



**MINUTES OF THE THIRD MEETING FOR FINANCIAL YEAR 2022-23 OF MANAGING COMMITTEE OF ACTION ALLIANCE FOR RECYCLING BEVERAGE CARTONS "AARC" HELD ON WEDNESDAY, DECEMBER 21, 2022 AT 10:00 AM VIA VIDEO CONFERENCING**

The meeting was held via video conferencing due to outbreak of COVID-19

**Time: 10:00 A.M to 11:00 A.M**

**MEMBERS PRESENT:**

<b>NAME</b>	<b>ORGANISATION</b>
Mr. Ashutosh Manohar – Chairman of the Meeting	Tetra Pak India Private Limited (Tetra Pak)
Cdr. Amitabha Ray	Schreiber Dynamix Dairies Private Limited (Schreiber)
Mr. Tusar Ranjan Pattnaik	Dabur India Limited (Dabur)
Mr. Rajesh Ayapilla	Coca-Cola India Private Limited
Ms. Swathi	Karnataka Milk Federation

**SPECIAL INVITEES:**

<b>NAME</b>	<b>ORGANISATION</b>
Dr. Praveen Aggarwal	CEO of AARC
Mr. Mangesh Gupte	COO of AARC
Mr. Rajat Kumar & Ms. Garima Tewari	Volunteers of AARC
Mr. Sharad Sharma, Mr. Himanshu & Ms. Chandni	Tetra Pak India Private Limited (Tetra Pak)
Ms. Divya Pahwa & Mr. Hemant Yadav	Invitees

**1. QUORUM AND LEAVE OF ABSENCE:**

Dr. Praveen Aggarwal, CEO of AARC opened the meeting welcoming the Members of Management Committee and ascertained the quorum of the meeting.

Mr. Ashutosh Manohar was elected as Chairman of the Meeting.

Dr. Aggarwal stated the importance of this meeting as there is a need for restructuring of AARC, re-nomination of Management Committee as well as transition plan of Mr. Mangesh Gupte, COO and further presented before the members list of agenda items which are to be taken in this meeting.

Members of the Managing Committee attended the meeting through audio-visual mode.

No confirmation on attending the meeting was received from Mr. Pazhani, Authorised Representative of United Spirits Limited. Hence, leave of absence was granted.

**2. TO REVIEW & CONFIRM MINUTES OF THE PREVIOUS MANAGING COMMITTEE MEETING HELD ON 12<sup>TH</sup> SEPTEMBER, 2022**

Minutes of the previous meeting held on 12<sup>th</sup> September, 2022 were placed for perusal and the same were read and confirmed.

**3. DISCUSSION ON THE RESTRUCTURING OF AARC AND FOCUS AREAS FOR CALENDER YEAR 2023**

Dr. Praveen Aggarwal apprised the members about the discussion held in the 4<sup>th</sup> AGM dated 29<sup>th</sup> September, 2022 about the inception of AARC, its evolution, change in priorities and the future need for restructuring of AARC in terms of Advocacy, Awareness and Collection and Recycling (EPR). He further appraised the efforts of AARC in keeping pace with the changing needs in the regulatory environment.

He apprised the members that restructuring plan was presented in the 4<sup>th</sup> AGM which was supported by Annual body members also and no objection was received from any member regarding the proposed new organisation structure for the functioning of AARC. Further a time till 4<sup>th</sup> November 2022 was given to all members for any suggestions/ clarifications, if any. Therefore, the same can be executed by AARC.

On this, the Chairman acknowledged and appreciated the efforts of all the Brand Owners for being upto date on the changing regulatory environment and particularly in terms of EPR since last few years, making it possible for AARC to focus more on Advocacy part than on Collection as the EPR regulations have clarified by the obligations and responsibilities of the industry.. He placed his sincere thanks on record.

