

Hindustan Unilever Limited

July 6, 2015

Mr Ajay Shankar
Chairperson
Expert Committee on Regulatory Approvals
Department of Industrial Policy & Promotion
Ministry of Commerce & Industry
Government of India
Room No.218, Vigyan Bhawan Annexre
Maulana Azad Road
New Delhi 110 011.

Dear Mr. Shankar,

Thank you for your letter dated June 15, 2015.

I have seen the proposed Terms of Reference of the Expert Committee on Regulatory

Approvals. While these are in line with the objective that the Government seeks to achieve, I have the following additional comments for your consideration.

• Putting in place a simplified Regulatory regime for facilitating foreign investment is absolutely imperative and should be done at the soonest. However, even for fueling investment within the country, there is a need to study the present Regulatory framework that exists for different Industries and simplify the same. A case in point is the FMCG Industry which is one of the largest industries in the country with a size that is more than Rs.2 lakh crore. This industry has multiple regulators both at the Center and the States and is subject to multiple regulations. Much can be done to simplify the regulatory framework for this Industry. We will be happy to contribute with our suggestions.

There is a need for creating an environment of trust in the Industry. This can be done through promoting self-regulation after laying down a framework which will signify the minimum threshold for the Industry to follow. This threshold should be based on considerations of quality, safety and consumer interest. If

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Sanjiv Mehta CEO & MD



 There have been instances where two Departments of the Government have regulations on the same issue or have taken a view which is at variance with one another. This increases complexity and difficulty in compliance. Also, we have come across instances where regulations are framed without taking into account the views of the administrative Ministry that deals with the Industry which is sought to be regulated. This shows that there is scope for improvement in these areas.

These are some of the suggestions. I would like to nominate my colleague Dev Bajpai, Executive Director (Legal & Corporate Affairs) to connect with your Department and offer further suggestions.

With Best Regards,

Yours sincerely,

cc: Mr Dev Bajpai

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