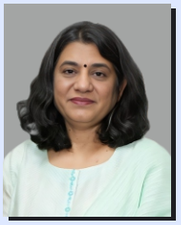
VOICE OF FICCI

SHAPING THE AGENDA

May 2025



From the Director General

May 2025 was a pivotal month in our efforts to bolster India's economic foundations and increase its global competitiveness. Our comprehensive strategy, which includes policy advocacy, international collaboration, and targeted sector interventions, continues to influence India's development path.

Together with our President Harsha Vardhan Agarwal, I had the privilege of engaging with key government leaders whose decisions directly impact India's economic future. Our meetings with Commerce and Industry Minister Piyush Goyal and Communications Minister Jyotiraditya Scindia provided valuable opportunities to align industry perspectives with policy priorities. We also held productive discussions with Health Minister JP Nadda and Food Processing Industries Minister Chirag Paswan, ensuring that sectoral concerns found expression at the highest levels of government. The President also participated in an important meeting chaired by the Secretary, DPIIT, with the Presidents of Industry Associations, and engaged with Revenue Secretary Arvind Shrivastava to address critical fiscal policy matters.

The FICCI leadership also participated in high-level strategic discussions that reinforced our organisation's position in the national economic policy dialogue. These included productive meetings with G20 Sherpa Amitabh Kant, Finance and Corporate Affairs Minister Nirmala Sitharaman, and Expenditure Secretary Vumlunmang Vualnam, alongside the FICCI Vice President Vijay Sankar and me, ensuring comprehensive representation of industry perspectives at the highest echelons of economic policy formulation.

Our extensive engagement schedule demonstrated our commitment to maintaining dialogue across all levels of government machinery. Key interactions included meetings with Principal Secretary to the Prime Minister Shaktikanta Das, Cabinet Secretary T. V. Somanathan, and NITI Aayog Member Rajiv Gauba. Besides, we engaged with sector-specific leadership, including MeitY Secretary S Krishnan, Chemicals & Petrochemicals Secretary Nivedita S. Verma, Financial Services Secretary M. Nagaraju, and OSD Economic Affairs Anuradha Thakur. Strategic discussions with Chief Economic Adviser V. Anantha Nageswaran and Corporate Affairs Secretary Deepti Gaur Mukerjee further strengthened our policy advocacy framework.

Further, our interactions extended to senior bureaucratic leadership, including Defence Secretary Rajesh Kumar Singh, and senior Ministry of External Affairs officials, such as Dammu Ravi, Secretary for Economic Relations, and K Nagaraj Naidu, Additional Secretary for the Americas. These conversations proved instrumental in bridging the gap between policy formulation and practical implementation challenges.

International diplomacy remained central to our agenda, as we hosted ambassadors from Italy, Brazil, and Uzbekistan, alongside India's Ambassador Designate to Brazil. These engagements reinforced our role as facilitators of bilateral economic cooperation and investment promotion.

A significant milestone in our international outreach was the industry interaction with the U.S. House of Representatives Chiefs of Staff Delegation at Federation House. This strategic dialogue brought together industry leaders and key stakeholders across sectors, reflecting the strength and promise of the India–U.S. partnership while highlighting shared ambitions and mutual opportunities across multiple sectors.

Our global engagement was further strengthened through the participation of Past Presidents Harsh Pati Singhania and Rajan Bharti Mittal in the Norway-India Business Roundtable in Oslo, co-chaired by Commerce and Industry Minister Piyush Goyal and Norway's Minister for Trade and Industry Cecilie Myrseth. The discussions focused on joint initiatives in innovation, green technology, and manufacturing, opening meaningful avenues for furthering Indo-Norwegian private-sector cooperation.

An equally impactful India–UK CEOs Roundtable was held during Union Minister Piyush Goyal's visit to the UK. Key industry leaders from FICCI attended it. Business leaders from both nations engaged in strategic dialogue on enhancing bilateral trade, investments, and economic partnerships, reaffirming their shared commitment to deepening commercial ties and exploring new growth opportunities across key sectors.

Our engagement with national economic initiatives was highlighted by Prime Minister Narendra Modi's positioning of India's Northeast as the nation's emerging economic powerhouse at the Rising North East Investors Summit 2025 at Bharat Mandapam in New Delhi. The Prime Minister declared the region had transformed from a "frontier" into a "front-runner of growth," reinforcing our strategic focus on regional development and investment promotion.

Our business promotion efforts this month included the 14th Great Indian Travel Bazaar in Jaipur, where we facilitated connections between 270 foreign tour operators from 53 countries and representatives from over 10 states. The event was graced by Union Minister for Tourism and Culture Gajendra Singh Shekhawat and Rajasthan's Deputy Chief Minister Diya Kumari, underscoring the government's commitment to tourism sector development.

