





12th March, 2021

THE ALL INDIA PLASTICS MANUFACTURERS' ASSOCIATION

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Js-AFI

CHANDRAKANT TURAKHIA To,

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Shri. Ateesh Kumar Singh

KISHORE SAMPAT

Senior Vice President

Ministry of Micro, Small & Medium Enterprises Udyog Bhawan, Rafi Marg, New Delhi – 110011

MAYUR D. SHAH

Vice President - Finance

Subject: Inputs/comments from AIPMA in response to the Video Conferencing held on 08-03-2021.

AKSHAT LADHA

Vice President (West Zone)

Dear Sir.

them"

LALIT KUMAR SINGH

Vice President (North Zone)

Greetings from the All India Plastics Manufacturers Association (AIPMA).

attached for your ready reference.

ANIL REDDY VENNAM

Vice President (South Zone)

ASHOK AGARWAL

Vice President (East Zone)

North Zone:

Plot No. 232, Sector - 18, Phase - IV, Udyog Vihar, Gurugram, Haryana - 122 016. Tel. No.: 0124 4050 005 / 6 naresh@aipma.net

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Gajraj Signature, Suite # 5E, 5th Floor, 5A, Sadananda Road, Kolkata - 700 026. Tel No.: 033 4005 0367 tapas@aipma.net

West Zone:

Mondeal Heights, Tower - A 13th Floor, Office No.1306/1307, S.G. Highway, Near Wide Angle Cinema, Next to Hotel Novotel, Ahmedabad - 380 015. Tel No.: 079 2970 5124 maulik@aipma.net At the outset we would like to reiterate that we are aligned to the idea of Swacch Bharat and have made a representation to MSME secretary Shri. B. B Swain on the subject of SUP suggesting rational approach to minimize unwarranted disruption of the processing sector in view of its relevance in Indian context. A copy of which is

We thank you for inviting AIPMA to the Video Conference held on 08-03-2021 on

"Necessary technological support to the Micro, Small and Medium Enterprises of

Single Use Plastic manufacturers of MSME Sector and to create awareness among

While the list of SUP's is yet to be out, there are indications that some of the products are most likely to be phased out. They include, thin bags, straws, disposable cutlery, small pouches, ear buds and some packaging products.

Policy when declared will certainly bring unprecedented disruptions for units engaged in manufacturing such products. The immediate fall out will be

- 1. Sudden stoppage of revenue for affected units.
- 2. Inability to meet statutory liabilities like, taxes, outstanding loans, interest on loans and payments to workers.
- 3. Negative credit rating of such units by financial institutions making it impossible for them to further borrow funds for revival.

All these must be addressed to save them from financial ruin (of the owner and their workforce) through appropriate MSME initiatives and notifications.







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POSSIBLE SUPPORT THAT CAN HELP THEM CONTINUE IN BUSINESS

- If unit making SUP whose specifications have changed in terms of material, higher gauge, size or shape, is able to continue manufacturing as per new specifications with some technical modifications in plant and equipment they should be extended subsidy, seed funding or support under CLCSS scheme. The CLCSS scheme should be amended accordingly to facilitate.
- 2. All units making transition to biodegradable/ compostable products should be supported in similar way. Testing and qualifying agencies issuing certification should be directed to charge minimal cost and provide such certification on priority within stipulated time frame. (current charges are steep and it takes almost a year from qualification)
- 3. Those units which cannot adopt to SUP phase out with above options will have larger impact and should be supported for a fresh investment to peruse alternative products or business model at lenient terms with min two years of moratorium and low interest rates.
- 4. MSME ministry should take support of Govt institutions, raw material producers, academic institutions like Cipet to hand hold such units by mentoring them for new technologies and projects. An advisory council should be established for techno commercial support to such units for guiding them to produce environment friendly alternatives to their phased out products or other sustainable products, recycling of plastics, or any other activity leading to circular economy.

The objective has to be to provide fiscal as well as technological support for such policy affected units to mitigate their financial liabilities and meaningful employment of workforce so as to maintain livelihood.

We shall be highly obliged if you can kindly consider our inputs/comments.

Thank You and Best Regards

C.N. TWEAKHI'G

Yours Sincerely,

For The All India Plastics Manufacturers' Association

Chandrakant Turakhia

President