

THE ALL INDIA PLASTICS MANUFACTURERS' ASSOCIATION

AIPMA House, A-52, Road No. 1, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093, India.

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President

ANIL REDDY VENNAM
Senior Vice President

BIPIN DESAI
Vice President - Finance

MAYUR K. SHAH
Vice President (West Zone)

SUNIL MONGA
Vice President (North Zone)

Y. V. RAMAN
Vice President (South Zone)

ASHOK AGARWAL
Vice President (East Zone)

Letter No:43/AIPMA/09/26-27
28th Sept 2026

To,

Sh Tejveer Singh, IAS
Secretary,
Department of Chemicals and Petro-Chemicals,
Ministry of Chemicals and Fertilizers
Kartavya Bhawan-2
New Delhi-110001

Sub: AIPMA recommendations for Budget 27-28

Respected Sir,

We are thankful to you for inviting us for discussions on the Budget recommendations for FY 27-28. We appreciate your initiative to separately call for the meeting of downstream Associations.

We had a video meet where following associations were invited for discussions and give their comments. We are attaching herewith the collective views of the associations mentioned below.

North Zone :

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aipma.west@aipma.net

Sr.no	Associations Name	Headed by	Designation	Mobile No.
1	Organization of Plastics Processors of India (OPPI)	Mr. Pradeep Rathod	President	9820181219
2	The Plastics Export Promotion council (Plexconcil)	Mr. Vikram Bhadauria	Chairman	9811057021
3	Indian Plastics Federation (IPF)	Mr. Amit Kumar Agarwal	President	9831070140
4	Maharashtra Plastics Manufacturers Association (MPMA)	Mr. Bharat Rajput	President	8888888856
5	Karnataka State Polymers Association (KSPA)	Mr. Vijay Kumar	President	91 80 26646924/ 26654072
6	Gujarat State Plastic Manufacturers Association (GSPMA)	Mr. Anish Patel	President	9879538559, 9274000811
7	Kerala Plastics Manufacturers Association (KPMA)	Mr. P.B.I. Mohamed Ashraf	President	9847005354
8	Telangana and Andhra Plastics Manufacturers Association	Mr. Narendra Baldwa	President	9849025646
9	Canara Plastic Manufacturers & Traders Association (CPMTA)	Mr. B. A. Nazeer	President	98451 25686
10	The Tamil Nadu Plastics Manufacturers Association	Mr. A. Venkat Rao	President	9840048898

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OFFICE BEARERS :

Submitted for your kind consideration

SUNIL SHAH

President

Yours sincerely

ANIL REDDY VENNAM

Senior Vice President

The All-India Plastics Manufacturers' Association

BIPIN DESAI

Vice President - Finance



MAYUR K. SHAH

Vice President (West Zone)

Sunil Shah
President - AIPMA

Arvind Mehta
Chairman, AIPMA Governing Council

SUNIL MONGA

Vice President (North Zone)

CC: **Sh G Venkatesh, ICoAS**
JS DCPC Joint Secretary (Petro Chemicals)
Department of Chemicals and Petrochemicals
Kartavya Bhawan-2, New Delhi-110001

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The All-India Plastics Manufacturers Association (AIPMA)

Budget Recommendations from AIPMA for FY 2027 – 28

SN0	Subject/ Concern Area	Recommendations
1.	The Import duty of plastic finished goods which are imported under HS Codes from 3916 - 3926	India's imports in 25-26 were US\$ 6.26 Bn valued at Rs 55335 Crs under the mentioned HS Codes despite India's plastics industry capabilities, significant imports are continuing. These imports are detrimental to Plastics MSME unit. App 95% plastics processors are in MSME. AIPMA proposes: To increase import duty of plastic finished goods to 20%.
2.	Not to impose Anti-Dumping Duty on Polymers and Plastic Processing Machines and other similar products.	The imposition of additional duties on raw materials and machinery will directly increase their production costs. It also restricts the regular sources of availability. Anti-Dumping Duties are for very long periods like 5 years or more. These costs will become a significant burden for MSME's in the plastics sector. Imposition of duties will not be in public interest. AIPMA Proposes: Not to impose Anti-Dumping duties
3.	The RoDTEP rate to be increased	The RoDTEP rate which is currently on the lower side for most of the finished plastic products be increased in line with textile industry Finished plastic products have a high degree of domestic value addition. Several embedded costs are not fully neutralised through GST. RoDTEP is intended to rebate taxes and duties that remain embedded in exports. India competes with countries offering stronger export support. Higher RoDTEP can help shift India from commodity exports to value-added exports. It can support AIPMA's larger export ambition of 4X growth in exports in 3 years. AIPMA proposes: 5% RoDTEP incentive would help conversion-intensive products.
4.	Optimization of warehousing under Market Access Initiatives (MAI) to benefit small exporters	Warehouses play a crucial role in managing inventory, streamlining supply chain operations, and ensuring timely delivery of goods. This will help for boosting the plastics export. China's Government helps plastic sector by setting up warehouses. Similar model is following in countries like USA, Dubai and Europe. AIPMA proposes To allocate fund for establishing Warehouses in different locations for plastic sector to boost India's export and manage import substitution
5.	PLI scheme for import substitution and to enhance export.	India's share in total imports of Plastics finished products by top 15 importing countries is just 1%. There is a big scope for boosting India's export of finished plastics products. PLI incentives will help sector to aim for boosting export 4 times in next 3 years.



