

VOICE OF FICCI



SHAPING THE AGENDA

October 2023



From the
Secretary General

FICCI celebrated our abiding link with Mahatma Gandhi by joining Swachhjanjali, Prime Minister, Shri Narendra Modi's clarion call to join a cleanliness initiative as part of Swachh Bharat Abhiyan on 1st October 2023. FICCI members organized cleanliness drives throughout their offices across the country.

Mahatma Gandhi was the inspiration behind the formation of FICCI in 1927 by leading Indian business leaders. We respectfully remembered #MahatmaGandhi on his Jayanti - 2nd October. Gandhiji also addressed the 4th AGM of FICCI on 7th April 1931. As FICCI readies for its 96th AGM, we share Mahatma's values and are committed to promoting sustainable and inclusive economic growth in 'India that is Bharat'.

FICCI organized our National Executive Committee Meeting in Ahmedabad, Gujarat in the august presence of Shri Bhupendrabhai Patel, Chief Minister of Gujarat. The CM reiterated the state government's support to industry and stated that the government is committed to ensuring that businesses in the state do not face any problems. He lauded FICCI for its key role in the success of the Vibrant Gujarat Summit and in making Gujarat a growth engine.

Later in the month, the FICCI Forum of Parliamentarians hosted a delegation of Members of Parliament from Scotland for a discussion with Indian MPs and Industry leaders on Policy and business partnerships. They discussed opportunities in the Fintech and Financial Sectors in India especially in GIFT City.

Inaugurating the third edition of Global Maritime India Summit (GMIS) 2023 in Mumbai, Prime Minister Shri Narendra Modi highlighted the vast opportunities for global investors in India's ports and shipping sector and emphasized that in the coming years, India will emerge as a leading nation in the maritime trade sector.

The Federation released a report on SMEs in India that assesses SMEs in the manufacturing sector with regard to their awareness of and preparedness for #Digitalisation and #Sustainability.

We also hosted BJP National Vice President Mr Bajjayant Jay Panda, Chief Coordinator for India's G20 Presidency Mr Harsh V Shringla and CEA Dr V Anantha Nageswaran during the panel discussion on 'The Intersection of Diplomacy and Economic Growth' in New Delhi.

Along with FICCI President Mr Subhrakant Panda, I met His Excellency Mr Kenneth H da Nóbrega, Ambassador of Brazil to India at Federation House, New Delhi and discussed priority areas of collaboration including agriculture, bio-fuel, defence, infrastructure and minerals to further strengthen bilateral relations between India and Brazil. We also congratulated Brazil on taking over the #G20 presidency. We believe that consecutive presidencies of India and Brazil will help elevate the Global South's influence.

We are gearing up for our 96th Annual General Meeting on the theme 'World's Growth Engine' on 08-09 December 2023 and invite stakeholders, industry leaders, and government luminaries to engage in this crucial dialogue on India's burgeoning influence in the global economy.

Shailesh Pathak

Admission of a private family trust as a partner in a LLP firm

Unlike a company where a trustee of a private family trust can become its shareholder and hold the shares in trust for the benefit of the beneficiaries, it is presently unclear whether a trustee can be admitted as a partner in an LLP. FICCI has requested MCA to clarify that a trustee of a family trust, if the trustee is an individual or a body corporate, could be admitted as a partner in a LLP in his capacity as a trustee representing the relevant family trust. A similar clarification has been issued by the Ministry of Corporate Affairs in the context of trustees of SEBI-registered trusts and may be considered to also be extended to address trustees of family trusts. This was submitted to Joint Secretary, MCA.

For detailed recommendation, please write to

Ms Abha Seth at abha.seth@ficci.com

Inputs for 5th Joint Sub-Commission on Trade (JSCT) with Vietnam for the preparatory Senior Officials Meeting

Indian Industry had shared their inputs for 5th Joint Sub-Commission on Trade (JSCT) with Vietnam for the G2G discussions. These were submitted to Under Secretary, Ministry of Commerce.

For detailed recommendations, please write to

Mr Gaurav Vats at gaurav.vats@ficci.com

Report on Survey regarding the Supply Chain Disruptions faced by Indian Industry during the Pandemic Times

Further to the Supply Chain Resilience Initiative (SCRI) launched in 2020 by trade ministers of India, Japan and Australia which aims to create a virtuous cycle of enhancing supply chain resilience with a view to eventually attaining strong, sustainable, balanced and inclusive growth in the Indo-pacific region. Based on the high-level consultations among the Governments of Australia, India and Japan, the ministers noted the importance of risk management and continuity plans in order to avoid supply chain disruptions and affirmed their commitment to strengthen resilient supply chains. In view of the significance of the same, FICCI with the support of Department for Promotion of Industry and Internal Trade (DPIIT) had conducted a survey regarding the supply chain disruptions

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.

faced by Indian industry during the pandemic times. This was submitted to Director, Department for Promotion & Industry Trade.

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

Recommendations on Press Note 3 and FDI

Based on discussions at the closed-door interaction with Joint Secretary, DPIIT; FICCI submitted a detailed representation highlighting challenges with PN3 and other issues impacting FDI in India.

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

Joint Audit and Non audit services

Based on feedback received from members, FICCI has reiterated industry concerns on proposals pertaining to Non-Audit Services and Mandatory Joint Audits. These have been submitted earlier too as part of FICCI recommendations on the Report of MCA Company Law Committee dated March 2022.

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

Submission on Corporate Finance related issues

Based on discussions at the closed-door interaction with CGM, SEBI; FICCI has submitted a detailed representation on issues pertaining to delisting and reverse book building process, MPS norms, applicability of LODR Regulations to high value debt listed entities, need for continuation of exemptions granted during pandemic.

