLGS. Therefore, we would request the government for the following relaxations in the above announcements for MSME units having credit facilities outstanding over INR 500 Crores:

1) We would suggest that such units may also be extended the 20% loan under ECLGS subject to a ceiling of INR 100 Crores per unit. Effectively this would mean that any unit having outstanding credit lines of over INR 500 Crores would get maximum INR 100 Crore loan amount irrespective of their outstanding amount. Illustration given below:

Loan amount	Loan under ECLGS	% to loan amount
600 Crores	100 Crores	16.67%
700 Crores	100 Crores	14.28%
800 Crores	100 Crores	12.50%

2) The past due up to 30 days criteria should be relaxed to past due up to 60 days as the case in ECLGS 1.0 scheme. The reason being that the trade was impacted prior to 29.2.2020 as there were issues in respect of exports to China and Hong Kong where COVID-19 impact was already visible and violent protests in Hong Kong had hit the normal life and trade & commerce severely. We request you to kindly have it examined by your office for further action. This was submitted to Secretary, Department of Financial Services.

For detailed recommendation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

FICCI requests for minimum transaction limit on UPI transactions for Online Gaming

FICCI members of the online gaming, media and entertainment committee and sectoral industry associations have been impacted by the National Payments Corporation of India's (NPCI) recent decision to set a minimum value of INR 50 on all gaming transactions on its popular Unified Payments Interface (UPI) channel. This decision will have unintended ripple effects for the entire online gaming industry, will severely hurt their growth, and would also impact the expansion of the digital payments in the country.

Feedback received by FICCI from its members shows that NPCI's decision will have the following implications:

1) In 2019, India had 300 million mobile game users and this number has increased to 360 million in 2020. Many of these users are attracted to the affordable ticket size that online gaming presents. The decision of NPCI to set the limit to INR 50 will force a consumer to spend more hence discourage a sizeable percentage of these users and hamper growth.

2) The Online Gaming industry is projected to contribute over INR 20,000 crores in taxes in the next five years and the volume of transactions is expected to reach 2.5 billion by 2023. This recent decision will lead to significant revenue loss for the Industry, payment gateways, banks and to the Government exchequer.

3) The ticket size to participate in an Online Real Money Skill Gaming contest ranges between INR 10 and INR 35. Setting the limit to INR 50 will severely hit the investor confidence and make FDI to this sunrise industry less attractive.

4) The Online Real Money Skill Gaming industry is a significant revenue contributor through strategic partnerships to all major sports bodies such as the BCCI and will have a cascading effect on the entire sports industry.

We would like to emphasize that the Online Gaming industry has been a key driver of the Government's Digital India initiative and the Industry has been diligently working towards helping create a cashless economy in the country. About 50 per cent of the transactions on Online Gaming platforms are initiated from Tier 2 and Tier 3 cities in India, which outlines the significant penetration that this industry has been able to make in these cities, as well as helping users in these Tier 2 and 3 cities familiarise themselves with digital payment mechanisms.

NPCI has won global accolades for creating UPI and supporting India's rapid transition to a digital economy. Facilitating digital micro-transactions seamlessly is imperative to ensuring greater adoption for digital payments in the country. However, by increasing the transaction limit, we might be excluding the low-income users, who Industry has been trying to on board the digital train by bridging the digital divide through improved access and affordability.

FICCI requested the NPCI to reconsider this decision to set limits on UPI transactions on online gaming platforms and hold stakeholder consultations to arrive at a mutually agreeable solution for NPCI and the industry. This was submitted to CEO, NPCI.

For detailed recommendation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

Interest subvention benefit under ECLGS

Interest subvention has been offered to various industries (manufacturer exporters and for exports in the identified 416 four-digit tariff line and all MSME exporters) and which entitles these entities for interest subvention on export finance availed from lending institutions and the same has been available since 2015.

Under the Covid assistance package, the eligible entities are availing credit under GECL up to 20% of the borrower's total outstanding credit up to INR 500 Crore, excluding off-balance sheet and non-fund-based exposures, as on 29 February 2020, i.e., additional credit shall be up to INR 100 Crore. Further, the said loans are availed as working capital term loans repayable as per terms of the scheme. Under the said scheme eligible borrowers enjoying domestic or export credit both are eligible.

