

दि प्लास्टिक्स एक्सपोर्ट प्रमोशन कौन्सिल

(भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग द्वारा प्रायोजित)
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दूरध्वनी: (+९१-२२) २६८३ ३९५१/५२ फैक्स: (+९१-२२) २६८३ ३९५३/२६८३ ४०५७
ई-मेल: office@plexconcil.org वेबसाइट: www.plexconcil.org

THE PLASTICS EXPORT PROMOTION COUNCIL

(Sponsored by The Ministry of Commerce & Industry, Deptt. of Commerce, Government of India)
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29.05.2018

To,

All Members / COA

Dear Sir/Madam,

Greetings!

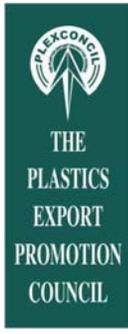
We wish to inform you that in the recent times India has come under pressure from USA/WTO in connection with direct export incentives/subsidies. The schemes that the US has identified as being WTO non-compliant include extremely popular ones such as the Merchandise Export from India Scheme (MEIS), the Export Promotion Capital Goods Scheme and the Special Economic Zone concessions.

Under existing WTO rules, a country can no longer offer export subsidies if its per capita GNI has crossed \$1,000 for three years in a row. In 2017, the WTO notified that India's GNI had crossed \$1,000 in 2013, 2014 and 2015.

In this regard Commerce Ministry is reviewing the export subsidy schemes with WTO-compliant incentive schemes such as subsidies for R&D and modernization.

In this regard, O/o DGFT HQ has set up a committee to review Export Promotion measures under FTP 2015-20/ DoC and suggest remedial measures for fine tuning as per WTO norms. General perception amongst participants (specially academics) is that MEIS is not WTO Compliant. It was also felt that nowadays even state subsidies need to be relooked as some of them are counter-vailable. The group will keep discussing/meeting to submit report to DoC shortly.

We have been asked by the DOC to give our views and suggest export promotion measures which are WTO-compatible and production-based, provide support for technology upgradation, capacity building and resolve infrastructure bottlenecks and move away from direct incentives to exporters.



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In this regard, we have received communication from O/o DGFT seeking inputs on embedded taxes across various states in the export value of the product which remain non-refunded.

As you might be aware, there are many types of central, state and local taxes like the taxes on energy/fuel consumed (such as electricity duty etc) in the manufacture/export of goods meant for exports.

It is requested that the inputs pertaining to your products as to the percentage cost of embedded taxes across various states in the export value of the product, which remain non-refunded by any existing schemes by the Central/State Governments may kindly be provided to us latest by 30/05/2018 by 12pm on e-mail id bharti@plexconcil.org

Your timely replies will enable us provide the information to DGFT within the timeline of 30/05/2018.

Best Regards,

Sribash Dasmohapatra
(Executive Director)