

VOICE OF FICCI



SHAPING THE AGENDA

December 2023



From the
Secretary General

December 2023 saw FICCI's 96th Annual General Meeting (AGM) and Annual Convention in New Delhi on December 8-9, 2023. The event, themed "The World's Growth Engine," showcased India's significant contribution to the global economy, given our high potential to drive future growth.

Emerging as a platform for Indian businesses to discuss their priorities with government ministers, officials and policymakers, the AGM witnessed participation from key ministers including Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Shri Piyush Goyal on the first day and Raksha Mantri Shri Rajnath Singh and Minister of External Affairs Dr S Jaishankar on the second day.

Other notable speakers included Azim H Premji, Founder Chairman, Wipro Ltd, Mr N K Singh, Chairman, Fifteenth Finance Commission of India; Rajesh K Singh, Secretary, Department for Promotion of Industry and Internal Trade (DPIIT); Dr V Anantha Nageswaran, Chief Economic Advisor; Ajay Seth, Secretary, Department of Economic Affairs, Ministry of Finance.

The high powered Secretary panel, moderated by Shereen Bhan, included N N Sinha, Secretary, Ministry of Steel; S Krishnan, Secretary, Ministry of Electronics and Information Technology; Anita Praveen, Secretary, Ministry of Food Processing Industries; Bhupinder Singh Bhalla, Secretary, Ministry of New and Renewable Energy; Atul Kumar Tiwari, Secretary, Ministry of Skill Development and Entrepreneurship; Arunish Chawla, Secretary, Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers.

Dr Anish Shah - Group CEO and Managing Director of Mahindra & Mahindra Ltd took over as the President of the Federation of Indian Chambers of Commerce and Industry for the term 2023-24. Under his leadership, FICCI intends to steer the agenda of Inclusive Growth based on four broad pillars of Make in India, Women-Led Development, Farm Prosperity, and Sustainability. Harsha Vardhan Agarwal, Vice Chairman and Managing Director, Emami Limited was elevated as Senior Vice President, FICCI and Anant Goenka, Vice Chairman, RPG Group joined FICCI leadership as Vice President.

On the first working day after our 96th AGM, FICCI President Dr Anish Shah led a delegation including Immediate Past President Subhrakant Panda, Past President Harsh Pati Singhanian and myself, to meet the Hon'ble Prime Minister of India Shri Narendra Modi to discuss our 2024 theme 'Inclusive Growth' with 4 pillars (mention), and seek the Hon'ble PM's guidance on our priorities for the year.

FICCI President and I also called on External Affairs Minister Dr S Jaishankar, Ms Smriti Irani, Minister of Women and Child Development and Ministry of Minority Affairs; Cabinet Secretary Mr. Rajiv Gauba, Finance Secretary Mr TV Somanathan; Secretary - Department of Economic Affairs, Mr Ajay Seth; Secretary, DPIIT Mr Rajesh K Singh and shared FICCI's vision and the key areas of focus for the upcoming year.

Later in the month I met Mr Saurabh Kumar, Indian Ambassador-Designate to Belgium and EU, and currently Secretary (East), Ministry of External Affairs during an interactive session with FICCI members doing business with EU countries, at Federation House, New Delhi. The Ambassador assured the over 50 companies present, both in person and online, of his full support, and welcomed inputs to expand trade with European Union economies.

I also met HE Mr David Pine, High Commissioner of New Zealand to India, and Mr Michael Fox, Chair, India New Zealand Business Council and discussed priority areas of collaboration, including food processing, agriculture, connectivity and fintech, to further strengthen the bilateral relations between India and New Zealand.

Shailesh Pathak

Proposal for Restarting Passenger Ship Service between Lakshadweep and Calicut Port (Beypore Port), Kerala

FICCI commends the proactive efforts of the ministry in enhancing the socio-economic environment, particularly the development of the Ro-ro ferry transportation network along the coastal route. FICCI brings attention to a matter raised by its Kerala members concerning the resumption of the passenger ship service between Lakshadweep and Calicut Port, which was halted during the Covid pandemic and has not yet resumed. The reinstatement of this service is crucial for stimulating economic activity, creating employment opportunities, and enhancing overall regional development. The passenger ship service is essential for daily life aspects such as education and medical services in the region. FICCI requests the ministry's intervention to address this issue and expresses gratitude for their time and consideration. This was submitted to the Director General of Shipping, Government of India, Mumbai.

For detailed recommendation, please write to
Ms Neerja Singh at neerja.singh@ficci.com

FICCI Inputs on Inverted Duty Structure

FICCI submitted inputs on Inverted Duty Structure to the DPIIT. It included duty anomalies arising out of various FTAs for products such as Aluminium, coke, viscose staple fibre, and various chemical products. This was submitted to Consumer Industry Section, Department for Promotion of Industry & Internal Trade, Ministry of Commerce & Industry.

For detailed recommendation, please write to
Ms Pragati Srivastava at pragati.srivastava@ficci.com

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.

FICCI Survey Report on Trade Secrets and Economic Espionage

FICCI conducted a survey to examine the need for enacting a specific law on protection of trade secrets and prevention of espionage in India. Trade secrets play a crucial role in the global economy. Trade secrets are intellectual property (IP) rights on confidential information which may be sold or licensed. Many developed economies such as the United States, European Union and United Kingdom have the law of trade secrets in place.