We co-organised the curtain raiser for Wings India 2026 with the Ministry of Civil Aviation, with the participation of Kinjarapu Rammohan Naidu, Minister of Civil Aviation, and Murlidhar Mohol, Minister of State for Civil Aviation, demonstrating high-level government support for the aviation sector's growth trajectory.

We collaborated on the Bharat Pavilion at the 78th Cannes Film Festival, demonstrating our commitment to promoting India's diverse economic sectors internationally. The pavilion witnessed participation from distinguished personalities, including renowned filmmaker Shekhar Kapur, veteran actor Anupam Kher, Consulate General of India to Marseille Rupjyoti Brahma Karjee, producer-director Bobby Bedi, and director Anubhav Singh. The creative fraternity was well-represented by acclaimed filmmaker Rima Das, National Award-winning director Om Raut, filmmaker Neeraj Gehwan, prominent director Karan Johar, author Amish Tripathi, and versatile actor-writer Makarand Deshpande. The event also featured notable actors including Baman Irani, Pranitha Subhash, Arushi Nishank, Trupti Bhoir, and Aimee Baruah, alongside digital content creators Sejal Kumar, Disha Madan, and Sakshi Sindwani, showcasing the breadth and diversity of India's entertainment and creative industries on the global stage.

Our regulatory advocacy work encompassed interventions across multiple sectors. In healthcare, we submitted comprehensive responses to CDSCO notifications regarding cardiovascular and neurological medical device classifications, provided detailed manufacturer data for essential medical devices, and addressed the impacts of Quality Control Orders across ministries. We advocated for streamlined pathways for the import of refurbished medical equipment, submitted inputs on PLI scheme and GST structures, analysed coronary stent pricing mechanisms, and addressed compliance requirements for medical device licensing approvals. Our interventions extended to plastic packaging regulations under the PWM Rules and transition frameworks for QCO compliance in medical textiles.

Representations from the food processing sector were equally comprehensive. We submitted extensive input to FSSAI on the Front of Pack Nutrition Labelling frameworks, challenged proposed restrictions on food service categorisation, and provided analytical findings on the caffeine content of Arabica coffee. Our advocacy addressed misleading publicity for processed food, consultation papers on nutritional reference values for infants, precautionary allergen labelling under international standards, and packaging quantity regulations under Legal Metrology Rules. We also submitted comments on registration facility restrictions for certain food categories.

Regional development initiatives included our Kerala-focused recommendations for exclusive air cargo operations from Kochi and Thiruvananthapuram airports, the expansion of KINFRA food parks, the establishment of a seafood park, and enhanced funding for international food exhibition participation.

Our telecommunications advocacy recommended comprehensive reforms to TRAI's interconnection regulations, emphasising principle-based approaches and IP-based connectivity standards. Trade policy interventions addressed reciprocal US tariffs on graphite electrodes and FEMA regulations for export-import procedures.

Tax and compliance advocacy encompassed critical interventions on GST treatment of expired pharmaceuticals, TDS correction statement filing procedures, and income tax definitional ambiguities regarding relatives and fast-track demergers. Our electric vehicle sector engagement included requests for PMP compliance timeline extensions under the PM E-DRIVE Scheme.

Financial sector advocacy featured comprehensive submissions following our interaction with SEBI's Chairperson, Tuhin Kanta Pandey, inputs on online dispute resolution mechanisms in securities markets, and recommendations for unlisted Global Depositary Receipt exit procedures. We provided detailed inputs for India-USA bilateral trade agreement negotiations. We submitted recommendations for strengthening EPC frameworks in Indian Railways, covering contractor qualification criteria, tender segregation, KAVACH system integration, and payment flexibility mechanisms.

This multifaceted approach reflects our unwavering commitment to serving as an effective intermediary between industry concerns and governmental priorities, whilst maintaining sustained international engagement to enhance India's global economic competitiveness across all critical sectors of our economy.

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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 Inputs on CDSCO Notification – Update of existing Risk-Based Classification of Cardiovascular and Neurological Medical Devices (dated 1st April 2025)

Central Drugs Standard Control Organisation (CDSCO) had issued a notification (dated 1st April 2025) regarding an update to the existing risk-based classification list. This update revisited and expanded the current list, adding new entries across the two categories: Cardiovascular- 351 Devices and Neurological- 202 Devices.

The existing classification lists in the categories have been revisited and new entries have added based on the classification as per the first schedule (Part 1) of the MDR 2017. FICCI Medical Devices members submitted their comments on the draft to the Drugs Controller General of India, Central Drugs Standard Control Organisation

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

Details of the Indian manufacturers and monthly supply and sale status of Essential Medical Devices

FICCI submitted the details of Indian manufacturers along with production capacity and inventory information (monthly supply and sale status) for select devices (56 items) as requested by Central Drugs Standard Control Organization (CDSCO) Medical Devices Division.

