F. No. 1 (11)/SME-EPC/2018-EP & IC Government of India Ministry of Micro, Small & Medium Enterprises Office of Development Commissioner (EP & IC Division)

Nirman Bhawan, New Delhi Dated 1st October, 2020

OFFICE MEMORANDUM

Subject: Withdrawal of No Objection to MSME Export Promotion Council- reg.

Reference: 1. Office of DC (MSME), New Delhi letter no. 1(9)/2018-EP dated 01.10.2018

 MSME Export Promotion Council: Section 8 License No. 113197 dated 29.10.2018 (copy enclosed)

With reference to the above mentioned subject, it is stated that Ministry of MSME is withdrawing its No Objection issued in respect of MSME Export Promotion Council vide letter no.1(9)/2018-EP dated 01.10.2018 with immediate effect, as this organization has mis-utilized the name of Ministry of MSME and misguiding the people.

2. It is further stated that as per the Government of India (Allocation of Business) Rules, Export Promotion and facilitation is the mandate of Department of Commerce (DoC). As part of this mandate, Department of Commerce has set up and nurtured various Export Promotion Councils (EPCs). Department of Commerce had issued Model Bye-Laws for EPCs, guidelines, provisions in FTP 2015-20 and advisory dated 7.12.2015 regarding governance reforms in EPCs and creation of new EPCs.

Department of Commerce has also mentioned following prescribed procedure for creation of EPCs:

- (i) Recognition of an Export Promotion Forum (EPF) may be considered, provided at least 50% of the exporters representing at least 75% of the value of exports of the MSME segment of the industry in the previous year resolve to form an EPF.
- (ii) The members shall agree to build a corpus of Rs.1 crore to be increased to Rs.3 crore in 4 years corpus to be kept intact and EPF run with interest earning, membership fee, etc.

- (iii) It follows the model bye-laws circulated by DoC and also the provisions contained in the <u>FTP 2015-20</u> relating to EPCs, including e-voting in elections for filling the posts of Vice Chairman and Executive Committee and tenure of its elected head.
- (iv) The membership base of proposed MSME EPC and the details of election process followed in appointment of its Chairman and Vice Chairman be shared with DoC.
- 3. It has come to the notice of this Ministry that MSME Export Promotion Council has not apparently followed DoC procedures for creation of EPC. Therefore, Ministry of Corporate Affairs is requested to take necessary further action.
- 4. This issue with the approval of competent authority.

(U C Shukla) Director (EP & IC)

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Encl.: As above

To,

Shri. Santosh Kumar Registrar of Companies, Ministry of Corporate Affair, A) 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019

Copy for information to:

Shri. Rajesh Verma Secretary, Ministry of Corporate Affairs A Wing, Shastri Bhawan, Rajendra Prasad Road, New Delhi-110001