While India recognizes the value of protecting undisclosed commercial information against unfair competition, there is currently no specific legislation in place. The protection of trade secrets in India is implicitly recognized and enforced through various judicial pronouncements based on common law principles and contract law.

Responses from across sectors such as Pharmaceuticals, healthcare, chemicals, auto and auto components, agri & allied products, FMCG, engineering services, financial services and legal were received and analysed to prepare the survey report. This was submitted to the Joint Secretary & Law Officer, Law Commission of India, Department of Legal Affairs, Ministry of Law & Justice.

For detailed recommendation, please write to
Ms Pragati Srivastava at pragati.srivastava@ficci.com

Request to allow cash settlement for delisting through scheme of arrangement

Currently, SEBI allows for delisting through a scheme of arrangement, where exiting shareholders would receive shares in the share capital of the Indian listed parent entity as per their entitlement. The process also includes getting approval from the NCLT. This kind of a restructuring exercise offers shareholders of the target company multiple layers of protection – through the initial stock exchange review process, and then scrutiny by the NCLT; and offers the acquirer the ability to implement a complete squeeze out through a special resolution with majority of the minority. However, there are situations during delisting/squeeze out where shareholders prefer to receive either cash or a

combination of stock and cash, which is not allowed as per the extant Regulations. It has therefore been submitted to SEBI to consider allowing the acquirer company the option to offer shareholders cash or a combination of stock and cash instead of stock only, while providing them an exit. The proposed suggestion would help improve the success rate of delisting offers in India, while safeguarding investor interests. This was submitted to GM, SEBI.

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

FICCI Submission on Draft Guidelines on Greenwashing

Greenwashing, the practice of promoting misleading or false environmental claims to portray a company or product as environmentally friendly deceptively, is also a prevalent issue in India. The DoCA has formed the committee where FICCI is the member and the part of the taskforce in framing the guidelines on the Greenwashing. These were submitted to Ministry of Consumer Affairs.

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

Request for Grace Period in Discontinuation of Products Carrying Halal Certification in Uttar Pradesh

The implementation of an immediate discontinuation without a reasonable grace period could result in significant financial and logistical challenges for various stakeholders, including producers, manufacturers, distributors, and retailers. It would be highly beneficial to allow a sufficient time frame to ensure a smooth transition, better inventory management, and compliance with the directives. This approach would not only mitigate the burden on businesses but also avoid any potential disruption in the availability of essential products to consumers.

Considering the above, FICCI requested FSSAI to direct the Government of Uttar Pradesh to provide a grace period of at least 2 months to effectively recall the products currently in the market and present in the stock of the retailers that bear Halal certification. This was submitted to the Director (Regulatory Compliance), Food Safety and Standards Authority of India (FSSAI),

Ministry of Health and Family Welfare, Government of India.

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

Request for extension of fatty acid Ghee composition

The issue of fatty acid composition in ghee is still under consideration of the Scientific Panel of FSSAI therefore it is requested to extend the implementation of the standard for 1 year i.e. 27th Dec 2024 in order to avoid disruption to business.

For detailed recommendations, please write to
Mr Abhinav Singh at abhinav.singh@ficci.com

Request for keeping in abeyance the compliance to quality parameters 'Alcoholic Acidity' and 'Total Dietary Fibre' in Millets

CIFTI had submitted data for various quality parameters with FSSAI. The Scientific Panel is reviewing the data therefore it is requested not to implement the said standard for 'Alcoholic Acidity' of Bajra Flour (Pearl Millet Flour), Jowar Flour (Sorghum Flour), Multigrain flour (atta) and mixed millet flour; (b) 'Total Dietary Fibre' for Mixed Millet Flour and this may be kept under abeyance till further guidance from Authority.

For detailed recommendations, please write to
Mr Abhinav Singh at abhinav.singh@ficci.com

Request for 6 months extension for the implementation of Recommended Dietary Allowance (RDA 2020)

Regarding Recommended Dietary Allowance (RDA 2020) which shall come into force from 1st Jan 2024, we

have requested for additional 6 months extension since some of our members are still in the process of re-formulating their products and have also been left with inventory to incorporate the changes on the label for new RDAs.

Re-formulation of the products is a complex process riddled with unforeseen challenges balancing recipes with organoleptic and may take longer time than expected.

For detailed recommendations, please write to
Mr Abhinav Singh at abhinav.singh@ficci.com

FICCI supports Agenda 44.1 Prohibition and Restriction for Sale BIS & AGMARK

FICCI extended support to the upcoming agenda regarding amendment in the regulations in the spirit of 'one nation one law' which would require the Food Industry to follow only FSSAI Regulations and no parallel requirements set by BIS and AGMARK.

For detailed recommendation, please write to
Mr Abhinav Singh at abhinav.singh@ficci.com

CIFTI FICCI submission of Melamine data in foods 'other than milk and milk products'

CIFTI has submitted data of melamine in 'foods, other than milk and milk products' with FSSAI. It is observed from the data that almost all the values are at LOQ 0.01 ppm. Therefore, FSSAI may reconsider its decision to remove mandatory testing of melamine in all foods other than milk and milk products. This may save FBOs from incurring avoidable costs as the risk is nil.

For detailed recommendation, please write to
Mr Abhinav Singh at abhinav.singh@ficci.com

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