VOICE OF FICCI

SHAPING THE AGENDA

August 2022

From the
Director General

In July, the Ministry of Health and Family Welfare released a draft of the Drugs, Medical Devices and Cosmetics Bill, 2022. The new bill - intended to replace the old Drugs and Cosmetics Act 1940 - aims to accommodate changes due to continuous evolution in the sector and to adapt to new technologies. FICCI FMCG Committee had submitted industry comments on the bill to the Ministry of Health and Family Welfare, Government of India.

Our primary recommendation for the FMCG industry is an independent 'Cosmetics Act' or an independent chapter governing cosmetics separately from drugs.

Further, the FICCI E-pharmacy Working Group also shared industry recommendations on the proposed bill. The recommendations include exemption from procuring a license for registered medical practitioners from stocking and dispensing drugs at their clinic solely for treatment and consumption by their patients, among others. FICCI also suggests introducing a clause enabling the voluntary surrender of licences & transfer of licenses held by pharmacies located within hospital premises in the event of a change of ownership to allow for the continuation of vital pharmacy services.

The Government of Uttar Pradesh is promoting the spinning industry in a big way through UP State Textile Corporation (UPSTC), UP State Spinning Mills (UPSSM) & UP Co-operative Spinning Mills Federation by putting up Spinning mills in remote areas and providing employment. The private sector also has shown interest in the textile units and has put substantial investment in the units. However, of late, the units have become unviable due to the lack of availability of local cotton and higher freight and power costs.

To address the industry's woes, FICCI urged the state government to provide competitive power tariffs to existing and new textile units and offer uninterrupted power supply. We shared the recommendations with the Ministers of Industry and the Energy and Addl. Energy Sources, Government of UP, and the senior officials at the Government of Uttar Pradesh.

Meanwhile, dear readers, as most offices are now back to full capacity, we should not let our guard down. We must continue to follow COVID-appropriate behaviour. I urge you not to forget the basic rule of SMS (Sanitization, Mask and Social distancing).

Arun Chawla

Incorporation of Self-declaration, Confidentiality option and increase of file size for WPC ETA approvals of de-licensed products

The recommendation was regarding the Incorporation of Self-declaration, Confidentiality option and increase of file size for WPC ETA approvals of de-licensed products. In view of the same, ICT members collated industry views and make the submission to the Ministry of Communications, on the areas like: Incorporation of Self-declaration, Incorporation of Confidentiality option in the Saral Sanchar portal, and increase of allowed file sizes of documents for filing ETA applications. This was submitted to the Ministry of Communications.

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

SEBI Consultation Paper on Online Bond Trading Platforms

Based on inputs from the members, FICCI has submitted its comments on SEBI Consultation paper on Online Bond Trading Platforms.

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

Suggestions for improving PoSP productivity

As per extant guidelines, PoSPs have been permitted to solicit health insurance policies only up to Rs 5 lac Sum Assured. Many times, the prospective policyholders demand a higher sum assured of more than Rs 5 lac due to several economic factors, but PoSPs are not in a position to meet this demand or address higher renewal demand. Even under the Ayushman Bharat Yojana meant for the underprivileged sections of society, a health cover of Rs 5 lac is offered. Offering the same limit to PoSPs who can cater to the needs of middle-income families, therefore, appears restrictive in nature and we hope the authority can consider this request favourably. This was submitted to Chairman, IRDAI.

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

Suggestions pertaining to the proposed Drugs, Medical Devices and Cosmetics Bill, 2022 on behalf of FICCI E-pharmacy Working Group

FICCI draws a congenial correspondence between the current laws and this Draft Bill. May consider

'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.

1. providing an exemption of procuring a license for registered medical practitioners from stocking and dispensing drugs at their clinic, solely for the purpose of treatment and consumption by their patients, and not for the purposes of unregulated and mass consumption.
2. The exemption of liability available under Section 44 (3) is currently available only to a non-manufacturer or non-distributor of drugs and cosmetics. This may be extended to the distributors as well, to the extent that the liability involves a manufacturing concern/defect.
3. Introduction of clause enabling Voluntary surrender of licence & Transfer of licenses held by pharmacies located within hospital premises in the event of change of ownership to enable the continuation of vital pharmacy services.
4. That the recovery of fine cannot be pegged with arrears in land revenue as this is an issue that has arisen under an independent act of law.

These were submitted to the Under Secretary, Ministry of Health and Family Welfare, Government of India.

For detailed recommendation, please write to
Ms Leena Jaisani at leena.jaisani@ficci.com

FICCI - Industry comments on the New Drugs, Medical Devices & Cosmetics Bill, 2022 on behalf of FICCI FMCG Committee

FICCI's primary recommendation for FMCG industry is to seek for an independent “Cosmetics Act” or at the least an independent chapter governing cosmetics separate from drugs as available for AYUSH products or Medical Devices considering the purpose of drug and cosmetic products, possible risk of harm, etc. It was submitted that it is therefore reasonable for cosmetic/beauty products be governed under less stringent regulatory environment than drugs/medicines, including decriminalization of offences and contraventions. Industry is looking for forward looking legislations like Foods Safety and Standards Act, Companies Act and various other legislations which have decriminalized offences with civil penalty of fine and removed criminal penalty of imprisonment. Requested to consider simplifying regulations for cosmetic/beauty products while also decriminalization offences pertaining to cosmetics with civil penalties of high fines, except for unsafe spurious/counterfeit products. This was submitted to the Under Secretary, Ministry of Health and Family Welfare, Government of India.

