



MINUTES OF THE FOURTH ANNUAL GENERAL MEETING OF ACTION ALLIANCE FOR RECYCLING BEVERAGE CARTONS "AARC" HELD ON THURSDAY, SEPTEMBER 29, 2022 AT 02:00 PM VIA VIDEO CONFERENCING

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

Time: 02:00 P.M – 03:40 P.M

MEMBERS PRESENT:

NAME	ORGANISATION
Cdr. Amitabha Ray (Chairman)	Schreiber Dynamix Dairies Private Limited
Mr. Ashutosh Manohar represented through Mr. Sharad Sharma	Tetra Pak India Private Limited
Mr. Pazhani	United Spirits Limited
Mr. Nishanth Sukumar	CavinKare Private Limited
Mr. Tusar Ranjan Pattnaik	Dabur India Limited
Mr. Nitin Jagga	SIG Combibloc India Private Limited
Mr. Ashish Agarwal	Parle Agro Private Limited
Ms. Juhi Gupta	Varun Beverages Limited
Mr. Ganesh Narayanswami	John Distilleries Private Limited
Ms. Swathi Reddy	Karnataka Milk Federation
Mr. Naresh Raghav	Radico Khaitan Limited

PRESENT BY INVITATION:

NAME	ORGANISATION
Dr. Praveen Aggarwal	CEO of AARC
Mr. Mangesh Gupte	COO of AARC
Mr. Rajat Kumar, Ms. Garima Tewari & Mr.	Volunteers of AARC



Mritunjay Singh	
Mr. Himanshu, Ms. Nirjhara and Mr. Kamlesh	Tetra Pak India Private Limited
Mr. Rahul Awasthi	Dabur India Limited
Ms. Preethi	CavinKare Private Limited
Mr. Arun Gowda	John Distilleries Private Limited
Ms. Antara Kapoor	Varun Beverages Limited
Ms. Padmavathi R and S&D	Karnataka Milk Federation
Mr. Hemant Kumar and Ms. Divya	Invitees

1. LEAVE OF ABSENCE:

Leave of absence was granted to Mr. Krutin Chaturvedi, Authorised Representative of Halewood Laboratories Private Limited, Mr. Rakesh Sahni, Authorised Representative of Johnson & Johnson Private Limited, Mr. Rohan Mishra, Authorised Representative of Coca- Cola India Private Limited as no communication was received from their end to attend the meeting.

Further, leave of absence was granted to Statutory Auditors i.e M/s Ajay K. Sud & Associates as no communication was received from them to attend the meeting.

2. CHAIRMAN & QUORUM

In the absence of Mr. Ashutosh Manohar, Cdr. Amitabha Ray was elected as Chairman of the Meeting. Thereafter, Dr. Aggarwal ascertained the quorum.

The Chairman opened the meeting with welcoming all the members of the Society and further stated that AARC has been putting the efforts to benefit the industry at large.

3. NOTICE OF MEETING

Dr. Aggarwal read the notice of 4th Annual General Meeting to Members of the Society and it was taken as read. Thereafter, Agenda items were taken up.

4. TO CONSIDER THE ANNUAL REPORT AS ON MARCH 31, 2022

The Annual Report of the Society as on 31st March, 2022 as placed before the Members for their consideration. Dr. Aggarwal presented the Annual Report and informed that it has been duly circulated to all the members and the same shall be placed at the website of the society also.



Accordingly, the following resolution was passed: -

“RESOLVED THAT Annual Report of the Society as on 31st March, 2022, be and is hereby taken on record;

“RESOLVED THAT the Annual Report of the Society as on 31st March, 2022 as placed before the Members be and is hereby approved, and that the same be signed by any of the Members of the Society.”

5. TO CONFIRM THE AUDITED ACCOUNTS FOR THE FINANCIAL YEAR 2021-22

The Audited Financial Statement for the Financial Year 2021-22 including Balance Sheet, Statement of Income and Expenditure Account and Statement of Receipts and Payments Account were placed before the Members for their consideration, which were already circulated to the members of Society along with the Notice of AGM dated 15th September, 2022 as Annexure 1.1, 1.2 & 1.3.