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

Submission of information on 38 high end and high value used/refurbished medical devices listed in MOEFCC OM

FICCI compiled and submitted information from the industry on the List of 38 high end and high value used/refurbished medical devices listed in MOEFCC OM dated 15.10.2024. FICCI also submitted a request for re-inclusion of some devices in the high end and high value used/refurbished medical devices that can be imported. FICCI recommended to maintain the status quo on the import of 38 high end and high value used/refurbished medical devices as access to high-quality refurbished equipment is essential where local manufacturing is not yet established adequately. FICCI also recommended that any review of the list be done in consultation with industry, giving an opportunity to both importers and domestic manufacturers to explain the need. These were submitted to the Director (MediTech Policy) Department of Pharmaceuticals.

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

Request for Clarification on Notification Dated 28th April 2025 regarding printing of information on plastic packaging as per PWM Rules, 2016

FICCI members requested clarification on a few specific points to help ensure smooth and practical adoption across the medical devices industry:

1. Use of the phrase "for the time being" in Provision 11(a) point (c):
2. Definition of "brochure"
3. Recycled Plastic Packaging – Practical Challenges:
   - Shelf Life and Stability Requirements
   - Global Regulatory Constraints
   - Labelling Packaging in Recycled Plastics

These were submitted to the Central Pollution Control Board (CPCB), Parivesh Bhawan, East Arjun Nagar.

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

FICCI recommendation for issues for DCGI Meeting regarding multiple QCO's & Submission on a detailed note titled "Impact of QCOs on Medical Device Industry"

Meeting held under the chairmanship of Shri Piyush Goyal dated 15-05-2025 regarding multiple QCO's from several ministries on components, accessories and spares i.e MeitY, MoHI, DPIIT, Ministry of Steel & Ministry of chemicals & petrochemicals. FICCI Medical Devices members, who attended the meeting, had shared the concerns of the MedTech industry due to multiple QCOs.

FICCI submitted a detailed note titled "Impact of QCOs on Medical Device Industry" to DPIIT, highlighting the potential implications of the Compulsory Registration Orders (CROs) and Quality Control Orders (QCOs) on the medical device sector in India, including their impact on local manufacturing, imports, patient safety, and the Production Linked Incentive (PLI) Scheme.

These were submitted to the Hon'ble Minister of Commerce and Industry and Joint Secretary, DPIIT, Minister of State for Commerce & Industry, GoI respectively.

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

FICCI's request for a streamlined policy with clear regulatory pathway for imports /local refurbishment of pre-owned/refurbished medical equipment/devices adhering to highest quality and patient safety standards

In the absence of a regulatory pathway esp, for high end high value medical device products (with limited domestic capacity), hospitals are suffering due to inability to get these products further restricting their choice of good quality, affordable healthcare in the country. FICCI, in collaboration with AHPI and Nathealth, requested for intervention of Director General of Health Services (DGHS) in ensuring uninterrupted supply of these products through a speedy regulatory approval mechanism.

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

Comments sought for Inverted Duty Structure of GST for approved products under PLI scheme for Medical Devices

Collated Comments/Inputs for the Inverted Duty Structure of GST from FICCI members regarding Changes in GST rate, Amendment of Inverted T11 Structure Refund Formula & Introduction of a Refund Provision for Unutilized ITC and submitted to the Department of Pharmaceuticals.

These were submitted to the Under Secretary (Medical Device), Department of Pharmaceuticals, Ministry of Chemicals & Fertilizers, Government of India.

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

FICCI inputs on categorization and pricing of coronary stents

The meeting held with Shri JP Nadda dated 16-05-2025, on categorization and pricing of coronary stents. The members of FICCI Medical Devices Committee requested that further reduction of the ceiling prices of coronary stents may not be carried out without stakeholders consultation. Also requested to sub categorize the Drug Eluting Stents in NLEM based on Randomized Clinical Trials (RCTs) data. This recommendation was re-submitted from DG-FICCI post the meeting.

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

Inputs regarding the Compliance Information (NOCs/ Licenses/ Approvals) Related to the Medical Device Sector

DPIIT is conducting the exercise of minimizing regulatory burden on industry/businesses and citizens and has asked for inputs for the Medical Devices Sector. The aim of this exercise is to examine the Acts and Regulations with the objective of rationalizing, reducing and simplifying the compliances in Government to Business and Government to Citizens interactions. FICCI has submitted Compliance Requirements for the Medical Device Sector in India.

These were submitted to the Ease of Doing Business (EODB) Section, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, New Delhi.

