

BRIDGING GAPS THROUGH CONSTRUCTIVE DIALOGUE



IFCCI COMMITTEES REPORT



ABOUT IFCCI COMMITTEES

The IFCCI Committees provide a platform to its members giving access to sector-specific information, networking opportunities and exchange of business ideas.



12 Committees
4 Working Clubs

35+
Past Activities

800+
participants

COMMITTEES

The Committees hold regular meetings and interactions with the Indian government authorities in various formats like round-table discussions, webinars, panel discussions, knowledge-sharing sessions, site visits, etc.



CEO



CFO



CONSUMER GOODS &
SERVICES



CSR



DEFENCE & AEROSPACE



ENERGY & UTILITIES



HUMAN
RESOURCES



INDUSTRIES



LOGISTICS & SUPPLY CHAIN



MOBILITY



RETAIL



TECHNOLOGY



GENERAL COUNSEL &
CORPORATE AFFAIRS



HIGHER EDUCATION



LUXURY



MARCOM

BRIDGING GAPS THROUGH CONSTRUCTIVE DIALOGUE

Key Industry Issues

India remains a very appealing destination for foreign investment, with investors appreciating the macroeconomic stability, appealing industrial policies, and significant investment in infrastructure. Historically, India and France have a strong partnership with an impetus on strong economic ties across multiple sectors such as smart cities, railways, tourism, defence, renewable energy, etc. The survey members include French companies operating in India. They have highlighted certain policy issues that need to be brought to the attention of the government. In collaboration with IFCCI, the industry hopes to set up dialogues with relevant ministerial teams and departments, so that progressive steps can be taken to alleviate issues that stifle growth opportunities for French businesses in India.

Need for better coordination among regulators while framing policies

Measures such as reducing the compliance burden can have a transformative and multiplier effect on the economic growth of any country. The government's focus on reducing the compliance burden on businesses and citizens has become one of the new drivers in India's growth story and its four-pronged strategy which includes simplifying, eliminating compliance burden, digitizing, and decriminalizing certain offenses, has been a runaway success.

While more than 30,000 processes have been simplified, members have raised concerns about the lack of coordination among Regulators. Most of the concerns raised revolve around Import and Export policies and procedures. Issues such as delays in processing and refunding claims, high fines, and irregular policymaking without consultation with other Regulators often lead to inordinate delays and losses. There is an apparent need for processes and issues to be resolved to promote ease of doing business and growth of exports from India.

Owing to the prolonged effects of disruption in the supply chain due to Covid-19, companies operating in the renewable sector have expressed difficulties in availing concessional tax rate of (15 percent + surcharge + cess) offered in Union Budget 2022-23. Additionally, there are concerns about the imposition of Basic Customs Duty (BCD) hike on the import of solar panels, which adversely affects the end consumer and creates multiple issues in entering into new Power Supply Agreements with DISCOMS.

Similarly, post Hon'ble Supreme Court's order - third-party insurance coverage for two-wheelers should be mandatory for five years and should be paid for the entire term at the time of insurance sale - has led to an increased burden on purchasers.

Key Industry Issues

Infrastructure

Indian Government has identified infrastructure as one of the country's critical drivers of economic development. There has been a continuous increase in investment in the infrastructure sector, and it has seen significant growth over the last decade. The government has been focussing on initiating policies to ensure the creation of world-class infrastructure in a timely manner. This will have a more uniform and inclusive development across the country and benefit people from rapid industrialization and booming growth.

While much has been done, there is still more to be done. Members, especially from landlocked states in Northern India, raised concerns about the Turn Around Time of getting goods from major ports to their states, resulting in delays in receiving goods and efficiently running their businesses. These continue to pose challenges.

Need for review of existing policies

Companies operating in the Vehicle Manufacturing industry have raised concerns about policies governing electric vehicles at the central and state levels. Nearly 23 states have framed and notified or have drafted electric vehicle policies to define the scope of intervention at the state level. The companies have advocated that these policies be organized with specified goals, enabling mechanisms, and compliance measures.

Certain members have expressed concerns about business continuity being impacted due to unexpected policy changes not safeguarding the interests of foreign investors who have already invested in India. For example, many regulations related to the safety of passengers and environmental protection were mandated in the Auto Industry with a very short leading time for the industry to develop and comply with these regulations.