Dr. Aggarwal informed that the Financial Statements were approved in the MC meeting dated 12th September, 2022. He further presented before the members, a detailed analysis of the accounts explaining various campaigns including awareness campaigns in various states and advocacy work undertaken by AARC, given the challenges and priorities for awareness. Therefore, Society has incurred more expenditure than its income for FY 2021-22. He emphasised on using the money constructively after taking into account the evolving scenarios, business risks and advocacy challenges.

A detailed annual report was released to all members as well.

Accordingly, following resolution was passed: -

“RESOLVED THAT Auditors Report and Audited Financial Statements of the Society comprising of Balance Sheet as at 31st March, 2022 and the Receipts and Payments Account for the year ending 31st March, 2022 and Income and Expenditure Account for the year ending 31st March, 2022 together with notes attached thereto, be and are hereby taken on record.”

6. REAPPOINTMENT OF STATUTORY AUDITORS FOR FY 2022-23

Dr. Aggarwal informed that in order to comply with the provision of regulation 8(k) of the Rule & Regulations of the Society, it is necessary to reappoint the Auditors for the ensuing year and fixing their remuneration. In this regard, it is hereby informed that AARC has received the proposal from M/s Ajay K. Sud & Associates, Chartered Accountants for their re-appointment at the same fee as previous financial year and they were appointed as Statutory Auditor in the 2nd Managing Committee Meeting for Financial Year 2022-23 held on 12th September, 2022 is required to be regularized for the FY 2022-23.



He appreciated the services of the firm that AARC has been receiving since their Appointment and explained the members about their expertise in managing the accounts of NGOs and Society and further informed that besides being the Auditors, they have been a great support to AARC and have even supported AARC in the matter of ITAT appeal as well.

Accordingly, following resolution was passed:-

“RESOLVED THAT M/s Ajay K. Sud & Associates, Chartered Accountants (FRN: 03939N) be and is hereby appointed as Statutory Auditors of the Society to hold office and audit the accounts for Financial Year 2022-23, as per the terms of the proposal received from them.”

7. TO ELECT MANAGEMENT COMMITTEE (MC) MEMBERS FOR THE TENURE OF 3 YEARS

Dr. Praveen Aggarwal informed the members that as per regulation 8(k) and 9(d) of the Rule & Regulations of the Society, it is necessary to re-elect the MC members after every 3 years. He further apprised the members that MC members were elected in the 1st AGM of AARC, therefore, there is a need to form the Management Committee again in this AGM. He stated that it is also because of the exit of Parag Milk Foods Limited due to payment and some other reasons, hence providing an opportunity to other members to become a part of Management Committee of AARC.

He further stated that Parle team had been a great support to AARC in past couple months and AARC have checked with Parle team if they would like to be part of Management Committee of AARC, to which they also confirmed. Therefore, Parle Agro Private Limited have nominated Mr. Ashish Agarwal from their side to be a part of Management Committee of AARC.

Mr. Ganesh asked if the entire Management Committee gets changed or if there is any specific vacancy that arises on account of re-election, to which Dr. Aggarwal clarified that some of the founding members mandatorily remain on board, other than that there could be nominations. As AARC had one vacancy, for which Parle Agro Pvt. Ltd. has nominated itself.

Mr. Sharad agreed with Mr. Ganesh and further expressed his views that nominations should be held in the AGM itself for fulfilling such vacancy. With the permission of Chairman, Mr. Aggarwal then asked for the nominations from the members, through email, and stated that the nominations received shall be put forward to MC members in the forthcoming MC meeting,, to which all the members agreed.