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		AIPMA proposes: Include select Plastics finished products which have high value addition and high potential and India has edge over other countries in PLI scheme
	The GST on the Plastic waste and recycled plastic material to be brought down.	The face of Indian Plastic recycling sector changing very fast. It is encompassing new technology as well as scale. EPR mandate has given the industry a significant push. Presently the 18% GST burden starts with plastic waste seller (who is at the bottom of the value chain just after rag picker) and subsequent stake holders get set off. There is a need to shift GST burden up in the value chain from waste seller and recycled granule maker to plastic converter. AIPMA proposes: 1. Reduce GST to NIL or better 1% for plastic waste for recycling. (to retain then in GST net) 2. Reduce GST from 18% to 5 % on recycled plastic granules, Recyclers to be mandated to use GST paid waste only.
7.	Separate HSN Codes for recycled Granules	One weak link in the recycling industry is reliable date and tracking of virgin polymers to recycling and consumption of Recyclates. Major six commodity plastics have distinct HSN code and plastics lose their distinct identity post-consumer use and in Recyclates as Recyclates are considered raw material and have same HSN code as that of Virgin polymers. This necessitates the need to have separate HSN code for recycled granule for each polymer. AIPMA Proposes: A separate HSN code for each of the six major polymers Recyclates which identifies it with base polymer and also indicates it is recycled. One separate code for comingled recycled plastics which are not identifiable with base polymer.
8.	Incentive Plastics Recycling Machinery to boost recycling.	The recycling industry need to double in size in next 5 years to keep pace with growth in polymer consumption and increase in recycling rate and to meet the demand of Brand owners for Recyclates. Incentivise setting up of new units and expanding the present ones. AIPMA Proposes: 1. Reduce GST and import duty to NIL on recycling machinery to increase recycling companies in India. 2. 20 % subsidy across India for buying capital equipment for recycling.
9.	Technological Upgradation Fund (TUF)	Plastics consumption in India is at present 25 MMTA. It is likely to reach 50 MMTA in 10 years. This means addition plastics processing capacity is required to be set up in next 10 years. Also, Legacy processing plants are required to be modernised



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		to keep pace with advances being made with plastics processing. Significant investments in cutting-edge technologies, research, development, and innovation will boost the export of value-added plastic items and increase its share in the total plastic exports also. This is essence of Technological Upgradation Fund for plastic processing sector. This would facilitate augmenting of investment, productivity, quality, employment, exports along with import substitution in the plastic processing sector. AIPMA proposes: Need for allocation of Technical Upgradation Fund (TUF) of Rs 2500 crores for 5 years for the plastic processing sector in line with the textile sector.
10.	Plug And Play Infrastructure for Plastic Sector	There is a pressing need for expansion of plastics processing sector by establishing ready facilities in terms of land and building, power-water-sewage connectivity, road connectivity, beside other basic things including clearances to start the operation for MSME's This would be the game changer for plastic processing sector. Such facility would help sector to create further employment opportunities, boosting export and country's Economic Growth. AIPMA proposes: Allocation of separate fund for establishing ready facilities. Long leasing (Initially 20 years and renewal for further 10 years) of ready facilities to MSME's
11.	Recycling Clusters for Plastic's	Many recycling clusters have come up in the country near the waste generating cities. These clusters need to be modernised and expanded looking at the plastic consumption growth and subsequent plastics waste generations. The plastics recycling to be treated as a separate industrial activity as this is line with the Swachh Bharat Vision of our Hon'ble Prime Minister. AIPMA proposes: A separate Recycling Cluster modernisation and expansion fund to be created and given a status of Manufacturing hub to boost recycling.
12.	Skill Development in Plastic Sector.	Plastics processing industry is facing acute shortage of skilled manpower. There a need to bridge skill gaps in the rapidly growing Plastics processing and also create employment opportunities for economically weaker students. AMTEC Centre of Excellence is a step in that direction. AMTEC is recognised by NSDC. It offers short term courses as a Trainee Product Designers. These courses



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		are digital courses backed by 3D System, USA, Reverse Engineering by ZEISS Germany and Computer Aided Design by Siemens Germany. And Sustainable and Export oriented courses. AIPMA Proposes: 1. Allocation of fund to support such skill development initiatives. 2. Financial support from Govt India to expand Centre of Excellence (AMTEC) operations across the India
13.	Inhouse Quality Assurance/Quality Control facilities for MSME	The main objective is Promoting Zero defect and Zero effect initiatives. Aiming to make India as a global hub for manufacturing with world class quality. AIPMA proposes: To Introduce dedicated fund for MSME's for setting up in-house Quality Assurance/Quality Control facilities.
14.	Rationalisation of GST Rate of on household Plastic Products in line with other materials.	Items made of glass, wood, metal, or paper have already been shifted to the 5% GST bracket. Identical plastic products (tableware, kitchenware, stationery, storage items, etc.) remain taxed at 18%, despite being used more widely across low- and middle-income households. This violates the principle of tax neutrality under GST. AIPMA proposes: Reduce GST on household plastic products to 5% to ensure parity with non-plastic alternatives.
15.	Corporate tax rate for MSME's	Over 90% of Plastics processors are in MSME. A sizeable export of Plastics end product is from MSME sector. MSME and Plastics processing is a labour-intensive activity. We need to double the Plastics processing capacity in next 10 years to catch up with the growing consumption of plastics as well as to handle the increased volume of Plastics waste processing. The entrepreneurs need to be given some concession in corporate tax. AIPMA Proposes: Corporate tax rate for MSME up to a certain turnover be considered for 15 % concessional rate.