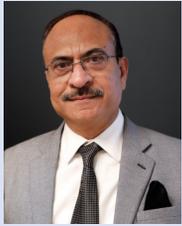


VOICE OF FICCI



SHAPING THE AGENDA

November 2022



From the
Director General

In her previous engagements with FICCI, Union Finance Minister Ms Nirmala Sitharaman had highlighted that work is going on for implementing a common “Know Your Customer (KYC)” which can be used for undertaking various financial transactions across institutions. Taking this further, the Federation has submitted a representation to the Executive Director of Securities and Exchange Board of India (SEBI) on creating a simple and common KYC across the entire financial sector market. FICCI believes that this move will ease the investment process for all customers while promoting Digital India.

Further, based on interaction with SEBI Advisory Committee on ESG, FICCI has made a representation on suggestions to simplify the reporting framework under Business Responsibility and Sustainability Report (BRSR). It has been suggested that 16 essential Indicators can be prescribed as mandatory disclosures initially. As the sustainability journey of India Inc advances, more indicators should be included under the category of 'Essential Indicators'.

Also, the E-commerce Committee of the Federation has proposed recommendations on Open Network for Digital Commerce (ONDC) Consultation Paper. We believe that in view of the current market situation, the proposed recommendations will add significant value and make the draft of the policy more comprehensive and meaningful for all stakeholders.

Meanwhile, dear readers, a new variant of the COVID virus has emerged. While the nation is prepared to fight against this variant, it is time that we ramp up our protection shield and get back to the basics of SMS – Sanitization, Mask and Social Distancing.

Arun Chawla

Handicraft/Handloom Policy for West Bengal

West Bengal possesses a very rich and living tradition of exquisite handicrafts and handlooms which had a history of several centuries. Given the importance of the craft sector in West Bengal, a huge opportunity lies in unlocking the potential of the sector and creating more sustainable business opportunities for artisans and a dedicated policy for the handicraft and handloom sector would give a boost to the sector in the state. Suggestions for the proposed Handicraft/Handloom Policy of the State included the Establishment of Raw Material Banks, the Creation of an artisan database, development portal/app, establishing Design Banks for the Handicraft/handloom sector, capitalizing on E-commerce, online marketing, encouraging GI registration, offer fiscal benefits, marketing assistance, single window agency, focus on Skill Development, Social security measures, develop State Level Handicraft Museum, Handicraft/Handloom Park/Model craft centres. This was submitted to the Department of MSME&T, Govt of West Bengal.

For detailed recommendation, please write to
Ms Mousumi Ghose at Mousumi.ghose@ficci.com

Inputs for the preparation of draft Agenda for 13th meeting of India-Thailand Joint Trade Committee (JTC)

FICCI shared Indian Industry inputs for the preparation of the draft Agenda for the 13th meeting of the India-Thailand Joint Trade Committee (JTC) with Thailand at the Joint Secretary level. This was submitted to the Deputy Director, FT(ASEAN) Division, Department of Commerce, Ministry of Commerce & Industry.

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

Submission on Corporate Finance related issues

Based on the closed-door interaction with Mr Jeevan Sonparote, CGM, SEBI, FICCI submitted a detailed representation highlighting industry suggestions to further improve the Ease of Doing Business. This included suggestions for simplifying disclosures and compliances under LODR, Insider Trading, Buyback Regulations etc.

For detailed representation, please write to
Ms. Abha Seth at abha.seth@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 recommendation on BRSR Framework

Based on interaction with SEBI Advisory Committee on ESG, FICCI has made a representation on suggestions to simplify the reporting framework under BRSR. It has been suggested that 16 essential Indicators can be prescribed as mandatory disclosures initially. As the sustainability journey of India Inc advances including the building of systems/processes to capture data, more indicators should be included under the category of 'Essential Indicators'. Companies with greater readiness will have the option to voluntarily disclose additional parameters as specified in the BRSR. These 16 indicators are in addition to 24 General Disclosure parameters, which are essential for a comprehensive understanding of the BRSR report by users.

