

VOICE OF FICCI

SHAPING THE AGENDA



April 2019



From the
Secretary General

We, at FICCI, applaud the success of 'Mission Shakti', which demonstrated India's capabilities to shoot a satellite in Low Earth Orbit (LEO) based on indigenously developed state-of-the-art capabilities.

Fintechs are the future in the financial services space, Finance Secretary SC Garg says. We appreciate the government's assurance to support digitalisation and its holistic approach towards Fintechs. A combination of steady economic growth with low penetration of financial services and availability to support infrastructure such as internet data access, smartphones along with utility infrastructure including Aadhaar-based authentication and India stack capabilities are likely to provide the required impetus to India's Fintech sector. In this context, FICCI had organised the 2nd edition of PICUP Fintech 2019 and Awards, where Vymo won the FICCI Award for 'Innovation in Artificial Intelligence and Data Analytics'.

This month, the 20th edition of FICCI FRAMES 2019, a 3-day conclave, concluded successfully. The conference was attended by around 2,500 delegates from 15 countries. There were around 220+ speakers who shared their knowledge with the audience in around 50 sessions. A FICCI-EY report 'A billion screens of opportunity' was released at the event. During the event, at the Frame Your Idea, over 3,500 meetings fructified between 400 writers/idea owners and over 50 producers/studios/broadcasters. At the second edition of the content market, which facilitates launching and selling of content and services and more, a total of 733 meetings were held and the volume of business discussed in 3 days was approx. INR 2891 crore. FICCI Best Animated Frames (BAF) Awards were presented to select entries from all over the world in 19 different categories. Meanwhile, at 'Shoot @ Site' initiative, the participants discussed policies to ease film shoots across India and single window clearance for states.

A delegation of key members of the FICCI Health Services Committee met senior officials of NITI Aayog and the National Health Authority (NHA), to discuss the way forward for effective engagement of the private healthcare providers for continued success of Ayushman Bharat. FICCI presented its policy recommendations on the key tenets for implementation of Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana, including scientific costing of medical procedures, sustainable pricing in healthcare, expansion of healthcare infrastructure in tier II and III cities and strategies for strengthening the number of specialist doctors in the country.

While, in the pursuit of Industry 4.0, standards and policy are critical and the industry's priority is to address the issue of data security and standards and protocols. Atul Chaturvedi, Additional Secretary, Department for Promotion of Industry and Internal Trade (DPIIT) at FICCI said that the debate around embracing Industry 4.0 and the job losses that it could entail had settled in favour of new and more jobs that the new industry paradigm would create. This had emboldened the government to give a fillip to adopt and assimilate the best standards from the expertise available from within and outside the country and march ahead to impart competitiveness to manufacturing and services.

India has launched the private sector alliance ARISE-INDIA to reduce disaster losses and risks. Speaking at the ARISE-INDIA conference organised by FICCI, Special Representative of the UN Secretary General for Disaster Risk Reduction Mami Mizutori said the new group ARISE-INDIA would 'turn the private sector's attention to the importance of action before a disaster strikes and to take advantage of opportunities that emerge to build back better after a disaster hit'. FICCI believes that it is vital for the Indian economy that the private sector is resilient to the impact of disaster and climate risks.

This and more in this issue of 'Voice of FICCI'.
Dilip Chenoy



FICCI APPLAUDS THE SUCCESS OF
'MISSION SHAKTI'

FICCI applauds the success of 'Mission Shakti' which demonstrates India's ability to shoot a satellite in Low Earth Orbit (LEO) based on the state-of-the-art capabilities which were indigenously developed.

This success speaks of laurels for our scientific community who have done the nation proud and enhanced our strategic defence capability, says FICCI. The emergence of India as a major defence and space power while keeping in place its commitments to non-proliferation of weapons in space and not against any nation, speaks volumes of its stature as a responsible world power in the comity of nations.

India is the 4th country to acquire this capability besides Russia, China and the US, a testimony of the nation's space power.