For detailed recommendation, please write to
Ms Leena Jaisani at leena.jaisani@ficci.com

Comment on draft issued by Legal Metrology Division, Department of Consumer Affairs

The industry is of the opinion that considering the Ease of Doing Business perspective, such frequent regulatory change in packaging norms, will bring adverse impact on the respective businesses after a two-year long grapple with the COVID-19 crisis and ongoing EPR obligations to be fulfilled. In view of the above-mentioned factors, an extension of 30 days i.e., till 30.09.2022, has been requested, to provide constructive feedback & recommendations for the proposed amendment to be reconsidered and, it is desired by our members companies to have an interaction with you to understand the intent and modality. This was submitted to the Secretary, Ministry of Consumer Affairs, Food and Public Distribution, Government of India.

For detailed recommendation, please write to
Ms Leena Jaisani at leena.jaisani@ficci.com

Request for extension of effective date for Quality Control Orders (QCO) for PC and ABS

The Chemical and Polymer industry is fully participating in the initiative to have the BIS lead standards certification of various notified products. The Department has been extremely considerate to provide extensions (attached) in application of various QCOs. However, despite the best efforts and full cooperation, overseas producers are continuing to face challenges with respect to situations and circumstances arising out of COVID 19 restrictions, like international travel, quarantine restrictions etc. For all these products, imports are important and critical to support multiple domestic downstream industries. Further Polycarbonate (PC) is not produced in India. More so chemical and polymer industry needs considerable lead time and must be planned by importers now.

The Department has been extremely considerate to provide extensions in application of various QCOs and recommendation has been made for a suitable extension for the products Acrylonitrile Butadiene (ABS) and Polycarbonate (PC) till 31st July 2023. This was submitted to the Joint Secretary (Chemicals), Department of Chemicals and Petrochemicals, Ministry of Chemicals and Fertilizers, Government of India.

For detailed recommendation, please write to
Mr Manoj Mehta at manoj.mehta@ficci.com

Issues /Concerns of Employers related to implementation of Labour Codes & Current Compliance Issues

AIOE along with FICCI organized an Interactive Session with Mr Sunil Barthwal, Secretary, Ministry of Labour & Employment, Government of India on August 16, 2022, at FICCI, New Delhi. The Secretary was apprised about the employer’s concerns/perspective referring to the implementation of new labour codes.

Post session, AIOE submitted a written representation to the ministry highlighting the main concern areas of the employers viz; ambiguity in the wage definition, reduction in EPF/ESI, contribution for MSME’s, substantial increase on penalties, gestation period for the enterprises to implement the new labour codes.

AIOE also submitted in writing the concern areas of all the employers in complying with the current existing labour laws viz; delay in surrendering of exempted trust and its regularity, UAN portal, and other compliance portal issues etc.

For detailed recommendation, please write to
Mr Arvind Francis at arvind.francis@ficci.com

High Power Cost affecting Textile Industry in Uttar Pradesh

Government of Uttar Pradesh has promoted spinning industry in a big way through U.P. State Textile Corporation (UPSTC), U.P. State Spinning Mills (UPSSM) & U.P Co-Operative Spinning Mills Federation by putting up Spinning mills in remote area of state and provided employment. Private sector also has put substantial investment in textile units. But of late units have started becoming unviable on account of lack of availability of local cotton, higher freight cost and higher power cost. Another reason has been higher support provided by cotton growing states like Gujarat & Maharashtra in the form of Capital Subsidy, Interest Subsidy & Power Subsidy. Due to these facilities, some mills situated in U.P. have become unviable and started closing-down one by one.

Textile & garment industry which provides direct & indirect employment to 100 million people is passing through tough times currently. The spinning mills decision to cut down on the number of working days comes in the backdrop of decline in exports and rising production costs. The textile Industry suffers due to being land locked state with high freight cost for exports, high power costs and non-availability of adequate cotton and other fibers. Power cost is one of the vital cost elements in textile industry, particularly in spinning and processing manufacturing. The textile units in U.P. takes challenges in competing with other states on account of high-power cost because some states have lower power tariff, Some states have provided subsidy to textile units, some states providing Power subsidy to new textile units. As a result, the U.P. textile Industry is shifting to other states. In view of the above it is requested to provide 1. Competitive power tariffs to existing & new textile units vis-à-vis other states and 2. Uninterrupted power supply to textile units. This was submitted to the Minister of Industry, Government of UP; Minister of Energy and Additional Energy Sources, Government of UP and Chief Secretary, Government of UP; with a copy to Additional Chief Secretary, Department of Energy, Government of UP.

For detailed recommendation, please write to
Mr Chetan Bijesure at chetan.bijesure@ficci.com

Remote Identification & Tracking (RIT)

RIT consists of a mechanism through which the real-time location of the UAV can be used by approved stakeholders to track and identify compliant UAVs. It was recommended to Joint Secretary, MoCA, that the RIT should be implemented via Network. The tracking may be done by any of the following mechanisms:

- Tracker on-board the authenticated UAV.
- Ground Control Station (GCS) of an authenticated UAV.
- Any other mechanism which gives equivalent performance and safety as any of the above two methods.

For detailed recommendation, please write to
Mr Sumeet Gupta at sumeet.gupta@ficci.com

Inputs on 18th India-Australia JMC

FICCI shared Indian Industry issues and recommendations with Ministry of Commerce and Industry for 18th India Australia JMC Meeting scheduled for last week of September 2022. This was submitted to Under Secretary, DoC.

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

Inputs for 4+4 format Ministerial Meeting between India and Singapore

FICCI shared Indian Industry issues and opportunities for collaboration with Singapore to DPIIT for 4+4 format Ministerial Meeting between India and Singapore. This was submitted to Under Secretary, IC - Asia, DPIIT.

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

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