For detailed recommendation, please write to
Ms Shilpa Sharma at shilpa.sharma@ficci.com

FICCI Recommendation for TRAI on Review of Interconnection Regulations

FICCI submitted its recommendations to the Telecom Regulatory Authority of India (TRAI) as part of the ongoing pre-consultation on Interconnection Regulations. Emphasizing the need for a modern and equitable telecom framework, the recommendation letter requested for a principle-based approach that is fair, transparent, reciprocal, and non-discriminatory. Key suggestions include consolidating existing regulations into a single comprehensive document, revising International Termination Charges (ITC) to align with global benchmarks, and mandating IP-based interconnection at the Licensed Service Area level. The recommendation also focuses on rationalizing port and infrastructure charges, increasing deterrent charges for unsolicited commercial communications (UCC) via SMS, and ensuring timely bifurcation of traffic and streamlined surrender of Points of Interconnect (POIs). These measures aim to enhance regulatory clarity, ensure security, and improve network sustainability.

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

FICCI Recommendations to the Ministry of Food Processing Industries Committee on countering misleading publicity of processed food

FICCI has shared key recommendations with the Ministry of Food Processing Industries (MoFPI) to address the increasing spread of false and misleading information about processed foods particularly on social media. These suggestions follow our continued engagement after the first meeting of the Committee constituted by MoFPI, held on 18th March 2025, to formulate and implement a strategic response to misleading publicity by social media influencers impacting the processed food sector.

First, FICCI recommends that the existing influencer guidelines under the Consumer Protection Act be expanded to include health and wellness influencers and even virtual influencers. These individuals must disclose their qualifications and avoid making unverified health claims. FICCI has shared the proposed draft guidelines for Influencers for consideration of Ministry of Consumer Affairs for Health and Wellness Celebrities, Influencers and Virtual Influencers along with this recommendation note.

Second, there should be strict penalties for those spreading false or non-compliant food-related content. This will ensure accountability and deter misinformation. To address consumer complaints, FICCI suggests forming an inter-ministerial complaint redressal committee. This would allow food businesses to respond to concerns and work with regulatory bodies like the Advertising Standards Council of India (ASCI).

FICCI also proposes the creation of a dedicated social media monitoring unit within the Ministry. This team would track and act against misinformation online. Public awareness is another focus. FICCI recommends launching campaigns, similar to “Jago Grahak Jago”, to educate people about the benefits of processed food, including food safety, reducing waste, and supporting farmers. Educational initiatives on food labeling and nutrition should also be promoted.

FICCI encourages integrating food processing education into school and college curricula. More investment in scientific research and public communication is needed to clear myths about processed foods. Lastly, FICCI suggests recognizing influencers who share responsible, science-backed content and hosting expert-led webinars to build public trust. These combined efforts aim to build a fact-based narrative around processed foods and ensure consumers receive accurate, balanced information.

These were submitted to the Deputy Agricultural Marketing Advisor,

Promotional Activities and Advertisement & Publicity, Ministry of Food Processing Industries.

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

FICCI CIFTI Request for Retention of the Current Category System for Food Services (Food Category 16)

FICCI has submitted a representation to FSSAI in reference to Agenda Item No. 46.1.3 of the 46th Food Authority Meeting, titled "Change in the procedure of Licensing and Registration in case of certain food businesses.

The representation specifically addresses Clause B of the proposal, "Capturing additional information in case of Food Services [Restaurants, Dhaba, food vending, caterers, etc.]," which proposes to restrict the category selection to 'Prepared Food' (Food Category 16) for Food Business Operators (FBOs) opting for the Key of Business (KoB) 'Food Services', such as restaurants and caterers, while eliminating other food categories deemed irrelevant.

FICCI has highlighted a key concern with this approach in the context of Food Vending Establishments that dispense retail-packaged food products through vending machines (e.g. chips, cold drink cans, candies, etc.) operated via coins or QR codes. The products offered by such establishments do not fall under Food Category 16 (Prepared Food) but instead belong to respective food categories from Category 1 to 15, as per the existing food category classification system.

Restricting such FBOs to Category 16 alone does not accurately reflect the nature of their operations and may result in inappropriate classification and licensing complications.

Accordingly, FICCI has requested the Authority to retain the current system of food category selection under the KoB Food Services, in line with existing licensing practices.

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

Inputs on First Consultation Paper for EWG on 'Establishing NRVs-R for Persons Aged 6 to 36 Months' under CCNFSDU

FICCI submitted comments to NCCP on the First Consultation Paper for EWG on 'Establishing NRVs-R for Persons Aged 6 to 36 Months' under CCNFSDU.

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

Comments on the EWG consultation paper regarding Precautionary Allergen Labelling under CCFL

FICCI submitted comments to NCCP on the First consultation paper regarding the draft guidelines on the use of precautionary allergen labelling under consideration of CCFL.

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

FICCI CIFTI Proposal on Food Safety and Standards (Labelling and Display) Amendment Regulations, 2022 FOPNL

FICCI has submitted a representation to FSSAI in reference to the Draft Food Safety and Standards (Labelling and Display) Amendment Regulations, 2022, specifically addressing the proposed framework for Front of Pack Nutrition Labelling (FOPNL).