27 March 2019



INDIA MUST SET SIGHTS ON
2022 WORLD CUP FOOTBALL:
BUNDESLIGA INTERNATIONAL CEO

Robert Klein, CEO, Bundesliga International, expressed optimism that given the maturity of Indian football, the country must set its sights on participating in the 2022 World Cup. Bundesliga has identified India as target market as we truly believe in the potential of your lovely country, he said. He was speaking at the sixth edition of 'GOAL', International Convention on Business of Football. 'GOAL' which was established by FICCI and AIFF in 2013 to promote and create a platform for Indian Football Industry.

FICCI says that India is producing new heroes not just from the grassroots level but also from amongst the white collared and they are set to change the course of Indian football.

FICCI has been working in the area of sports consistently. A few of our advocacy initiatives include (1) Seeking Industry Status to Sports Sector; (2) Providing recommendations to the Draft

'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.

National Sports Development Bill 2011; (3) Providing recommendations on regulating sports betting in India; (4) Providing a framework for enhancing sports funding via CSR; (5) Building institutional capacity of Sports Education Institutions; and (6) Setting up of Sector Skill Council in Sports, Physical Education, Fitness and Leisure.

As an apex industry association of the country, FICCI has also submitted a set of recommendations this month towards CSR policy for sports.

26 March 2019



INDIA LAUNCHES PRIVATE SECTOR ALLIANCE ARISE-INDIA TO REDUCE DISASTER LOSSES AND RISKS

Special Representative of the UN Secretary General for Disaster Risk Reduction Mami Mizutori, highlighted the importance of private sector in preventing and reducing the existing disaster-related risks. Speaking at the launch of ARISE-INDIA organised by FICCI, Mami said the new group ARISE-INDIA would 'turn the private sector's attention to the importance of action before disaster strikes and to take advantage of opportunities that emerge to build back better after a disaster hit'.

FICCI feels that it is vital for the Indian economy that the private sector is resilient to the impacts of disaster and climate risks. ARISE-INDIA is a great step forward in increasing understanding of disaster risk among business circles and will help the country to meet the targets for reducing disaster losses set out in the global plan, the Sendai Framework for Disaster Risk Reduction.

ARISE-INDIA will also have presence in the SAARC and ASEAN region and the private sector will play an important role in developing it further. The corporate sector should invest and work on developing infrastructure for early disaster warning systems and assured government's support to ARISE-INDIA.

The private sector entities have large untapped potential to help provide skilled services in the form of technical manpower or in-kind donations of goods or services for preparedness and response phase of Disaster Management. For sustained survival of private sector, contingency planning is vital to survival of business entities that invest in building community resilience against disasters. He also said that Integrating disaster risk reduction into investment decisions is the most cost-effective way to reduce the risks; investing in disaster risk reduction is, therefore, a pre-condition for developing sustainability in a changing climate.

19 March 2019



GOVERNMENT TO ANNOUNCE RECOMMENDATIONS FOR FINTECHS SOON: FINANCE SECRETARY SUBHASH CHANDRA GARG

SC Garg, Finance Secretary, and Secretary Department of Economic Affairs, Ministry of Finance, Government of India,

said, 'I see bankers and fintechs are the future in the financial space; that's very clear to me.' 'In future, the financial services would be delivered essentially by fintech,' he added. He also described fintech as the delivery of financial services to customers using technology instead of manual means.

Garg said that fintechs offer a tremendous advantage in terms of cost, agility, ease of use, and reach. He predicted that fintech is poised to grow. In India, the growth has been phenomenal in the payment space, and not much in other areas such as credit or pensions. But these areas will also get covered.

He explained that a lot of work has been done by the government such as the creation of open APIs that helped fintech companies to grow. He attributed this to the innate dynamism of those in the fintech industry. Another aspect is regulation. The RBI has demonstrated openness in creating regulatory models for various kinds of experimentation. With the dynamism shown by the sector in working with the government and regulators, Garg foresees very good growth of the fintech space in the near future.

FICCI expresses happiness at the government's assurance of support for digitalisation and appreciated its holistic approach towards fintech.