Dr. Aggarwal then invited the attention of members and presented before them a detailed analysis of future framework with respect to the following-

Advocacy-

- Work on Category 84 and/or a separate category under Category III
- Continue to highlight Beverage Cartons credentials as a most sustainable packaging
- Establishing collections/recycling mechanism for the integrated compostable straws
- Engage with Government on the EPR Credit mechanism
- Proactive Engagement in priority States/UTs based on consumption

Awareness-

- General public awareness about the Beverage Cartons, its packaging benefits, and source segregation
- Build the community of Beverage Cartons supporters on the Social Media Platforms
- Protect the category from misleading campaigns like Tetra Lies and other lobby actions
- Conduct webinars, events, regional workshops and round table conference with KOLs and Govt stakeholders
- Prepare white papers, reports and documents for the public domain to strengthen the recyclability of BCs

#### Collection & Recycling (EPR)

- Guide brands to enable to meet EPR targets
- Recyclable beverage cartons must get recycled (and be not sent to EOL)
- Create capacity to meet Reuse and recycle targets in next 2-3 years
- Help assess the quality of data and WMA reports, assisting brands to manage increasing data monitoring and reconciliation by CPCB
- Guidance, if any, required for CPCB Compliances
- Support enhancing no. of PWPs particularly paper mills to recycle our cartons

He further presented the proposed organisation structure of AARC-

- CEO
- Advocacy (Associate Director/ Sr. Manager – Mr. Rajat Kumar)
- EPR & Ecosystem (Role to be evaluated on later stage)
- Awareness (Sr. Executive – Ms. Garima, Assistant Manager- Mr. Mihir)

Members suggested to look at adding states like UK and also to put some focus on North-East. The Chairman suggested that as Mr. Mangesh's role is reducing in AARC, we may see the progress till March, 2023 regarding the EPR work and then AARC can decide on the recruitment of a designated person in AARC for EPR role.

#### **4. TRANSITION PLAN OF COO AND NEXT STEPS**

Dr. Praveen Aggarwal apprised the members that there is need of transitioning the role of current Chief Operation Officer, Mr. Mangesh Gupte as he has decided to be an Entrepreneur in the field of environment, he also has been awarded some large projects from Municipal Corporation of Maharashtra, therefore this made it necessary to re-look at his role in AARC.

He further apprised that since November, 2022, he is contributing 50% of his time in AARC and request was made to him to stay connected with AARC from this month, i.e., December till 31<sup>st</sup> March, 2023 as a Principal Advisor wherein AARC expect 25% of his timely contribution and support to the members. His remuneration has been accordingly changes. He further stated the key responsibilities as agreed for the remaining period of time till 31<sup>st</sup> March, 2023 which are as follows-

- Support AARC for Member Engagement, Collections, engagement with PWPS and WMAs
- Awareness through scheduled webinars
- Inputs on EPR mechanism
- Providing content for dialogue with Paper / Chipboard PWPs
- Support on WMA referrals and dialogue to Members/customers

Dr. Aggarwal along with the Chairman and other members appreciated his support and contribution that AARC has been receiving and the work undertaken under his leadership and congratulated Mr. Gupte on his new Entrepreneurship journey. Mr. Gupte also expressed his desire to stay connected with this cause that AARC has undertaken.

#### **5. MEMBERSHIP SUB-CATEGORY FOR THE PRODUCERS OF BEVERAGE CARTON AND TO FINALISE THEIR ONE-TIME FEE AND ANNUAL MEMBERSHIP FEE**

Dr. Aggarwal informed the members that AARC is looking to introduce new membership sub-category under all the existing membership categories except Honorary. He stated that more clarity has come in EPR rules regarding the role and responsibilities of various categories. He then apprised the members regarding the white papers submitted in the draft changes of initial EPR framework, wherein it was recommended that brands should be responsible for collection and recycling and manufacturers of packing material should have more responsibility of creating the ecosystem for recyclability by providing recycling technologies, etc. He then mentioned about the investment that Tetra Pak has made in previous years and being one of the biggest contributors so far for development of AARC. Tetra Pak has been giving INR 40 lacs per year to AARC apart from their annual fees to sustain the Ecosystem, help create awareness, conducting workshops etc.

These were the few reasons behind introducing this new sub-category for manufacturers of packing material like Tetra Pak & SIG and for the new members that would be becoming members of the Society in future.