FICCI has raised concerns that the INR model may not effectively communicate the nutritional value of products to consumers. The use of uniform thresholds and a complex algorithm may not reflect real-world consumption patterns, potentially leading to confusion and misinterpretation. This could hinder informed dietary choices and dilute the core purpose of FOPNL.

As an alternative, FICCI has proposed a simpler model based on per serve contribution to Recommended Dietary Allowance (RDA) for added sugars, saturated fat, and sodium. This format, already being voluntarily adopted by some companies brings this key information to the Front-of-Pack (FOP) from the Back-of-Pack (BOP) Nutrition Information Panel, as required under the current draft notification.

This approach provides factual, easy-to-understand information for consumers based on actual consumption, offers flexibility in serving size declarations, and eliminates the complexity of implementing a star rating system. It is especially suitable for MSMEs, who may face operational challenges in adopting the INR model.

Accordingly, FICCI has requested FSSAI to consider this per serve-based labelling format as a viable alternative under the proposed regulations. Illustrative examples have also been shared to demonstrate how this model could be implemented in practice to support informed consumer choice and regulatory compliance.

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

FICCI CIFTI representation pursuant to Stakeholder consultation on omitted Second Schedule related to commodities to be packed in prescribed quantities under the Legal Metrology (Packaged Commodities) Rules, 2011

FICCI has submitted a representation to the Department of Consumer Affairs, following the Stakeholder Consultation held on May 15, 2025 regarding the omitted Second Schedule of the Legal Metrology (Packaged Commodities) Rules, 2011, which had prescribed standard pack sizes for select commodities.

The representation recalls that the Second Schedule, derived from the earlier Standards of Weights and Measures framework, mandated rigid packaging norms for 19 commodities. Over time, and after multiple industry consultations, it was omitted via a 2022 notification, in alignment with Government initiatives like Ease of Doing Business, Make in India, and Startup India. Simultaneously, the introduction of the Unit Sale Price (USP) enabled transparent price comparisons and empowered consumers to make informed purchasing decisions regardless of package size.

FICCI noted that this deregulation allowed flexibility in pack sizes, accommodated rising commodity prices, enhanced market access (especially for MSMEs), and improved sustainability through optimized packaging. It also brought Indian packaging standards in line with global practices in the EU, USA, and Australia, where USP is an accepted consumer-rights tool.

However, during the recent consultation, concerns were raised by the edible oil industry regarding misleading or confusing pack sizes. FICCI acknowledged these sector-specific challenges and proposed that any regulatory review should be limited to edible oils only, rather than reinstating standard pack sizes across all commodities.

Reintroducing the Second Schedule may risk reversing progress made toward market flexibility and consumer empowerment, impose operational burdens, and disproportionately affect small and medium enterprises. FICCI emphasized that a blanket rollback could undermine packaging innovations and accessibility.

Accordingly, FICCI has requested the Ministry to retain the current flexibility while addressing concerns through commodity-specific consultations and targeted guidelines, rather than reinstating the earlier standardized pack framework.

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

Request to submit data/information regarding the caffeine content in soluble coffee powder prepared from Arabica coffee

FICCI has submitted a representation to FSSAI along with the analytical findings of Arabica coffee samples, conducted as per the mutually agreed protocol by two laboratories — the Coffee Board of India and Eureka Analytical Services Pvt. Ltd.

Both laboratories have directly shared their respective reports with the Scientific Panel on Water (SP-Water), ensuring transparency and traceability in the testing process. In line with this, FICCI submitted the FICCI CIFTI Sample Analysis Report dated 29th May 2025 for the Panel's kind perusal and review.

To support ease of analysis and further deliberation, the submission also includes an excel file compiling the results across five data sheets, as well as a copy of the original testing protocol used for consistency and validation purposes.

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

FICCI CIFTI Comments on the consultation paper on restriction of registration facility for certain food products/categories

In the shared representation CIFTI submitted comments on the consultation paper on restriction of registration facility for certain food products/categories. These were submitted to FSSAI.

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

Request for exclusive Air Cargo Flights to operate from Kochi and Thiruvananthapuram International Airports; increase in space for KINFRA food parks in Kerala; setting up a sea food park at Kochi as per the study conducted by FICCI and KINFRA and Allocation of more funds for Industries Department, Government of Kerala for participation in International Mega food Exhibitions

The above recommendations were forwarded by FICCI Kerela State Council to include in the consolidated representation of Government of Kerala to the representation to Member Niti Ayog as per the meeting held in this regard at Palakkad, Kochi on May 9, 2025, FICCI KESC was also part of the discussions.

These were submitted to the Hon'ble Member, Niti Ayog, routed through MD, KINFRA, Industry Dept., Government of Kerala.