Members expect a clear long-term regulatory roadmap available well in advance for a smooth transition in the new regulatory regime.

Key Industry Issues

Employment

The Economic, Trade, and Labour policy of a country plays a prominent deciding factor for foreign investors planning to invest in the country. India's federal structure allows both state and the central government to enact laws on labour relations and employment matters. This has resulted in a multiplicity of labour laws, including multiple compliances and regulatory barriers.

The Indian Parliament enacted 4 labour codes to consolidate and simplify current and overlapping labour laws by combining 29 pre-existing labour laws. However, because labour is a concurrent subject, states must develop their own rules, and central and state governments have yet to notify the rules. The delay in notifying the rules is stalling the proposed labour reforms to give impetus to economic reforms and the welfare of unorganized sector workers.

Members suggest implementation in a phased manner to navigate the new regime smoothly.

PAST ADVOCACY MEETINGS

IFCCI facilitates strategic dialogues between its member companies and Governments at a State and Central level across sectors. These platforms are a keyway to put across collective views in the form of whitepapers and recommendation documents on scope, opportunities and challenges related to various nuances of doing business in India.

IFCCI CSR Conclave and Awards

- November 2022



IFCCI Annual Committee Leaders' Meet with H.E. Mr. Emmanuel Lenain, Ambassador of France to India and Mr. Rajendra Ratnoo, Joint Secretary, DPIIT, Govt. of India -

- September 2022



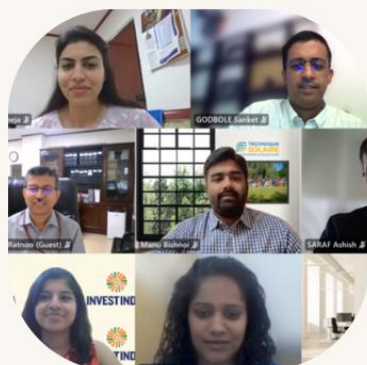
Roundtable Meeting with Mr. Arun Singhal, CEO, Food Safety and Standards Authority of India (FSSAI)

- April 2022



IFCCI-Invest India Business Meet with Mr. Rajendra Ratnoo, Joint Secretary, DPIIT

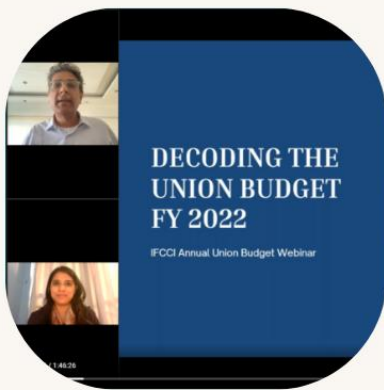
- April 2022



PAST ADVOCACY MEETINGS

IFCCI CEO Roundtable Meeting with the Hon'ble Minister for Foreign Trade and Economic Attractiveness, Mr. Franck Riester, the Ambassador of France to India, H.E. Mr. Emmanuel Lenain

- March 2022



Webinar on Decoding the Union Budget 2022

- February 2022

Webinar on Managing Manufacturing in a time of crisis with Mr. Venugopal Reddy, Principal Secretary, Industries & Mining, Government of Maharashtra

- November 2020



Webinar on Managing Supply Chain amidst COVID-19 Crisis with Mr. N. Sivasailam, Former Special Secretary-Logistics

- May 2020

IFCCI Logistics and Maritime Roundtable Meeting with Dr. Malini Shankar, DG Shipping

- September 2018



**For more information
on committees ,
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About IFCCI

Established in 1977, the Indo-French Chamber of Commerce and Industry belongs to a worldwide network of 124 French Chambers (CCIFI) in 95 countries with over 37,000 companies. One of the most active bilateral chambers in India, the Indo-French Chamber is a not-for-profit association that promotes mutually beneficial trade relations between India & France. We represent a dynamic business platform of over 650 company members and a total network of more than 6,500 individual members.

Headquartered in Mumbai, IFCCI has four other offices in New Delhi, Bengaluru, Chennai, Hyderabad, and one representation in Pune.