The ECLGS scheme as announced by the Government further provides to be operated in combination with applicable interest subvention schemes, as far as feasible. As exporters from the trade are enjoying export credit facilities, the MLIs are not clear and hence not extending the interest subvention for these loans despite the loan being availed by exporters citing that these are working capital term loans and not export finance under which the interest subvention should be offered. Further, charge on current assets is also provided. We find disconnect between the scheme and the banks and therefore a suitable clarification may be given stating that interest subvention should be extended for ECGLS loans availed by exporters for the respective tenure as per the scheme in these tough pandemic times. This was submitted to Secretary, Department of Financial Services.

For detailed recommendation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

FICCI recommendations to MoD following Brainstorming Session with Indian Industry

The Ministry of Defence (MoD) held a brainstorming session with the Indian industry on 06 April inviting major Industry Chambers and with the private sector towards formulating policy support needed for deepening their engagement in development of complex/ futuristic weapons and platforms. The session was chaired by Dr Ajay Kumar, Secretary MoD.

Following the meeting, FICCI sent a letter of recommendation to MoD, articulating the suggestions brought forward by its members during the meeting. The recommendations included suggestions towards providing business case to industry through repeat orders, that the government may place orders on 'family of products' that are considered as platform, like a family of vehicles or family of radars as is being done in other nations and providing fillip to Development of complex/ futuristic weapons and platforms.

The recommendations were sent to Maj Gen PK Saini VSM, Technical Manager (Land Systems); Mr VL Kantha Rao, Additional Secretary and Director General (Acquisition) & Dr Ajay Kumar, Defence Secretary, MoD.

FICCI note on Re-engineering legal processes for the digital world

The current law does not allow digitisation of negotiable instruments (other than cheques), powers-of-attorney, trusts, wills, or contracts for the sale or conveyance of immovable property. Current potential of technology is underutilised. Changing this will help people in innumerable ways. To re-engineer legal processes for digital financial services, solutions will have to consider challenges across the entire value chain of a financial transaction.

Suggestions for Digitization of Trade Finance Documents:

- Trade Finance documents such as Bank Guarantees, Letters of Credit etc. should be brought within Negotiable Instruments Act. Further, Transport Documents such as Railway Receipt, Multi-Modal Transport Document, Airway Bills, Bill of Lading, Form C of E-Way Bill etc should be considered as Negotiable Transport Documents.
- All documents mentioned should be digitized and digital documents signed digitally should be valid and enforceable in law under Negotiable Instruments Act.

- Advisory to state Governments to consider adoption of Automated e-Stamping.
- Advising Department of Customs and select PSEs to participate in the pilot run for e-BG.

For detailed representation, please write to
Mr Anshuman Khanna at anshuman.khanna@ficci.com

FICCI representation on Lime Sludge as Performance Improver in OPC under IS 269-2015

FICCI shared that since cement grade limestone reserves are limited and may last only for next few decades, it is imperative that clinker factor in cement is brought down and replaced by other industrial by-products which do not impact performance of cement as a binder. FICCI highlighted the study conducted by NCCBM to ascertain if lime sludge can be used as a performance improver in OPC. The data collected indicated that mechanical properties on normal consistency, setting time, soundness and compressive strength had no significant effect on addition of lime sludge from 1-5% for making cement mortars. Thus, use of lime sludge by up to 5%, replacing equal quantity of clinker yielded cement performance similar to that of normal cements. FICCI thus recommended that the test results of this study on use of lime sludge as performance improver may be considered by BIS to include Lime Sludge in Performance Improver list in IS 269-2015 as this would not only help in reducing the CO2 emissions but would also encourage production of Green Cement in India. This was submitted to Director General, Bureau of Indian Standards.