Dr. Aggarwal then invited comments from the members. There being no comments, he then proceeded with presenting and explaining the existing types of membership-

- Founder / Subscriber Member
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- Associate Member
- Honorary Member

Pursuant to Clause 4 read along with Clause 3 (b) of the Rules & Regulations of Bye-laws of the AARC, it was proposed to add a sub-category under the existing membership categories (Subscriber and Associate Member) to be known as "Subscriber Member- Producer" and "Associate Member- Producer". This new sub-category shall be applicable to the Manufacturers / producers of Beverage Cartons only and then the proposed fee structure for the said sub-category was presented before the members -

- One-time non-refundable subscription / joining fee- INR 10 Lakh (*applicable for new members who shall join*)
- Annual Membership fee- INR 10 Lakh (*applicable for new as well as existing members*)

It was further clarified that all brand owners except producers of packaging material shall continue to pay the same fee as stated in the Bye-laws of AARC. The Committee took note of the same.

He then invited comments from the members, if they wish to make any. Few queries came from members on this which were resolved by Dr. Aggarwal. He informed that the new sub-category



shall become effective from 1<sup>st</sup> April, 2023 onwards and Special Subscriber Members and Special Associate Members shall pay accordingly.

The Chairman along with Vice Chairman supported this agenda item and Cdr. Amitabha Ray further stated that this is justified and reasonable considering the contribution made by Tetra Pak in the past.

This agenda was then taken as Approved.

## **6. RE-ELECTION OF MANAGEMENT COMMITTEE MEMBERS**

Dr. Aggarwal apprised the members about the discussion held in 4th AGM regarding the re-election of MC Members as well as Chairman and Vice-chairman who were re-elected in the 2nd MC meeting dated 12th September, 2022 due to which Tetra Pak and Schreiber Dynamix Dairies Pvt. Ltd. shall be a part of re-elected MC members. He then stated that out of the remaining 5 MC members, Parag Milk Foods Ltd. ceased to be member few months back, which made a vacancy available in Management Committee. As nominations were invited from all the members in the 4th AGM for fulfilling the vacancy, two nominations have been received - one from Parle Agro Pvt. Ltd. and other from John Distilleries Pvt. Ltd. (JDL). He further apprised that AARC has also received written confirmation from Mr. Sanjeev Ganesh from Diageo, i.e., United Spirits Limited (USL) that they would like to vacate their place from Management Committee owing to other responsibilities, providing an opportunity to other members to be a part of Management Committee. USL shall however remain as the member of AARC.

Dr. Aggarwal then suggested AARC should accept both the nominations against the two vacancies in Management Committee, to which the Chairman and Cdr. Amitabha Ray also agreed.

Dr. Aggarwal then stated the need for holding Special General Meeting in the upcoming month to get this approved. He also appreciated the active participation of Parle Agro Pvt. Ltd. in AARC's advocacy issues at State and Central level and their presence in all the representations that AARC has made. He then appreciated the efforts of JDL for their significant EPR work.

## **7. ADVOCACY WITH CENTRAL GOVERNMENT AUTHORITIES PERTAINING TO THE VALUE CHAIN AND RECYCLING OF INTEGRATED COMPOSTABLE STRAWS**

Dr. Aggarwal apprised the members that while giving the transition plan to the Central Government, this was made clear that viability of either domestically produced paper straws or imported paper straws is difficult, both commercially and technologically. Therefore, in coming times, the alternatives would lie probably in Compostable or biodegradable plastic straws. As per the current rules, compostable plastic straws need to be recycled in an industrial composting facility. Also, the integrated straws get collected along with the carton and is a perfect litter free solution.

He emphasised the need of government intervention and support to allow same kind of recycling mechanism for integrated compostable straws. He then explained the whole process, the gaps and the difficulties being faced in the present system. He apprised the members that objective of Government is to ensure India is litter free. Hence, there is a need to exercise sustained and long term advocacy to ensure compostable straws are collected along with

cartons and disposed off accordingly. Dabur and other brands strongly suggested this initiative. Other members also agreed on this.