As India remains one of the largest markets where the structural enablers setup and incubate fintech at an apt time. A combination of steady economic growth with low penetration of financial services and availability of supporting infrastructure such as internet data access, smartphones along with utility infrastructure including Aadhaar-based authentication and India stack capabilities are likely to provide the required impetus to India's fintech sector.

Some suggestions were also made by the Fintech Committee to the RBI Committee on Deepening of Digital Payments (CDDP)

- on alternate method for digital on-boarding of customers (Video – In Person Verification)
- on reducing friction in digital payments with particular reference to subscription-based payments.

15 March 2019



STATES MUST DEVELOP FRIENDLY POLICIES TO ENCOURAGE FILM TOURISM

According to FICCI, the portrayal of destinations through films and television plays a very important role. Legendary filmmaker Mr Yash Chopra was the one who made Switzerland a tourist destination for people in our country and was awarded by the Switzerland government. The whole thing is about awareness of a destination. It is about creating an infrastructure around the destination and largely building a local ecosystem of tourism around that place. All of this

suggests that formulating policies in states should be given adequate significance to film tourism policy as well. There is a need for a very friendly and proactive policy to enable approvals in a specific timeframe and get assistance on site from the respective government departments and add financial assistance as well as a single window clearance. This discussion was part a session call Shoot at Site, which was part of FRAMES 2019, a 3-day Media and Entertainment Conclave in Mumbai. The FICCI-EY Knowledge Report on film tourism), which covers the film policies in 21 states of India, was also released.

The conclave was attended by around 2500 delegates from 15 countries. There were around 220+ speakers who shared their knowledge with the audience in around 50 sessions.

The second edition of content market was also held during the conference. A total of meetings 733 were held and the volume of business discussed in 3 days was INR 2891,21,85,000 (approx. 2891 crore INR). A maiden co-production deal was struck at the FICCI FRAMES content market 2019 between Aurora Media Holdings Singapore, Stray Factory India and Magic Hour Films, India and Rinkel Films, Netherlands. Aurora Holdings has boarded 'Nasir', an underproduction Tamil film, and is the first Indian film to win the prestigious Hubert Bals Netherlands Fund.

Another initiative to bring together content creators and content buyers from across the globe, was the fourth edition of 'Frame Your Idea' (FYI). The platform provides a unique opportunity to creative minds to pitch their ideas, stories or scripts to leading content producers and production houses. During the 3 days of FYI, over 3,500 meetings fructified between 400 writers/idea owners and over 50 producers/studios/broadcasters.

FICCI Best Animated Frames (BAF) Awards were also presented to the selected entries from all over the world in 19 different categories in the field of Animation, Gaming, and Visual Effects

13 March 2019



INDIAN M&E INDUSTRY CLOCKS 13.4% GROWTH TO REACH INR 1.67 TRILLION IN 2018: FICCI-EY REPORT

The Indian Media and Entertainment (M&E) sector reached INR1.67 trillion (US\$23.9 billion) in 2018, a growth of 13.4% over 2017, states the FICCI-EY report, 'A billion screens of opportunity,' launched at the FICCI FRAMES 2019 in Mumbai.

FICCI states that the M&E sector is poised to kickstart a new era of growth. Technological disruptions are creating new opportunities for the sector. New age digital media with direct-to-customer (D2C) capabilities are on an upward trajectory making Indian M&E ever more vibrant, against the backdrop of already popular broadcast TV and films. The sector's incumbents need

to innovate, transform and increase their relevance to mass and individual consumers.

12 March 2019



NEED IS TO ADOPT BEST STANDARDS AND ALIGN WORKFORCE EXPERTISE WITH NEEDS OF INDUSTRY 4.0

Atul Chaturvedi, Additional Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), said that the debate around embracing Industry 4.0 and the job losses that it could entail had settled in favour of new and more jobs that the new industry paradigm would create. This had emboldened the government to give a fillip to adopt and assimilate the best standards from the expertise available from within and outside the country and march ahead to impart competitiveness to manufacturing and services.