For detailed representation, please write to
Mr Arpan Gupta at arpan.gupta@ficci.com

FICCI representation on prospects of utilization of red mud in road construction activities

Through the representation, FICCI pointed out the efforts made by industry to promote Red Mud's usage in construction sector, while carrying out pilot scale experiments for its utilisation in Road Constructions inside the plant premise. FICCI highlighted the pilot experiment by Utkal Alumina International (subsidiary of Hindalco Industries Ltd) operating out of Doraguda in Rayagada district of Odisha which has encouraged utilization of Red Mud in Hybrid Roads. FICCI further submitted that if similar pilot tests (for 1 km stretch) can be conducted for some of the ongoing or proposed NHAI road projects, especially closer to the plants would thereby help in saving the logistics costs. FICCI suggested that wider stakeholders' consultations may be called by NHAI, wherein industry players are given a chance to present their case regarding the pilot experiments to promote utilization of Red Mud for Construction of Roads/ Embankments under various National Highway Authority of India (NHAI) Projects. These consultations could also involve participants from CSIR-CRRI and Industry Associations.

For detailed representation, please write to
Mr Arpan Gupta at arpan.gupta@ficci.com

FICCI urges ministry for suitable amendments to permit availment of Input Tax Credit & EPCG benefits

Through the representation, FICCI highlighted the issues faced by the industry regarding the infrastructure of slurry pipelines:

- Input GST credit on pipelines outside of factory.
- Lack of clarity on availability of EPCG benefit for such infrastructure outside factory.

FICCI shared that absence of Input Tax Credit (ITC) under GST Act on laying of slurry pipelines is proving to be a major hindrance in promoting adoption of slurry pipelines. FICCI has thus requested the Ministry of Steel to take up the matter with the Ministry of Finance for a suitable amendment to the provisions of Section 17(5)© and (d) of CGST Act to facilitate the industry to avail ITC in respect of pipelines laid outside the factory premises. FICCI also highlighted that the pipelines, even though laid outside of factory, are on the piece of land after obtaining necessary statutory approvals from government agencies, the Right of Way (RoW) from the owner/ possessor of the land, etc. FICCI has thus requested Ministry of Steel to bring clarity on the subject, while adding suitable paras in the new FTP for benefits under EPCG scheme.

For detailed representation, please write to
Mr Arpan Gupta at arpan.gupta@ficci.com

Public-private partnership will yield better results in vaccination drive

Vaccination is currently the biggest available tool for confronting the pandemic as we have the evidence from countries like USA, UK, and Israel where the significant vaccination has helped in reining in the virus and more importantly the fatalities caused by it. FICCI believes that public private partnership model for vaccination will yield better results. FICCI requested that the state government may increase vaccination points to include accredited diagnostic labs, pharmacies, and home care organizations to ensure rapid vaccination. This was submitted to Chief Minister Rajasthan.

For detailed representation, please write to
Mr Atul Sharma at atul.sharma@ficci.com

FICCI seeks clarification on state government's 'Break the Chain' order

The Note primarily covered the restrictions brought by Maharashtra Government through Break the Chain notification, which allowed essentials to functions but with restricted timings and clauses, which were not suitable to the Industry. Delivery Hours of Online food delivery was severely restricted and through our representation, we were able to get 24X7 facilities for Food delivery. Similarly, an RTPCR test was mandatory, which was a big hurdle due to already stressed testing infrastructure. FICCI recommended to remove this clause, which government later withdrew. However, Antigen test was given as option to the RTPCR test.

For detailed representation, please write to
Mr Deepak Mukhi at deepak.mukhi@ficci.com

Clarification sought on operational issues being faced by FICCI Members in Maharashtra

Maharashtra Government implemented the second round of the 'Break the Chain' order with more stringent measures and reduced mobility from 14 April onwards. Some of the measures, such as opening of supply chain of essentials, were discussed in a meeting organised by FICCI with MIDC. Members also suggested various operational challenges that could cause problems for the FMCG and the Pharma industry. Several suggestions were taken positively by the state government

For detailed representation, please write to
Mr Deepak Mukhi at deepak.mukhi@ficci.com

FICCI urges government to allow 12-hour shifts for factories in Maharashtra

Industry in Maharashtra faced severe shortage of labour, especially in the essential category, due to the migrant exodus last year. To help industry overcome this challenge, the state government had allowed 12-hour shifts to optimally utilise the existing available labour pool. FICCI Maharashtra requested the state government to consider allowing 12-hour shifts this year as well. The request is under consideration.

