





Date: 5<sup>th</sup> Aug 2020

### THE ALL INDIA PLASTICS MANUFACTURERS' ASSOCIATION

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#### **OFFICE BEARERS**:

JAGAT KILLAWALA President

CHANDRAKANT TURAKHIA Senior Vice President

> KISHORE SAMPAT Vice President - Finance

MAYUR D. SHAH Vice President (West Zone)

LALIT KUMAR SINGH Vice President (North Zone)

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

#### South Zone :

4C-Gaiety Palace, 1, Blackers Road, Chindadripet, Chennai - 600 002. Tel No.: 044 4203 0236 ibrahim@aipma.net

#### East Zone :

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 13<sup>th</sup> 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 Ref: AIPMA/2020-21/MSME/999

Shri Devendra Kumar Singh Additional Secretary & Development Commissioner (MSME) Office of Development Commissioner (MSME) Ministry of Micro Small Medium Enterprises Government of India 7<sup>th</sup> Floor, Nirman Bhawan New Delhi

# Subject: Request to include 'Plastics sector' as the cluster in Gurugram under CFC, MSE-CDP scheme of DC-MSME

Dear Sir,

Greetings from AIPMA.

As you may be aware, AIPMA is the largest and oldest sectoral Industry association in the country with more than 22,000 industry members directly and through affiliated associations. 90% of our members are MSME's. Headquarter of AIPMA is in Mumbai with large presence in Gurugram, Ahmedabad, Chennai and Kolkata.

As you may be aware, the plastics industry in India is growing at the rate of 8-10 percent CAGR per annum. The use of plastics in sectors such as Automotive, Agriculture, Food processing, Medical and pharma, Electronics, Aviation and transportation etc. is ever increasing due to the its inherent strength, durability, flexibility, lighter weight and recyclability. The industry constitutes of 50,000 plastics processing units out of which only 3000 are exporting units. Indian plastic processing sector is currently operating at an average capacity of 50-60%.

Indian plastics sector is set to increase its global market share due to changing political and economic situation after the current Pandemic. Many developed countries have shown the intent to source the plastics goods from India as an alternate source.

On the other hand, plastics finished goods of around Rs. 70,000 crores are being imported in India. Majority of these value added goods are nonessential and imported currently from China which can be manufactured by domestics MSME's.







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- 1. Import substitution of plastics value added products (to start with non-essential items in the first phase) by helping Indian plastics processing to become 'Atmanirbhar'.
- 2. Increase exports of plastics goods from India thereby increasing global market share (currently it is mere 2%)

However, in order to achieve the above objective, MSME's in the plastics sector would need the following: -

- Know-how of latest technologies (Infusion of latest machines, product simulation etc.)
- Design techniques (Design centre)
- Tools and techniques to reduce time to market (Increase speed to market)
- Quality control and productivity enhancement techniques
- Additive manufacturing
- Skill improvement/upgradation (15 lakhs additional manpower would be required in next 8-10 years)

In order to provide above services to the industry, AIPMA would like to initiative the process for establishment of Common Facility Centers under MSE-CDP scheme of DC-MSME, Ministry of MSME, Govt of India. Plastics cluster includes the following: -

- Plastics processing industries (manufacturers of intermediate and value added finished plastics goods) – Injection moulding, Blow moulding, Extrusion, Rotomoulding etc.
- 2. Plastics additives and compounding
- 3. Plastics Recycling units (waste management)

This is further to bring to your kind notice that Gurugram (Haryana) has concentration of more than 500 MSME's in plastics industry. With dominance of automotive and electronics industries in the area, plastics industry becomes one of the main focus clusters in the region.

AIPMA would like to initiate the process to set up a Common Facility Centre under MSE-CDP scheme for the plastics sector in Gurugram. However, during the online application for CFC, we noticed option for selecting only 3 clusters namely auto cluster, leather and Readymade garment cluster.







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The above is for your kind consideration.

Please let us know if you require any further information/clarifications.

Thanks and best regards,

Deepak Ballani Director General +91-9999637177 dg@aipma.net

Copy to: Shri A.K Sharma, Secretary, Ministry of MSME, Government of India