VOICE OF FICCI

SHAPING THE AGENDA

January 2025



From the Director General

As India entered 2025, FICCI took the pulse of the nation's industrial landscape through its comprehensive Pre-Budget Survey for the fiscal year 2025-26. The survey, capturing insights from over 150 companies across diverse sectors, painted an encouraging picture, with 64 per cent of industrialists expressing optimism about India's economic growth trajectory. Their confidence was reflected in key recommendations, including a 15 per cent increase in capital expenditure, strategic reforms to enhance ease of doing business, and revisions to direct tax structures aimed at boosting consumption and growth.

Building on this economic momentum, FICCI President Harsha Vardhan Agarwal led a series of high-level engagements with government leadership. Foremost among these was the meeting with Vice President Jagdeep Dhankhar, followed by key discussions with cabinet ministers, including Commerce & Industry Minister Piyush Goyal, Housing & Urban Affairs Minister Manohar Lal, and Road Transport & Highways Minister Nitin Gadkari. The dialogue extended to crucial sectors, with ministers Sarbananda Sonowal, Hardeep Singh Puri, and Jyotiraditya Scindia contributing insights on ports, petroleum, and communications, respectively. FICCI's outreach also extended to sectors like coal and mines, and sports and youth affairs, where our leadership exchanged views with Union Ministers Pralhad Joshi and Dr Mansukh Mandaviya. Productive sessions with senior bureaucrats, including Economic Affairs Secretary Ajay Seth and NITI Aayog CEO B.V.R. Subramaniyam, among others, complemented these ministerial engagements.

On the international front, FICCI expanded its global footprint through strategic missions. A delegation to Malaysia, organised in collaboration with the Department of Defence Production and the Indian High Commission, explored and strengthened defence partnerships. The chamber's business mission to Bahrain opened new avenues for Indian SMEs, facilitated by detailed discussions with Bahrain's Industry Minister Abdulla bin Adel Fakhro and Indian Ambassador Vinod K Jacob. Productive engagements with South Korean Ambassador Lee Seong-ho and the meeting of the India-Oman Joint Business Council further enhanced international cooperation.

January also saw FICCI championing sustainable business practices through the 3rd Edition of the ESG Summit in Mumbai. The summit's discussions on environmental, social, and governance principles dovetailed with the India Energy Transition Summit, where Cabinet Minister Pralhad Joshi and Financial Services Secretary M Nagaraju shared insights on renewable energy and financial strategies. We also successfully hosted the 3rd India Maritime 2025 Conference & Expo, which convened industry leaders to advance India's maritime and logistics capabilities. The chamber's event calendar included focused forums like CyberComm 2025, the National Stroke Summit, and investment promotion roadshows for Advantage Assam 2.0 and Karnataka Global Investors Meet, besides others.

FICCI's policy advocacy efforts remained robust throughout the month, with comprehensive submissions addressing various sectors. The chamber provided strategic inputs on achieving the $2 trillion export target by 2030 and the process of first motion cases. We also offered recommendations to the Department of Commerce for the India-ASEAN FTA, particularly focusing on the food and steel sectors and developing guidelines for handling rejected/expired food items to the FSSAI. Additionally, FICCI engaged with regulatory bodies to address practical challenges, including proposals for GS1 labelling requirements and the classification of medical devices under existing regulations.

Through these wide-ranging initiatives and engagements across policy, industry, and international domains, January proved to be an exceptionally dynamic month for FICCI. FICCI's multifaceted approach - from facilitating high-level government dialogues and international partnerships to championing sustainable practices and providing strategic policy inputs - demonstrates our unwavering commitment to India's growth story. As we continue to serve as a bridge between industry and policymakers, FICCI remains dedicated to supporting India's vision of becoming a Viksit Bharat by 2047, working collaboratively towards building a more resilient, sustainable, and globally competitive economy.

Jyoti Vij

Draft form for process of First Motion cases (Mergers & Amalgamations)

The National Company Law Tribunal (NCLT) has been undertaking a number of changes to expedite judicial decision making process and improve its effectiveness and related procedures, specifically through integration of information technology. One of the key initiatives underway is the development of a checklist for applications concerning mergers and acquisitions under Section 230 – 232 of the Companies Act, 2013. This checklist is designed to ensure that relevant information pertaining to first motion applications submitted before NCLT is properly captured and presented in the form of a Fact Sheet; enabling the Court to access important information during hearings and facilitate a more effective decision making process. FICCI had submitted industry inputs on this draft checklist to the Registrar, National Company Law Tribunal.