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

Overseas investment rules and regulations

Based on discussions held at the previous meeting of FICCI Corporate Laws Committee, a detailed submission has been made to CGM, RBI highlighting practical challenges being faced by industry on Overseas Investment Rules and Regulations, 2022 recently notified by the Ministry of Finance.

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

Recommendations on the Prevention and Regulation of Dark Patterns, 2023

As per the notification bearing no. J-24/34/2023-CPU Section-CPU [31763], Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Distribution, Government of India has invited the inputs/views/comments. The draft guidelines are centered around crucial issues that affect consumers in the digital realm. They address concerns such as False Urgency, Basket Sneaking, Confirm Shaming, Forced Action, Subscription Trap, Interface Interference, Bait & Switch, Drip Pricing, Disguised Advertisement, and Nagging. FICCI have been closely following the efforts made by the ministry to safeguard consumer rights and promote ethical practices in the digital space. The

issue of dark patterns, which involve manipulative user interface design to deceive users into taking actions they may not intend to, is a pressing concern in today's digital landscape. It has far-reaching implications for consumer trust and data privacy. This was submitted to Joint Secretary (CA), Department of Consumer Affairs, Food & Public Distribution, Government of India.

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

FICCI Recommendations on the Proposed Drug, Medical Devices & Cosmetic Act (Draft Bill)

FICCI had a meeting on dated 25.09.2023 at the esteemed office, we have prepared a comprehensive list of recommendations concerning critical regulatory areas within the proposed Drug, Medical Devices & Cosmetic Act (Draft Bill). These were submitted to Drugs Controller General of India, Ministry of Health and Family Welfare, Government of India.

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

FICCI comments on Implementation Timelines for Rules Related to Digital Personal Data Protection Act 2023

In August 2023, the Government of India introduced the Digital Personal Data Protection Act, 2023 (DPDP Act). This legislation has a broad scope, regulating the processing of digital personal data in India, whether collected online or offline and subsequently digitized. Recognizing the substantial impact of this Act on various industry sectors, FICCI has engaged with industry stakeholders and expressed to the Ministry of Electronics and IT, Government of India, that a reasonable timeframe of 18 to 24 months is necessary for the effective implementation of the DPDP Act once all associated rules are formulated. FICCI emphasized its commitment to expeditiously implementing the DPDP Act while underscoring the presence of legal, practical, and technological challenges that require careful consideration and resolution before the rules can be put into practice. This prudent approach ensures a balanced and comprehensive implementation of the Act, safeguarding both data privacy and the interests of the industry. This was submitted to Ministry of Electronics and IT.

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

2nd India Taiwan CEOs Roundtable meeting

The co-chairs of the India- Taiwan CEOs Round Table convened the 2nd India-Taiwan CEOs Round Table meeting in, Taipei with leading CEOs from both sides to develop an ambitious agenda to enhance trade and investment between India and Taiwan. With organic growth and efforts, we hope India & Taiwan will achieve a bilateral trade of USD 15 billion by 2025.

In order to enable backward integration and include Taiwanese SME part of the opportunity, we will consistently explore match making for

fostering partnerships between Indian and Taiwanese SMEs.

The CEOs are encouraged to commit to develop “Make in India” and “Digital India”. The Taiwan-India cooperation involves three phases: “Make in India”, “Backward Integration”, and “Export Orientation”. India possesses excellent technical talent. The 'Make in India' policy aims to establish India as a manufacturing hub and create opportunities for collaboration between India and Taiwan in crucial sectors which include electronics manufacturing, information ICT, E-mobility, healthcare among others.

Taiwan possesses a robust EV ecosystem and can collaborate to provide the Indian side with a nationwide smart car platform and EV charging solutions tailored to Indian needs. Furthermore, Taiwan's semiconductor chip industry is also a strong and advantageous sector for the application of high-tech products.

This roundtable emphasized that, in addition to the existing cooperation in the ICT industry, both Taiwan and India have the potential to achieve broader growth in the electronics manufacturing sector through technological transfer or joint-investment. Encourage cooperation in education through provision of scholarships for students and educational institutions especially in important and promising sectors like semiconductors, ICT, electronic manufacturing and more. The collaboration between Taiwan and India's industries in smart solutions can lead to benefits such as manufacturing investments, technological cooperation, or talent exchange.

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

Recommendations for Metal Packaging Industry Challenges

The Quality Control Order of July 17, 2020, issued by the Ministry of Steel, has introduced certain challenges for the Metal Packaging and Can Manufacturing Industry. These challenges primarily revolve around the strict adherence to Indian Standards for tinplate and tin-free steel, which is essential for manufacturing Easy Open Ends.

With only a limited number of eligible tinplate producers meeting the BIS standards, the industry is grappling with a significant shortage, given its annual demand of 250 to 300 million ends and a domestic capacity of just 60 million. To further exacerbate the situation, the delayed BIS license renewals of key suppliers have disrupted import flows, hampering production and supply chain stability.

This scarcity of easy open ends poses a serious threat to the industry's commitments to brand owners, employment, and financial stability. To address these pressing concerns, FICCI have recommended to AS & DC, Ministry of MSME, the following:

- a) Expedite BIS License Renewal: We suggest the expedited renewal of BIS licenses to minimize disruptions in the supply chain.
- b) Special Import Permissions: Grant the industry special import permissions for these components, even if they are not manufactured from BIS tinplate, to bridge the demand-supply gap.
- c) Table-2 Revision: Remove Item-5 from the Quality Control Order, as it does not serve the primary purpose of the order and is adversely affecting the industry's operations.

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

**For more details contact FICCI Membership at:
tripti.kataria@ficci.com/+91 98 1800 0591**