For detailed representation, please write to
Mr Deepak Mukhi at deepak.mukhi@ficci.com

To Increase the availability of Hospital beds in Maharashtra

The demand for private hospital beds is much more than what it was during first wave in Maharashtra last year. To address this shortage of private beds, one of the suggestions given by our member was to increase the availability of hospital beds by tweaking the MPJAY scheme, which allows only 20% of the beds at Private Hospital rates and 80% at government rates.

Owing to this rule creating an instant and huge supply has become a difficult task, since every addition of a private bed would need four additional beds at MPJAY rates. FICCI suggested to consider amending the 20:80 policy by allowing more private beds to be added without reducing government beds at current capacity and not applying the rule of 1:4 for new capacity addition.

For detailed representation, please write to
Mr Deepak Mukhi at deepak.mukhi@ficci.com

Public Private Partnership for accelerated vaccination drive in Maharashtra

Chair, Maharashtra State Council, as per advisory shared by Delhi office, urged the Chief Minister of Maharashtra to accelerate the state's vaccination drive through Public Private Partnership.

For detailed representation, please write to
Mr Deepak Mukhi at deepak.mukhi@ficci.com

FICCI recommendation on ramping up testing and expanding vaccination for COVID

India has achieved a milestone in its vaccination drive with the highest ever single day figure of more than 36.7 lakh vaccination coverage recorded. At the same time, there has been an equal distress on the rising number of cases of infection. The current COVID case growth rate of 6.8% in March 2021 has surpassed the previous record of 5.5% (June 2020).

FICCI, therefore, had recommended the following for immediate consideration:

- Ramp up COVID testing across the states - We are currently testing about 11 lakh samples a day, while we had reached the level of testing 15 lakh samples a day in January. Further, there is capacity of performing much more tests with 2440 labs in the country operational for COVID testing, including more than 1200 from the private sector. The States may be advised to utilize the facilities in the private sector to the maximum to achieve the desired testing capacity.
- Opening of Vaccination for age group 18-45 years - Given that there is no shortage of vaccines and there is a huge scope of augmenting inoculation capacity through greater involvement of private sector, FICCI urged to open vaccination for this age group to help subside the spread of infection as well as severity of cases in the country.

These were submitted to Minister for Health & Family Welfare, GoI.

For detailed recommendation, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

Allow private hospitals to carry out on-site vaccinations in housing hocieties and large corporates

The private hospitals, that have adequate capacity to vaccinate more people should be allowed to carry out on-site vaccinations in housing societies as well as large corporates. This will be a critical step for increasing vaccination coverage as well as reducing vaccine hesitancy amongst the population. FICCI has been receiving numerous suggestions from industry members for organising on-site vaccination at workplaces especially with large number of workers on-site with predictable schedules, which will provide easy access to vaccination for all employees and their family members. A location with enough space to erect a vaccination clinic while maintaining social distancing through the entire process, from screening to post-vaccination observation is available at most large offices.

All necessary precautions of having a doctor and maintaining adequate infrastructure to monitor and manage potential anaphylaxis after vaccination, or resuscitation if required, will be a must, and should be strictly complied with. The vaccination providers will also strictly maintain a record of all doses administered, as per government guidelines. FICCI has requested that the Government of India should direct states to allow hospitals to carry out on-site vaccinations wherever possible, to help contain the pandemic in the coming weeks. These were submitted to Minister for Health & Family Welfare, GoI.

For detailed recommendation, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

FICCI recommendation on strategy for containing the recent COVID surge

The steps announced in the Atmanirbhar Bharat Packages, initiatives by the Reserve Bank and Budget 2021 put the economy on a growth path. However, the recent spike seen in the number of COVID cases has emerged as a serious concern forcing economists, investors, and businesses to review the outlook for the year. For example, the investment bank Goldman Sachs has downgraded India's growth forecast for the April-June quarter from 33.4% year-on-year previously, to 31.3%. This is in the wake of surging COVID cases in the country, which is bound to impact economic activities.