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

Note on Strategy to Achieve Target of 2 trillion Dollar Exports by 2030

FICCI submitted a note to Deputy Secretary, EP-Pharma, EP ECSW, Department of Commerce, on strategy to achieve $2 trillion in exports by 2030, focusing on export diversification, better FTA utilization, and addressing non-tariff barriers. Key recommendations include easing trade processes through digitalization, promoting 'Brand India,' empowering states, aligning standards globally, and strengthening logistics for resilience.

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

Submission on India-ASEAN FTA

FICCI submitted industry inputs to Section Officer, Department of Commerce, on the India-ASEAN FTA related to the food and steel sectors to the Department of Commerce.

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

CIFTI FICCI - Request for data on Mouth fresheners available in the market

FICCI presented a representation to FSSAI on the Scientific Panel on Sweets, Confectionery, Sweeteners, Sugar, and Honey, addressing the need for standardization of "Mouth Fresheners" under FSSR. The representation highlighted the interchangeable use of the terms "Mouth Fresheners" and "Breath Freshening Mints," both describing

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.

products with similar purposes, functions, and overlapping ingredients. Globally, "Breath Freshening Mints" is the more commonly recognized term, as evidenced by Codex Alimentarius standards.

The Codex framework classifies "Breath Freshening Mints" under food categories 5.2 and 5.2.1, permitting the use of artificial sweeteners such as saccharin, sucralose, neotame, acesulfame potassium, aspartame, and steviol glycosides within specific limits. However, Codex does not explicitly define standards for "Mouth Fresheners."

FICCI recommended that FSSAI recognize both terminologies “Mouth Fresheners” and “Breath Freshening Mints” as interchangeable in the FSSR framework. This alignment would enhance regulatory clarity, avoid interpretative conflicts, and facilitate seamless global trade practices.

Furthermore, FICCI requested that FSSR extend the Codex provisions for artificial sweeteners under categories 5.2 and 5.2.1 to category 5.2.4, which includes Mouth Fresheners. Aligning these categories would ensure consistency with international standards, supporting the growth and competitiveness of the Indian food industry in global market.

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

CIFTI-FICCI representation on Gazette Notification of FSS (Contaminants, toxins and Residues) Regulations

FICCI submitted a representation to FSSAI regarding the Gazette Notification of the Food Safety and Standards (Contaminants, Toxins, and Residues) First Amendment Regulations. While acknowledging the regulatory improvements, FICCI highlighted key concerns that may lead to practical challenges for food business operators (FBOs).

The representation focused on the terminology used in the regulations, recommending the replacement of "milk and milk products" with "milks" and "meat and meat products" with "meat." This modification would simplify the language, provide regulatory clarity, and align with industry practices, reducing the potential for misinterpretation.

FICCI further requested FSSAI to delay the enforcement of the regulations until these issues are addressed. A deferral would allow FBOs adequate time to adapt to the revised standards and ensure smoother compliance. Additionally, FICCI proposed that the banned list of antibiotics under these regulations be used strictly for surveillance purposes rather than enforcement, ensuring effective food safety monitoring without imposing excessive operational burdens on the industry.

FICCI emphasized that addressing these concerns would enhance the practical implementation of the amendments while maintaining regulatory intent.

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

CIFTI-FICCI inputs for the development of guidelines for handling rejected/expired food items

FICCI submitted inputs to FSSAI for developing a guideline to manage rejected and expired food items under the FSS Act, 2006. The guideline aims to ensure such products are not misused, rebranded, or sold for human consumption while aligning with food safety and environmental regulations.

Key Provisions:

1. Scope and Purpose:
   - Covers expired or non-compliant finished food products.
   - Ensures proper handling to prevent misuse and safeguard public health.
2. Responsibilities:
   - Manufacturers, importers, distributors, wholesalers, retailers, and transporters share responsibility for disposal.
   - Disposal post-sale rests with distributors/retailers.
3. Handling Procedures:
   - Segregate and mark rejected/expired items distinctly.
   - Prohibit disposal in public spaces or water bodies; items must be treated or disposed of via authorized methods.
   - Ensure traceability and maintain records for proper disposal or alternative uses (e.g., composting, recycling).
4. Compliance and Training:
   - FBOs must train staff, conduct audits, and submit quarterly data on rejected/expired products through the FoSCoS portal.

International Practices:

- **Japan**: Recycled food waste (""Ecofeed"") is used for animal feed.
- **UK**: Food disposal follows risk-based categories with clear guidelines for incineration, composting, and recycling.
- **China**: Expired foods are treated or destroyed, with proper records maintained for at least two years.