For detailed representations, please write to
Mr Savio Mathew at savio.mathew@ficci.com

Issue of Reciprocal Tariff imposed by the US – Impact on Graphite electrodes for use in Electric Arc Furnaces (HS 85451100)

FICCI has submitted a representation highlighting industry concern regarding the proposed 26% reciprocal tariff announced by the U.S. on imports from India, particularly for the product classified under HS Code 85451100 – "Graphite Electrodes for use in Electric Arc Furnaces".

Although the imposition of reciprocal tariffs has currently been paused till July 9, 2025, but the tariff of 10% is applicable till this period after which it will be levied at 26%. In this context, FICCI has requested the Government of India to consider eliminating the existing 7.5% customs duty on graphite electrodes imported from the U.S. to ensure tariff parity under the proposed bilateral trade agreement. This was submitted to the Commerce Secretary, Government of India.

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

Feedback on draft regulations and directions on export and import under FEMA

FICCI has submitted detailed inputs on the RBI's Draft Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2025, highlighting key industry perspectives and suggestions for facilitating cross-border trade.

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

FICCI Representation: Request for Clarity and Transition Framework for Pre-QCO Legacy Stocks under Medical Textiles QCO

As per the QCO Amendment Order (S.O. 04(E) dated 1st January 2025), SMEs have been granted a compliance extension until 1st April 2025, while large companies must comply from 1st January 2025. A transition period is available until 30th June 2025 to clear existing inventories, after which manufacturers are prohibited from selling or offering non-

compliant products. However, this restriction applies only to manufacturers—not to distributors or retailers. Products with longer shelf lives, manufactured before the QCO's effective date, may still be sold beyond the deadline.

Despite industry understanding of this, several e-commerce distributors are seeking explicit clarification confirming that pre-QCO, non-BIS-certified stock can continue to be sold post-implementation. A similar clarification by MeitY under the 2021 Electronics CRO ensured a smooth transition and avoided disruption.

It is therefore requested that a similar clarification be issued for Medical Textiles, confirming that pre-QCO compliant products may continue to be sold for their shelf life. Additionally, guidance for enforcement officers and a stakeholder meeting (preferably during May 28–30, 2025) are requested to ensure consistent implementation, reduce compliance pressure, and maintain product availability. This was submitted to the Additional Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India.

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

Request for Extension of Compliance Timeline under PMP Guidelines – Notification S.O. 1078(E) dated 03.03.2025

The FICCI Green Mobility Committee, while fully supporting the Government's vision of Atmanirbhar Bharat and strengthening domestic value addition through the Phased Manufacturing Programme (PMP) under the PM E-DRIVE Scheme, submits this recommendation based on industry feedback regarding the compliance deadline set under Notification S.O. 1078(E), dated 3rd March 2025.

As per the notification, EV manufacturers were required to achieve full compliance with the revised PMP guidelines by April 30, 2025. However, feedback from our members indicates that the process for revalidating PMP compliance is resource-intensive and time-consuming. It involves multiple steps including physical verification of component manufacturing at Tier 1 and Tier 2 supplier locations, extensive documentation, and final report generation by designated testing agencies.

Given the volume of applicants and the complexity of procedures, many manufacturers and testing agencies are finding it difficult to complete the end-to-end compliance, including uploading the certification on the MHI portal, within the given timeframe. This may lead to a temporary disruption in EV models being eligible for demand incentives, adversely impacting both consumers and the industry.

In light of the above, FICCI recommends an extension of the PMP compliance deadline to 30th June 2025. This additional two-month window will ensure smooth transition and full compliance while maintaining the integrity of the PMP objectives.

This was submitted to the Secretary to the Government of India, Ministry of Heavy Industries (MHI) on May 23, 2025, and May 28, 2025, respectively.

For detailed recommendation, please write to
Ms Purtika Kalra at Purtika.kalra@ficci.com

GST issue on expired goods faced by Pharmaceuticals industry

Issue: Circular No. 72/46/2018-GST dated October 26, 2018, provides clarification on the procedure to be followed in respect of return of time expired drugs or medicines under the GST.

Background: The circular specifically clarifies that the one of the options available with the manufacturer or the wholesaler who has supplied the goods is to issue a credit note in relation to the time expired goods returned by the wholesaler or retailer. In a scenario, where the credit note is issued by the manufacturer/wholesaler after November 30 of the subsequent financial year in respect of expired goods, the GST liability on the value of credit note can't be reduced in the hands of the manufacturer/wholesaler. Further, where the time expired goods, which have been returned by the retailer/wholesaler, are destroyed by the manufacturer, he is required to reverse the Input Tax Credit (ITC) attributable to the manufacture of such goods, in terms of the provisions of clause (h) of sub[1]section (5) of section 17 of the CGST Act.