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

Request for amendment of requirements under Companies Accounts Rules

FICCI has submitted to Joint Secretary, MCA, that taking back-up of entire books of accounts and other books and papers maintained in electronic mode on a daily basis would be onerous and time-consuming. Thus, daily backup requirements be made applicable to limited critical items only with the list of items being agreed to avoid any interpretation challenges. Further, the backup data would be created for standalone accounts of companies. Back-up of consolidated accounts would not be required. In cases where subsidiaries and associate companies are spread across the globe, they would have to be brought on the same platform to comply with this requirement. This would be quite an onerous task given that these companies would be subject to different requirements based on the jurisdictions they operate in. It has been requested align the effective date of implementation of the requirement of proviso to Rule 3(5) of the Accounts Rules ("Back-up of Books of Accounts on a daily basis") with the effective date of implementation of the proviso to Rule 3(1) of the Accounts Rules ("Audit Trail feature in the Accounting Software") viz. 1st April 2023. This will provide sufficient time for the companies to make changes in the accounting software to comply with the Accounts Rules as amended vide Amendment Rules cohesively in an effective, cost-efficient and smooth manner.

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

SEBI Consultation Paper on protection of public equity shareholders in case of listed companies undergoing CIRP

Based on feedback received from members, FICCI has submitted industry inputs and concerns on SEBI's Consultation Paper on the 'Protection of public equity shareholders in case of listed companies undergoing CIRP.

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

Easing of investments in capital markets

FICCI has submitted a representation to Executive Director, SEBI, on creating a simple and common KYC across the entire financial sector market so as to ease the investment process for all customers and promote Digital India in its true sense.

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

SEBI Consultation Paper on review of disclosure requirements for material events or information under LODR Regulations

Based on the feedback received from members, FICCI has submitted to Chief General Manager, SEBI, detailed recommendations on the proposals made in the discussion paper w.r.t. materiality-based thresholds and other parameters of disclosure.

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

Representation w.r.t amendments vide GSR 226(E)/GSR 779(E)/GSR 747(E)/Annexure 4 Legal Metrology (Packaged Commodities) Rules, 2011

Proposed amendments in the Legal Metrology (Packaged Commodities) Rules, 2011. The Legal Metrology (Packaged Commodities) Rules, 2011 were amended in 2021 vide GSR 779(E) dated 2nd November 2021 for Ease of Doing Business and for safeguarding the interest of consumers. The amended rules were decided to be implemented w.e.f. 1 April 2022. Based on representations received from industries requesting for extension of date of implementation on the grounds of operational constraints and complying with the new requirements, the Legal Metrology (Packaged Commodities) Rules, 2011 were further amended for reducing the compliance burden vide GSR 226(E) dated 28.03.2022 providing the time of 6 months for implementation of provisions w.e.f. 1 October 2022. On further request of industries and to exhaust the unutilized packaging material extension of 2 more months is given vide GSR 747(E) dated 30.9.2022 for implementation of amended provisions w.e.f. 1 December 2022. Considering the requests of industries for ease of doing business and to reduce the compliance burden, further amendments are proposed in the Legal Metrology (Packaged Commodities), Rules, 2011. This was submitted to Secretary (CA), Ministry for Consumer Affairs, Food & Public Distribution, Government of India.

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

Representation to support the consumer durable industry by extending the implementation of Refrigerating Appliances (Quality Control) Amendment Order, 2021 till 01.04.2024

The Foreign Manufacturers Certification Division (FMCD) of the Bureau of Indian Standards (BIS) has not started issuing certification / granting

license for foreign applicants. A majority of the applications filed in the early months of FY-22 are still pending in various stages like scrutinizing, nominations of auditors, planning for visits to factory locations, verification of manufacturing & testing infrastructure etc., and shall take another 3-12 months to complete the process and grant of licenses to all the applicants. The delay in the grant of licenses will lead to major disruptions in the overall supply chain eco-system of refrigerators and freezers in the country, thus adversely impacting the sustainability of the industrial value chain along with the retailers & end-consumers of these consumer durables. This shall also lead to non-compliances with the contractual obligations of the Indian companies which already have long-term tie-up and placed orders with foreign manufacturers of refrigerators to cater to the domestic market demand. This was submitted to the Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India.