These inputs aim to establish robust standards for managing expired/rejected food, aligning.

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

FICCI's Request & Suggestion on the issue of Fall Clause in Tenders on Pharmaceutical Drugs

A supplementary note was submitted to Deputy Secretary, Department of Pharmaceuticals (DoP), Ministry of Chemicals & Fertilizers, following their acceptance of FICCI’s representation to the Secretary, Department of Pharmaceuticals.

FICCI raised industry-wide concerns regarding the "fall clause" in tenders, which continues to pose challenges for the sector. The Department of Pharmaceuticals' O.M. No. 31026/1/2019-Policy (copy attached), dated November 12, 2020, addresses the provision of the fall clause in tender documents for drug procurement. However, it has come to our attention that certain leading procurement agencies continue to impose stipulations related to the fall clause in their tenders.

Following extensive consultations with industry stakeholders and the suggestions received in October and November, we compiled a consolidated document listing the issuing agencies that have included fall clause provisions in their tenders. The document also outlines the key challenges faced by the industry, along with recommendations for strengthening the implementation of the Department of Pharmaceuticals' OM, as well as proposed resolutions (submitted in November).

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

FICCI's request for Exemption/Extension on the implementation date (Feb 1, 2025) w.r.t GS1 labelling requirements

With the new "Track & Trace" regulation in place for the serialization and aggregation, Mandatory for all Stock Keeping Units (SKUs) exported from India, specifically for finished pharmaceutical products (medical formulations) does not apply to bulk drugs, active pharmaceutical ingredients (APIs), or intermediates as per Policy Circular No. 48 (RE-2010).

Guidelines by DGFT:

- For drugs exported to countries without local serialization regulations, compliance with DGFT's serialization, aggregation, and reporting guidelines is required. This includes building an aggregation hierarchy using Serial Shipping Container Codes (SSCC) at the tertiary packaging level (shipper/pallet)
- For countries with local serialization rules, exporters may adhere to those existing labelling requirements to ensure compliance
- Tertiary packaging labels must conform to India's Drug Export regulation license plate, regardless of the destination market
- Manufacturers or exporters are responsible for reporting to the iVEDA portal, maintaining a parent-child relationship in their reporting structure. The organization generating SSCCs is accountable for this reporting

FICCI has requested an exemption and extension concerning the compliance date (February 1, 2025). The request emphasizes the need for additional time to adapt to the mandatory GS1 labelling requirements for markets with specific labelling standards under the Track & Trace regulations. FICCI has been continuously knocking the door of Directorate General of Foreign Trade and submitted multiple representation.

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

FICCI's comments / suggestions on the revision of ABS Regulations 2014 in view of the amendments to the Biological Diversity Act 2002 and Biological Diversity Rules 2004 (Biological Diversity Rules, 2024)

The National Biodiversity Authority (NBA) sought comments to revise the Guidelines on Access to Biological Resources and Associated Knowledge and Benefit Sharing (ABS) Regulations, 2014 following amendments to the Biological Diversity Act, 2002, and related Rules, 2004.

FICCI, after detailed industry consultations, submitted recommendations to the Secretary, National Biodiversity Authority (NBA) and submitted clause-wise and section-wise comments on the proposed guidelines.

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

FICCIs recommendation to include Pregnancy Detection Kit under the Eighth Schedule of Medical Device Rules 2017, for exemption from sale license provision

FICCI reached out to Drugs Controller General of India (DCGI), Central Drugs Standard Control Organization (CDSCO), Ministry of Health & Family Welfare (MoHFW), regarding the current challenges and public health implications associated with Pregnancy Detection Kits and to propose a regulatory adjustment for their inclusion under the Eighth Schedule of the Medical Device Rules, 2017.

Pregnancy Detection Kits in India are classified as Class B medical devices (moderate-risk IVD devices) and are regulated under the Medical Devices Rules, 2017 (MDR 2017) under the Drugs and Cosmetics Act, 1940. These kits must comply with licensing, quality standards, and import/manufacturing registration requirements as per MDR 2017.

In this regard, FICCI recommend a regulatory adjustment for the inclusion of Pregnancy Detection Kits under the Eighth Schedule of the Medical Device Rules, 2017, along with an exemption from sale license requirements to enhance their availability and accessibility.

This regulatory adjustment would support public health objectives, particularly in remote areas, by ensuring timely access to essential diagnostic tools and improving healthcare outcomes.

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

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

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