It may be noted that as far as destruction of time expired goods by manufacture is concerned, it is the requirement of Drugs and Cosmetics Act, 1940 and compliance with provisions such as Rule 65(17) and Rule 110 of Drugs and Cosmetic Rules, 1945 and hence, ITC reversal by manufacturer is not warranted.

Recommendation: In context of the above issue, it is recommended to kindly provide an explicit exemption for manufacturers from reversing ITC on expired goods that are destroyed under legal and regulatory mandate. This was submitted to Chairman, Central Board of Indirect Taxes and Customs, Department of Revenue, Ministry of Finance.

For detailed recommendation, please write to
Ms Ira Khanna at ira.khanna@ficci.com

Request for relaxing the time-limits for filing correction statements of TDS returns filed under section 200 of the Income-tax Act, 1961 ('Act')

Issue - Difficulties being faced and not being able to upload the correction statements of TDS statements on the Income Tax/ TRACES Portal, due to various technical glitches.

Background - Pursuant to the amendment made vide the Finance (No. 2) Act, 2024, one last / final opportunity to file correction statements for various old Financial Years (i.e., upto first three quarters of FY 2018-19), was being provided to the taxpayers until 31 March 2025. During the last week of March 2025, many of the taxpayers tried to upload TDS correction statements and due to the high user traffic on the TRACES website, the system crashed multiple times (especially during the working hours). Further, taxpayers also encountered continuous "Server Overload" messages, and when access was possible, the implemented queue system created average wait times of 30-45 minutes. This was further complicated by connection drops during file uploads, requiring complete process restarts and effectively bringing correction filing efforts to a standstill. In view of the aforesaid system related issues, taxpayers were not able to file the correction statements under section 200 of the Act by 31 March 2025.

Recommendation - It is therefore, recommended to kindly (a) Relax the time-limits for filing correction statements pertaining to the old period (i.e., period upto first three quarters of FY 2018-19), by issuing appropriate orders; and (b) Allow taxpayers to file correction statements for such old periods (i.e., upto first three quarters of FY 2018-19), post 31 March 2025 by providing appropriate instructions. These were submitted to the Chairman, Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India.

For detailed recommendation, please write to
Ms Ira Khanna at ira.khanna@ficci.com

Drafting ambiguities – (1) "relative" definition reciprocity and (2) inclusion of fast track demerger in definition of "demerger" - Request for circular under current law and express incorporation under draft income tax bill

Issue - Definition of "Relative" - Reciprocal Issue

Background - As per the provisions of section 56(2)(x) of the Income Tax Act, 1961, any sum of money or kind received as a gift from relatives is not taxable. Clause 92(5)(g) of the Bill [similar to section 56(2)(vii) of the Act] defines the term "relative". The current definition of term "relative" is from the perspective of done/recipient in case of direct gifts and from the perspective of settlor, in case of gifts through trust created or established solely for the benefit of the relative of the individual (Clause (X) of proviso to clause (c) of section 56(2)(x) of the Act].

For example, an uncle gifting to a nephew qualifies as a gift between relatives since father's brother is considered a "relative" from the donee's perspective. However, any gift received from uncle by a trust created or established solely for the benefit of nephew is not expressly covered within the purview of clause (X) of proviso to clause (c) of section 56(2)(x) of the Act [similar to 92(3)(h) of the Bill]. This is so because from the uncle perspective, nephew is not expressly defined as a "relative". This creates an artificial asymmetry that is inconsistent with the common understanding of familial relationships, since it is obvious that reciprocity should be implied also. Also, if the settlor/contributor to the trust is also a beneficiary, there is actually no "gift".

Recommendation- It is recommended that CBDT should issue a circular on the obvious aspect that, under the current Income Tax Act, reciprocity is intended and implied, and also that if settlor/contributor is a beneficiary, that is not "violative" of the carve out ; as such, an amendment on either aspect is not even needed. This was submitted to the Chairman, Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India.

For detailed recommendation, please write to
Ms Ira Khanna at ira.khanna@ficci.com

Request for Inputs on India-USA Bilateral Trade Agreement

DPIIT has sought inputs on the India-USA Bilateral Trade Agreement, particularly concerning sectors under its purview. In this regard, FICCI has been requested to review and provide comments on the following sections as outlined below:

a) DPIIT's Current Inputs

b) Industry Inputs

c) Industry Rationale

These inputs are critical to ensure that the industry's views and concerns are appropriately reflected in the ongoing negotiations. Stakeholder feedback will play a key role in aligning national interests with global trade commitments and enhancing bilateral cooperation between India and the USA.

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

Fast Track Mergers

The Ministry of Corporate Affairs has proposed amendments to Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to fast-track mergers, as part of efforts to improve the ease of doing business. This is in continuation of Budget Speech 2025-2026 made by Hon'ble Finance Minister, as follows: "Requirements and procedures for speedy approval of company mergers will be rationalised. The scope for fast-track mergers will also be widened and the process made simpler". Based on inputs received from members, FICCI has made a detailed submission to MCA.