Chaturvedi said that India is going to be \$5 trillion economy in the next five years and the aim is to achieve it faster by increasing competitiveness of industry and adopting new technologies like Industry 4.0. The time now was to skill and re-skill the workforce to grasp and align their expertise with the requirements of Industry 4.0.

FICCI says that in the pursuit of Industry 4.0, standards and policy are critical and that the priority for industry is to address the issue of data security and standards and protocols.

13 March 2019



FIRST SHIPMENT ON TIR ARRIVES IN INDIA FROM AFGHANISTAN VIA IRAN'S CHABAHAR PORT

The first shipment on TIR (Transports Internationaux Routiers) from Afghanistan to India through Iran Chabahar Port arrived at the port of Nhava Sheva, Mumbai and Mundra on 13 March 2019.

FICCI feels that TIR will play a pivotal role in improving ease of doing business and pave the way for smoother and safer transport of goods across international borders and will help boost trade between India, Central Asia, Europe and Russia. It will act as a strong catalyst for moving goods using the multi-modal transportation route like Chabahar and International North-South Transport (INSTC) Corridor. The system is a win-win model for Customs, FICCI and the business community.

FICCI has been appointed by the Central Board of Indirect Taxes & Customs (CBIC), Department of Revenue, Ministry of Finance, Government of India as National Issuing & Guaranteeing Association for its operation in India like ATA carnet. The system is managed worldwide by the International

Road Transport Union (IRU), Geneva and overseen by the United Nations Economic Commission for Europe (UNECE).

13 March 2019



SEBI ASSURES OF ALL STEPS TO DEEPEN COMMODITY DERIVATIVES MARKET

SK Mohanty, Whole Time Member, SEBI, has assured that SEBI will take all necessary steps to deepen the commodity derivatives market. Of the 3Ps required to build any market – Policy, Product and Participants – the first two were already in place and the ecosystem should ensure education and awareness to promote participation. He was speaking at the second edition of the conference on 'Institutional Participation – Ushering a New Era in Commodity Derivatives Market' in Mumbai.

FICCI says that the institutional participation has been a long-pending need for the growth and development of the commodity derivatives market. The presence of financial institutions such as mutual funds can not only offer the common domestic investors an additional avenue for better financial investment but can also make this market more robust by providing liquidity especially to the far months' contracts. Enhanced liquidity and presence of diverse participation groups including hedgers and financial institutions would strengthen the price discovery mechanism and make risk management on exchange platforms more efficient and cost effective to the stakeholders by lowering the impact cost of trade.

Participation of institutions such as mutual funds, banks, insurance companies, and pension funds among others, will be a stepping stone for further advancement and growth of commodity market in India. Their entry will not only benefit the market by way of infusion of liquidity but also through enhanced access to a large number of potential participants in this market.

1 March 2019



REACH OUT TO THE UNINSURED AND PROVIDE STANDARDISED AND QUALITY SERVICES: IRDAI CHAIRMAN

Subhash Chandra Khuntia, Chairman, IRDAI, urged health insurance companies and healthcare providers to upgrade their standards and adopt ethical practices to provide access, equity and quality services to the people on a sustainable basis. He said access to quality health to majority of the people was essential as currently 62 per cent of the average health expenditure in India is borne out-of-pocket against the world average of 18 per cent. At the same time, health insurance companies and healthcare providers have to reach out to the uninsured in remote areas and provided facilities at affordable rates to the poor. Khuntia was speaking at the 11th edition of the annual FICCI Health Insurance Conference; the central theme for this year's conference was 'Health Insurance 2.0: Enabling Change'.

Khuntia also emphasized that standardisation of rates and procedures offered by healthcare providers was necessary and for this self-regulation for appropriate treatment was imperative till such time as a regulator for healthcare services was in place.

FICCI says the challenge before the industry was to find innovative and technological solutions to address the healthcare needs of the people, especially the tech-savvy youth.

FICCI underlines the need to meet the rising expectations of the consumers looking for convenience and an enriching experience. For this, industry would need to embrace Artificial Intelligence across their operations to make the consumer experience seamless.

11 March 2019

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