This is indeed a wake-up call for us, making it extremely crucial to reconsider our strategy of COVID containment and work towards an innovative and need-based approach to break the chain of transmission while reducing the impact on the economy.

Hence, FICCI recommends a four-pillar approach:

- Containment - beyond Test, Track, Isolate
- Accelerated vaccination drive
- Ramping-up production and availability of vaccine
- Treatment

FICCI also recommends a greater emphasis on innovative technologies and products on all aspects of COVID solutions whether testing, tracking, treatment or vaccinating. These were submitted to Hon'ble Prime Minister of India.

For detailed recommendation, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

FICCI urges government to reconsider reservation of private sector beds for COVID

It is noted that the hospitals are already witnessing a waiting list of non-COVID patients who had deferred their non-urgent surgeries and elective procedures due to the pandemic and the subsequent lockdown. Ignoring such patients completely yet again, would worsen their health conditions. With reference to the Delhi Government Order No. F23/Misc/COVID-19/DGHS/NHC/2020/ issued on 12 April, directing private hospitals to reserve 60-100% of beds for COVID-19 patients, if implemented, may cause fatalities and unwanted loss of life of non-COVID patients.

Hence FICCI urges the government to consider the above rationale against reserving capacity of ICU beds as well as to re-examine the cost of treatment for COVID-19 patients. Further requesting to keep this order in abeyance till the Government and Private sector can have a discussion to review the situation and rework on the allocation of beds as well as the price tariff. This was submitted to Lieutenant Governor, Delhi.

For detailed recommendation, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

Need for PLI-type scheme for ramping up COVID Vaccine manufacturing in India

India intends to vaccinate priority population of 30 crore by August 2021. Given that 10.45 crore people have received at least first dose of COVID vaccination and going with the current rate of 30 lakh vaccinations per day, we would need about 39 crore more doses (of two dose vaccines) to fully vaccinate this priority group. According to media reports, Indian government has 2.04 crore doses in pipeline for next few days.

Further, with the current strategy and vaccination rate, we would be missing vaccinating our super-spreaders of the age group 18-45 years, who also form the majority of our workforce needed for sustaining our economic activities.

Furthermore, since the length of immunity provided by the vaccines is yet not known, we would need to factor in repeat vaccination and maintain the momentum of manufacturing for at least next couple of years.

Thus, there is an urgent and critical need to encourage vaccine manufacturers to substantially augment their capacities for production. Since the cost of vaccines has been capped by the government, the vaccine manufacturers need to be provided with appropriate incentives for ramping up the production. FICCI has recommended financing under the PLI-type Scheme to support the vaccine manufacturers. The government also needs to provision for immediate and sufficient grants and subsidies, through the Government of India's COVID Funds, for those manufacturers that are already developing or manufacturing COVID vaccines in the country.

For detailed recommendation, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

Concerns over the critical situation due to the second wave of the pandemic

Given the current surge in infections and the mounting crisis due to shortages of essential medical supplies including drugs, testing as well as oxygen across the country, the citizens as well as the industry have been facing acute fear psychosis yet again. It is crucial that while we think of novel solutions and strategies for tackling the shortages and curbing the infections, we provide continuous strong messaging in the public to remain calm and follow the COVID protocols. One of the key challenges being faced from the demand as well as the supply side is for the RT-PCR testing. Due to the fear, the demand for testing has suddenly skyrocketed, leaving the public as well as private labs in a chaos. It is crucial that we take some urgent steps to alleviate the unnecessary testing, such as :

- Relax the reporting timeline for non-essential testing.
- Testing for any domestic or inter-state travel should be waived off for some time.
- Preference for travel should be given to people who have been vaccinated.
- Government may consider automatic clearance route for a company that has been provided the approvals for testing at certain centres.
- Centralise the authority of decision making.

Need to have strong central medical leadership to help alleviate the fears of the healthcare workers and provide them encouragement and morale-boosting. These were submitted to Minister for Health & Family Welfare, GoI.