For detailed recommendation, please write to
Mr Santosh Parashar at santosh.parashar@ficci.com

Concerns related to unlisted GDRs

Based on concerns highlighted by members on minority non-resident holders of unlisted GDRs facing challenges while exiting their investments, FICCI made a submission to Secretary, DEA

that companies be allowed to nominate a resident buyer to purchase the underlying shares, with complete disclosures, ensuring an orderly exit and preserving investor confidence.

For detailed recommendation, please write to
Mr Santosh Parashar at santosh.parashar@ficci.com

Follow up note post interaction with Chairperson, SEBI

Pursuant to the roundtable interaction with Chairperson, SEBI on 7th May 2025, a detailed note was submitted to ED, SEBI outlining specific suggestions for further strengthening and deepening India's capital market.

For detailed recommendation, please write to
Mr Santosh Parashar at santosh.parashar@ficci.com

SEBI Consultation Paper on Draft Circular on Amendments to Master Circular on Online Resolution of Disputes in Indian Securities Market

Based on inputs received from members, FICCI submitted industry views on the SEBI Consultation Paper.

For detailed recommendation, please write to
Mr Santosh Parashar at santosh.parashar@ficci.com

Recommendations for Strengthening the EPC Framework in Indian Railways

FICCI commends the Ministry of Railways for its continued emphasis on the EPC model, which has improved project timelines, accountability, and integration. To further strengthen this framework and attract robust private sector participation, FICCI recommended the following:

1. Stronger PQ Criteria: EPC contracts require higher design and execution capabilities. The adoption of 60-40-30 experience criteria, financial checks (positive PBT for JV partners), and defined risk assessment standards will ensure only qualified bidders participate.
2. Value-Based Tender Segregation: Classify tenders below ₹300 Cr for SME participation and larger ones as separate civil and system work packages. This approach encourages wider participation and ensures technical quality in complex projects.
3. KAVACH Execution: Expand EPC scope to include integrated OEM and EPC participation via joint ventures. This ensures smoother delivery of technologically complex safety systems.
4. Ensure Fair Competition: Railway PSUs should continue in their role as Project Executing Agencies, not compete as contractors, to maintain a level playing field and avoid conflict of interest.
5. Streamline Approvals & Pre-Tender Readiness: Empower field units for routine approvals, prepare quality DPRs, ensure land availability, and set up SPVs for large projects to improve execution timelines.
6. Bank Guarantee Reform: Introduce a 14-day notice before encashment and remove the replenishment clause, aligning with global contract norms.
7. Flexible Payments & Innovation: Allow milestone-based payment breakdowns and introduce benefit-sharing for contractor-led value engineering.
8. Price Variation Clause: Use industry-specific indices like IEEMA instead of WPI to better reflect input cost fluctuations.

These steps will modernize project execution and align with global best practices. These recommendations were submitted to the Chairman and CEO, Railway Board, Ministry of Railways.

For detailed recommendation, please write to
Ms Komal Sharma at komal.sharma@ficci.com

FICCI has previously advocated for a reduced GST rate on pharmaceuticals, proposing a 5% tax slab to mitigate potential inflationary pressures and ensure the affordability of essential medicines. This stance reflects FICCI's broader commitment to aligning tax policies with public health objectives and supporting the pharmaceutical industry's operational challenges

The pharmaceutical industry has raised concerns over Circular No. 72/46/2018-GST, which addresses the GST treatment of time-expired drugs. While the circular was initially welcomed for offering two return options—treating expired goods as fresh supply with invoices (Option A) or returning them via delivery challan and credit notes without tax (Option B)—its implementation has created legal ambiguity. Manufacturers, who are legally required to destroy expired drugs under the Drugs and Cosmetics Act, are being asked to reverse Input Tax Credit (ITC), despite not owning the expired goods at the time of return.

The industry argues this reversal is illogical and burdensome, especially since GST has already been paid at each supply stage. Moreover, the destruction of expired goods is a regulatory obligation and a normal business expense, not a tax-evading act. Manufacturers commonly issue commercial credit notes post-expiry, which do not adjust GST liability but are necessary for compliance. The industry seeks a clarification exempting manufacturers from ITC reversal in such cases, aligning GST provisions with legal mandates and reducing unnecessary litigation, while ensuring no revenue loss to the government. This was submitted to the Chairman, Central Board of Indirect Taxes and Customs, Department of Revenue, Ministry of Finance, New Delhi.

For detailed recommendation, please write to
Mr Ishan Pandita at Ishan.pandita@ficci.com

Please share your valuable feedback at:
https://meet.ficci.in/voiceofficci/survey.asp

For more details, contact:
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