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

Representation on support for expediting grant of licenses for Household Refrigerating Appliances (IS 17550 - Part 1: 2021) and Freezers (IS 7872: 2018), under Foreign Manufacturers Certification Scheme (FMCS), and extending implementation of Refrigerating Appliances (Quality Control) Amendment Order, 2021 till 01.04.2024

The issue regarding the pending grant of licenses for Household Refrigerating Appliances (IS 17550 - Part 1: 2021) and Freezers (IS 7872: 2018), which has created a huge risk leading to massive disruptions in the supply chain eco-system of refrigerators and freezers in the country next year. This shall adversely impact the sustainability of the overall industrial value chain along with the retailers & end-consumers of these consumer durables. This was submitted to Director General, Bureau of Indian Standards, Government of India.

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

Representation on ONDC Consultation Paper

The proposed recommendations of FICCI's E-commerce Committee identify certain challenges in the consultation paper and suggestions on the same. The proposed recommendations in view of the current market situation will add significant value and make the draft of the policy more comprehensive and meaningful for all stakeholders. These were submitted to Chief Executive Officer, Open Network for Digital Commerce.

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

Representation on Draft Telecom Bill

FICCI applauds the Department of Telecommunications (DoT) for its

efforts in undertaking the watershed exercise of revamping antiquated telecommunication laws, including the colonial-era Indian Telegraph Act, 1885. However, Digital Services Shouldn't Be Subject to Licensing Regime. Bill Should Provide Additional Definitional Clarity and Remove Artificial and Arbitrary Distinction Between OTT Services. While the lethal black swan-like pandemic went on, the Indian M&E Industry, like the telecom industry, continued to deliver with pride and prodigious success. Although the Indian media and entertainment sector is growing at a rate that is almost three times faster than the rest of the world, the sector's recent policy and regulatory proposal via the Telecom Bill needs to be reviewed from the broadcaster's perspective as well.

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

Enabling standards for allowing recycled plastics in Food Contact Material

In the submitted representation to BIS, FICCI supported the standards for allowing recycled plastics in Food Contact material.

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

CIFTI-FICCI representation for extension of six-month time for implementation of Milk Logo

FICCI submitted a representation to FSSAI on the Food Safety and Standards (Food Products Standards and Food Additives) Sixth Amendment Regulations, 2021 notified on 27.12.2021 and implemented on 1st July 2022. In this context, FICCI highlighted that the specifications have not yet been issued by FSSAI on the details of size, dimensions, the colour of the milk logo, and the placement of the logo on the packaging.

FICCI further stated that the implementation of changes needs time, as artwork changes have to be made and earlier artwork will get exhausted which entails cost and is not environmentally friendly too. Artwork change requires a time of at least six months for implementation as the process is not simpler and entails many steps.

Keeping these concerns in view, FICCI requested an extension of six-month i.e., till 30th June 2023, to implement the milk logo on labels till the time the specifications have been notified.

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

FICCI rep: Request for comments at Step 3 on the proposed draft guidelines for the safe use and re-use of water in food production-CCFH53-reg

In the submitted representation to NCCP, FICCI Codex Cell answered the questions asked by the CCFH.

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

FICCI Submission on Draft Notification regarding Food Safety and Standards (Labelling & Display) Amendment Regulations, 2022 related to Front of Pack Nutritional Labelling (FOPNL) and High Fat, Salt, Sugar (HFSS) – reg.

FICCI submission on HFSS and FOPNL - the following were highlighted as the major concerns as mentioned below:

1. HFSS definition needs to be removed from the Notification due to its significant departure from established nutritional sciences and unpragmatic approach.
2. 'Safe Food and Balanced Diet for School Children Regulation', where the term HFSS has been referred, needs to be given a relook considering the issues.
3. On evaluating and deliberating on the proposed FOPNL concept, industries have observed important scientific anomalies which need serious evaluation. Industries are in the process of studying and collating data from Industry Clusters spread across the country and across product segments, including traditional foods, to examine the applicability of the proposed FOPNL concept.
5. For calculation of components like Fruits, Vegetables, Dietary Fiber, the algorithm is far too restrictive and will not encourage adequate offering to consumers, e.g., • Fruits & Vegetables (F&V): The current points allotted for F&V are capped at 55% whereas there are products with even 90% F&V content.
6. This capping will ultimately discourage addition of more F&V content in foods which we don't think is the intent of this exercise. It is also noted that the Australian model, from where the current concept/algorithm has been taken gives F&V up to 95% points. • Dietary Fiber (DF): The algorithm does not justify encouragement of DF in food. Also, it is much stricter than provided in its inspirational Australian model. • It is not clear why there are only two categories – solids and liquids and why dairy beverages have been clubbed with solid foods. Moreover, a number of macro & micronutrients important for health, like spices, have not been considered.

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

Joint associations (FICCI and ISMA) representation on Refined Iodized Salt, Low Sodium Iodized Salt, Edible Common Salt, and Iodine content for iodisation of salt

This was joint associations (FICCI and ISMA) Submission to FSSAI Scientific Panel on Spices and Culinary Herbs (SP-19) on the following concerns:

1. Refined salt standards should be deleted
2. Low Sodium Iodized Salt :(I) permit salts other than potassium chloride as NaCl replacement, (ii) make iodine fortification

mandatory and (iii) revise the limit of 'NaCl' from 60-75% to 60-90%.

3. Edible common salt: Moisture content of crystal salt and change in description w.r.t line on contaminate and other material
4. Widen the range of current iodine limit for the salt fortification

FICCI had also requested for an opportunity to present above concerns in 16th Meeting of FSSAI Scientific Panel on Spices and Culinary Herbs (SP-19) conducted on 21st November, 2022 via Hybrid Mode (virtually via Webex and physically at 03rd Floor Conference Hall, Food Safety and Standards Authority of India, FDA Bhawan, Kotla Road, New Delhi).

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

CIFTI-FICCI representation on Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011 w.r.t clause 2.11.8 "Dietary Fibre"

FICCI submitted the representation on the Revision of Dietary Fibre standard, to widen the scope the dietary fibre usages to FSSAI.

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

CIFTI-FICCI Representation on forming the new standards for Hazelnut oil, Pistachio oil, and Walnut oil under FSS (Food Products Standards and Food Additives) Regulations, 2011

In submitted representation, CIFTI-FICCI have requested to form the standards in alignment to Codex regulation on Hazelnut oil, Pistachio oil, and Walnut oil

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

CIFTI-FICCI seeking Department of Animal Husbandry and Dairying support for releasing an integrating/single health certificate format acceptable by both authorities i.e. DAHD and FSSAI

CIFTI-FICCI seeking Department of Animal Husbandry and Dairying support for releasing an integrating/single health certificate format acceptable by both authorities i.e. DAHD and FSSAI was submitted to DAHD department directed to Dr. Gagan Garg, Deputy Commissioner (Trade) and Mr G. N. Singh, Joint Secretary (Admin./Trade/GC/IC/IT)- Department of Animal Husbandry and Dairying Ministry of Fisheries, Animal Husbandry and Dairying.

Considering that this notice has a far-reaching impact on many of the member companies operating in the packaged food segment across the country, FICCI has also requested for an appointment to discuss the business-critical concern with FSSAI.

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

CIFTI – FICCI representation on health certificate requirement accompanied with the import of food consignments

Representation to propose an integrated format covering DAHD, and FSSAI requirements and FAQs on the notice was submitted to FSSAI.

Further, FICCI requested that the enforcement of this notice shall be deferred till the integrated health certificate is finalized and notified for implementation and sought for an appointment with FSSAI to discuss the business-critical concern.

Considering that this notice has a far-reaching impact on many of the member companies operating in the packaged food segment across the country, FICCI has also requested for an appointment to discuss the business-critical concern with FSSAI.

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

FICCI representation on Formulation of new Standards for Rock Salt and Synthetic Black Salt

In the submitted representation, CIFTI submitted comments on the formulation of standards of Rock Salt and Synthetic Black Salt, under which following parameters are elaborated.

- Definition
- Safety Parameters
- Food additives
- Contaminants, toxins and residues
- Food hygiene
- Packaging and labelling
- Method of Analysis

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



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