For detailed recommendation, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

Insurance offered to healthcare workers under the PMGKP will build morale of healthcare workers

In view of the current challenges and crisis being faced by all the healthcare workers across the country due to the much more severe second wave of COVID-19 pandemic, this is an extremely demoralizing news for the entire healthcare fraternity, as well as for the people of India. FICCI urges extend this incentive scheme for at least one more year, given that the pandemic situation has only worsened over the past few days, and it will take time to curb the infections at the current rate. The healthcare workers across public and private sectors have been facing most of the burden of pandemic and have continuously provided selfless and tireless services to the entire nation. This scheme is the only incentive to them from the government and it will go a long way in building the morale of our frontline workers and respecting their life in an unfortunate event. This was submitted to Minister for Health & Family Welfare, GoI.

For detailed recommendation, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

FICCI recommendations on measures to be taken for tackling the COVID surge

As India is now witnessing the second wave of COVID-19 that is spreading faster and with much more severity as compared with the first wave, the crisis scenario has only worsened. Given that the entire country is struggling with the challenges of this devastating and deadlier second wave, we at FICCI wish to reiterate our commitment and continued support to supplement the efforts of Governments in managing this unprecedented calamity. FICCI has constituted an expert group of industry leaders to help provide solutions and support to the Central and State Governments, wherever required. Select recommendations arising from the deliberations with the experts are listed below:

- Infrastructure support to private healthcare facilities treating COVID patients.
- Augmenting capacities of private laboratories and reducing / discouraging non-essential testing in the current situation.
- Maintaining supply of essential medicines.
- Accelerated Vaccination Drive.
- Continuous Research and Development.
- Encouraging the use of AYUSH for boosting immunity.
- Centralized decision making and uniformity of policies.
- Enhanced communication from the Government.
- Support from the local authorities.
- Encouragement of healthcare workforce.
- Enforce COVID-appropriate behaviour.

These were submitted to Minister for Health & Family Welfare, GoI; NITI Aayog; Secretary, MoHFW; Chief Secretaries and Health Secretaries of States and NDMA.

For detailed recommendations, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

Request for detailed guidelines for Phase 3 of COVID vaccinations

While appreciating the strategy of the government for the liberalised and accelerated Phase3 of COVID-19 Vaccination from 1st May, would request for some more time to be prepared for organising distribution channels for the private consumption. There are a lot of concerns in the minds of the private healthcare providers that need to be addressed before we open the Phase 3:

- What is the expected supply of COVID vaccines starting from 01 May that will be available for private hospitals?
- How will these vaccines be distributed to private hospitals and under what criteria?
- How will the beneficiaries be registered for vaccination?
- Are there any measures being suggested by the government to stop black marketing or hoarding of vaccines?

This was submitted to Minister for Health & Family Welfare, GoI.

For detailed recommendations, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

FICCI inputs to facilitate ease of travel post COVID-19 Vaccination

Given that the current second wave in the country is proving to be more severe than before, we would need to chalk out new strategies not just to deal with the spread of infection but also to shield the country from any further economic downturn.

Governments and organisations across the world are exploring the potential use of 'vaccine passports' as a way of reopening the economy by identifying those protected against the COVID-19 virus. With vaccinations for COVID-19 accelerating in India, we need to develop digital tools that will help us to distinguish people who have been inoculated and can potentially bypass the restrictions used to fight the pandemic. This will help in reopening of the critical sectors of the economy like travel and tourism, impacting other businesses as well.

While the Government of India has highlighted the importance of digitalizing and transforming the tourism offerings in India, the proposed Vaccine Passport will further build confidence and the agile measures taken for safe and healthy tourism will create the right ecosystem for both Indian and international tourists, and for businesses.

