





THE ALL INDIA PLASTICS MANUFACTURERS' ASSOCIATION

AIPMA House, A-52, Road No. 1, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093, India. Phone: (+91-22) 6777 8899 (30 Lines) 28217324/25 Fax: +91 - 22 - 2821 6390 • E-mail: office@aipma.net • Website: www.aipma.net

OFFICE BEARERS: Ref:AIPMA/DCPC/20-21/132

25th Nov 2020

CHANDRAKANT TURAKHIA

President

Shri Kashi Nath Jha **Joint Secretary**

Department of Chemicals and Petrochemicals

Shastri Bhawan Senior Vice President

New Delhi

KISHORE SAMPAT

MAYUR D. SHAH

Vice President - Finance

Subject: URGENT REQUEST TO STOP THE PROCESS OF IMPOSING NON-TARIFF BARRIER (MANDATORY **BIS STANDARDS) ON**

POLYMERS (PLASTICS RAW MATERIAL)

AKSHAT LADHA 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 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

Dear Sir,

Greetings from AIPMA.

Kindly refer to the meeting organized by the Department of Chemicals and Petrochemicals on 23rd Nov 2020 under your chairmanship to discuss the proposed mandatory BIS standards on 10 items. As communicated during the meeting, we would like to bring to your kind notice the following: -

- 1. Plastics processing industry is trying its best to stand back on its feet after the lockdown and demand destruction due to the ongoing pandemic.
- 2. Plastics processing industry consisting of 50,000 units (90% are MSME's) have witnessed dramatic increase in cost of Raw material in last 4-5 months. In some key raw material, the cost has gone up by as much as 130 percent.
- 3. Industry is also facing acute shortage of raw material leading to disruption in their production schedules.
- 4. In most of the raw material, the industry is dependent on imports as domestic polymer manufactures don't have sufficient capacity or production to meet the domestic demand.
- 5. Processing industry in India is on the verge of major existential crisis due to the exponential price increase and shortage of raw material in India. We are afraid that the above developments would lead to closure of various units and job losses across the country.







THE ALL INDIA PLASTICS MANUFACTURERS' ASSOCIATION

AIPMA House, A-52, Road No. 1, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093, India. P h o n e : (+91-22) 6777 8899 (30 Lines) 28217324/25 Fax: +91-22-2821 6390 • E-mail: office@aipma.net • Website: www.aipma.net

OFFICE BEARERS:

CHANDRAKANT TURAKHIA

President

KISHORE SAMPAT

Senior Vice President

MAYUR D. SHAH

Vice President - Finance

AKSHAT LADHA

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 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

- 6. The industry is of the firm view that imposing Non-tariff barrier such as mandatory BIS standards on raw material at this stage would further add fuel to the fire and destroy MSME's in plastics processing sector.
- 7. Polymer production is a standardized process all over the world and the product conforms to international standards as mentioned in their Technical Data sheets. Adding another layer of standards serves no fruitful purpose, rather makes the ease of doing business for Indian MSME's more difficult. ISO standards are international standards which are widely accepted by all countries. BIS can go ahead with making standards for those item wherein there are no standards currently. However, BIS standards should not be made mandatory. ISO / EU/ASTM standards should also be acceptable as it ensures import of quality material.
- 8. Imposing Non-Tariff Barrier such as mandatory BIS standards would lead to increase in imports of finished goods, since not being governed by any quality standards, will be freely imported at cheap prices and also at inverted custom duties thereby ensuring the collapse of the plastic processing industry in India thereby jeopardizing livelihood of millions of families.
- Export of plastics finished products is likely to take a big hit as Indian
 plastics processors would become highly uncompetitive in the global
 market due to proposed Non-tariff barriers planned by the Department.

In view of the above, we request you to immediately stop the process of making BIS standards mandatory on Plastics Raw materials. Halting the above process would be in greater interest of Indian MSME's in the plastics sector. It may play a key role in survival of MSME's in plastics processing sector.

Thanks for your kind consideration.

With best regards,

C.N. Tulakhig

Chandrakant Turakhia

President