#### **8. REPRESENTATION SUBMITTED WITH THE MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY (MEITY) AND NEXT STEPS**

Dr. Aggarwal apprised the members about the fake and misleading information that Tetra Lies has been spreading about carton category over social media and the false claims as shown in their propaganda against various brands. As a matter of taking action against this fake campaign, AARC had started a positive and forward looking social media awareness campaign in consultation with legal counsel. As advised by Legal counsel, AARC had undertaken various measures to deal with this false campaign being run by an unknown NGO which includes writing emails, complaining on grievance section of social media companies etc. After no response received from them, AARC was advised to write to the concerned ministries including Ministry of Electronics and Information Technology (MEITY), Ministry of Consumer Affairs, Food and Public Distribution & Ministry of Food Processing Industries (MFPI). AARC was further advised to file a writ petition instead of filing a civil suit, the disposal of which is much faster.

He further apprised that only MEITY responded to AARC's representation through email, which stated that AARC should take legal action. Also, the legal counsel advised that AARC should now approach a competent court and file a writ petition which was also discussed in MC meeting dated 07<sup>th</sup> June, 2022.

Dr. Aggarwal then invited members' views for seeking approval for appointing Anant Law, a Law Firm, for filing a legal suit as the same has been helping AARC since the beginning in this issue and the firm specialises in IPR, handling social media battles, etc.

The Chairman stated that we all should fight back against this fake campaign. Dr. Aggarwal then apprised the members about the spending by this fake campaign could be around INR 4-5 lakhs per month, as estimated by our social media experts.

Dr. Aggarwal asked for member's suggestion on dealing with this issue, the members present were generally positive to the proposal and agreed on appointing the aforementioned law firm to file a writ petition and seek injunction against this fake handle "Tetra Lies".

#### **9. NEED TO ENGAGE WITH RELEVANT DEPARTMENTS LIKE ENVIRONMENT, POLLUTION CONTROL BOARD, GOVT DEPARTMENTS IN SELECT STATES**

Mr. Aggarwal apprised the members about the present scenario where Global corporations are trying to minimise the use of plastic from their supply chain, and more states are allowing the sale of alcoholic beverage in the cartons. Therefore, the beverage carton industry is likely to grow three times in next few years as per our estimate. Basis the consumption and sales, these six states seems biggest states in terms of volume - UP, Tamil Nadu, Karnataka, Telangana, Maharashtra & Haryana. Except Haryana & Telangana, active advocacy has already been done in other four states where AARC had met with various departments, ministries and other stakeholders. He further stated the need to engage with Departments like environment, pollution control board, for undertaking effective advocacy.

After approval from Management Committee, AARC would also like to conduct physical meeting / webinars and workshops in these states to create more awareness for carton category.



The Chairman suggested that we should have other members' views for taking any other geographical area in the above list as well on which Dr. Praveen agreed.

Dr. Praveen then invited member's views on this, Mr. Tusar suggested to take Himachal Pradesh & Uttrakhand as these states are quite active from past few years. Dr. Aggarwal stated that the volume is very less in Himachal Pradesh, Uttrakhand could be a better choice.

Mr. Rajesh suggested North-east region, Dr. Praveen & Mr. Tusar appreciated the same.

## **10. OTHER AGENDA ITEMS**

Dr. Aggarwal took up other agenda item with the permission of the Chairman.

He apprised the members that AARC was earlier advised that surplus bank balance cannot be added in Fixed Deposits, however after checking with banker, the same can be done without any issue, but there is need to re-check the same with KrayMan Consultants LLP. He then asked for members' approval for the same explaining that this will not interfere with AARC's working or efficiency during this process.

Mr. Sharad suggested that it is advisable to keep smaller amount of funds in long term fixed deposits.

The members unanimously approved this.

Mr. Tusar came forward and gave his suggestion on taking Advocacy and EPR very strongly in the future agendas of AARC on which Dr. Aggarwal also agreed.

## **11. VOTE OF THANKS**

The Chairman and Cdr. Amitabha Ray made the closing remarks.

Cdr. Amitabha Ray appreciated the presence and active participation of all the members in the meeting and stated that it was an important meeting in terms of agenda of the meeting, changing scenarios and future needs.

Mr. Tusar then appreciated and congratulated Mr. Himanshu from Tetra Pak for his support and continuous efforts in Tetra Pak for making government and general public aware of the beverage carton/ Tetra Pak items.

The Chairman was aligned with above comments made by the members.

There being no other business to transact, the meeting concluded with a vote of thanks to the Chair.

**Date:**

**Place:**

**Chairman**