FICCI would be happy to bring in experts and support in the development of infrastructure for vaccine passports in the country. These were submitted to Secretary, Health and Family Welfare & Home Secretary, Government of India

For detailed recommendations, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

Urgent need to ramp up COVID diagnosis in the country

There is a need for augmenting the COVID testing capacity in the country, owing to the projections of high COVID surge to the tune of 5-6 lakh cases per day in the coming weeks. Diagnosis of COVID cases is of crucial importance today to be able to provide the appropriate treatment to the patient. Our COVID testing labs are already overwhelmed with the number of samples being collected each day. Due to shortage of personnel, since many of them have already contracted the infection, the labs are unable to provide the test results on time, delaying the treatment and medication. Hence, FICCI submitted the below recommendations:

- Allow home-use RTPCR test kits - They not only save time but also provide adequate efficiency, as compared to the Rapid Antigen Tests.
- Promote use of simple and fast method of dry swab-direct RT-PCR, developed by CSIR's constituent lab Centre for Cellular and Molecular Biology (CCMB).
- Consider the Oxford Nanopore and DNANudge - Both are offering rapid testing for COVID-19 in the NHS and in care homes in the UK.
- Government should allow the corporates that have facilities to set up their own testing sites.
- Government may promote drive-in testing facilities where the testing is done while the patient is in their own vehicle.

These were submitted to NITI Aayog.

For detailed recommendations, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

Urgent need to augment Healthcare Human Resources for managing COVID

At present, there are only 75,000 - 95,000 ICU beds available in the country, which are already full, though the pandemic is yet to reach the peak. Assuming about 4-5% of the COVID positive patients need an ICU bed, we need at least 50,000 new ICU beds every day for the next 4 -5 months. To manage 2 lakh ICU beds, we will need at least 3 Lakh nurses and paramedics and between 1.5 - 2 lakhs junior doctors, to staff the additional required facilities that are to be created.

FICCI recommended:

- Medical manpower - The NEET examination may be conducted online, interns who opt to work for one year in the COVID ICUs, Foreign Medical Graduates (FMG) who are yet to pass the Foreign Medical Graduates Examination, be given an opportunity to work in the COVID ICUs for one year and incentivized by exemption from the FMG Examination and directly enrolled under the State Medical Council.
- Nursing and Technicians manpower - Final year nurses (approx. 65,000) and technicians opting to work in the COVID-19 ICUs/Wards can be utilized to work in hospitals with an attractive stipend. BSc and GMN Nursing students of final year allowed to work in healthcare settings- COVID and Non-COVID after an assessment of their skills.
- Retired Healthcare Workforce - extension of 6 months of retiring health workforce, those retired may be given an opportunity to serve in the less affected locations.
- Training on Ventilator management - ramping up the digital training for ICU care and Ventilator management for such facilities.
- Manpower for Isolation and Transition Centres - Community Isolation centres can be built at three levels - RWAs, Hotels, corporates.
- Using Common Service Centres as Telemedicine centres.

These were submitted to the Prime Minister of India, New Delhi.

For detailed recommendations, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

Augmenting nursing workforce during the pandemic

Given the immense rise in COVID infections, projected to increase to 5-6 lakhs per day, it is of critical importance that we take some immediate measure to augment not just our hospital infrastructure, but also the healthcare workforce, including the Nurses. We would need more than 3 lakh additional nurses and paramedics to manage the critical COVID patients over next few weeks. FICCI, therefore submitted:

- Extend the Withdrawal of Single-Entry Level for Nursing and phasing out of GNM.

1. The withdrawal of order of Single-Entry Level for Nursing should continue for next few years.
2. Further, the seats for the GNM courses should be increased for augmenting the number of nurses in the country. The institutions can look at an opportunity of running two batches in a year.

- It is also recommended that all 65,000 final year nursing students across the country are automatically deemed and passed if they immediately take up jobs and COVID duty.
- Reach out to all the nurses who have resigned and are available in the country to be mobilized for COVID duties.

These were submitted to Minister for Health & Family Welfare, GoI & NITI Aayog.

For detailed recommendations, please write to
Mr Praveen Mittal at praveen.mittal@ficci.com

VOICE OF FICCI

Voice of FICCI is a monthly compilation of all the representations and recommendations of the industry, which FICCI had made / taken up with the Government. The recommendations are mentioned briefly in Voice of FICCI along with the Team Leaders' name and their email ids.

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