8. TO DISCUSS ABOUT THE EVOLVING SCENERIO OF REGULATORY / POLICY ADVOCACY AND EPR COMPLIANCES

Dr. Aggarwal together with Rajat Kumar discussed with the members about the fast changing regulatory scenario. He further apprised about the following regulatory changes-

- Final EPR notification
- discussion on EPR at various platforms across the country,



- Revised Plastic Waste Management Amendment Rules, 2021
- Ban on SUP (effective from 01st July, 2022)

He informed the members that AARC was able to bring the Beverage Carton industry on same platform and take a focused approach to engage with Government authorities and represents on common issues. AARC has constituted an Advocacy Task Force with select members to take quick decisions and actions pertaining to Government engagements and representations. The Advocacy Task Force made several delegations meeting as well engagements with states like Himachal Pradesh as well as Center. He then appreciated the members of Advocacy group for their time and support.

Dr. Aggarwal further informed about the engagement of AARC with various stakeholders including Hon'ble Ministers Shri Bhupendra Yadav (Cabinet Minister MOEFCC), Sh. N P Gangwar, AS, Sh. Satyendra Kumar, DS and Sh. Amit Love, Director, MoEFCC and Hon'ble Minister Sh. Pashupati Kumar Paras (Cabinet Minister MOFPI) on 6th Dec'21, and expressed the concern regarding MoEFCC's notification that has direct implications on the Beverage Cartons Industry. AARC also presented the constraints about straws made of alternative materials – both technical and commercial constraints to the CEO and Advisor of FSSAI. He further presented few screenshots of their meeting with various ministries- Ministry of Food processing and Industries, Ministry of Commerce, Ministry of Environment, Forest and Climate Change (MoEFCC) etc.

He further apprised the members regarding the challenges in Central Pollution Control Board (CPCB) registration, new rules and portal. Then he requested Mr. Mangesh to guide the members through the process. Mr. Mangesh explained the initial difficulties and challenges in the portal and about their support and engagement in managing the same.

He further presented a summary of achievement of AARC as follows-

- National EPR Framework captures many suggestions made by AARC
- Role of ULBs Minimized
- After considering/examining the concern raised by AARC and invited comments/feedback from Apex Industry Associations of India in the food processing sector, MoFPI sent an OM to provide an extension/exemption
- Minister of State, MOFPI further advised MOEFCC to considerately relax the ban on stocks manufactured before 30th June, allowing exports as well as constituting a committee to identify the alternatives
- A large format meeting was called by EODB cell on 15th June, 2022 under the chairmanship of Sh. Manmeet Nanda (Joint Secretary, DPIIT)
- With the support of the members, AARC co-ordinated with non-member brands like AMUL to send representation to the Government for integrated straw



9. TO DISCUSS THE RESTRUCTURING OF AARC

Dr Aggarwal apprised the members about the inception of AARC during year 2017-18 and objectives behind it. Also, there was no relevance and awareness about Extended Producer Responsibility (EPR), as the same was not mandatory to be adopted by the brands. Also, there was a lack of awareness in the industry as beverage cartons were confused as Multi-layered plastic (MLP). Hence, there was no unified industry voice and how all these factors led to the formation of AARC. Further details of the discussion provided in the annexure of the minutes for everyone’s reference. Dr. Aggarwal suggested and updated structure for the functioning of AARC as per below:



Further, Dr. Aggarwal stated that there is a need to re-look at the present structuring of AARC in terms of Advocacy, Awareness and EPR. He further stated the Consocia Advisory shall continue to manage the end to end activities of AARC which includes Secretariat, Awareness, Advocacy and the EPR compliances. Krayman Consultants LLP shall continue to provide Secretarial support for governance, audit and accounting. Going forward, the position of COO may be abolished and Mr. Mangesh Gupte would continue to assist the team regarding EPR either as part of Consocia or in limited role with AARC. The Chairman stated that the decision of restructuring of AARC should be taken in presence of Mr. Ashutosh Manohar as this is a very crucial decision, meanwhile all other members could think about the same, to which other members also agreed. Dr. Aggarwal appreciated the same and requested the members to share



their views / comments on the same by 07, November 2022 to take the decision on the same in the forthcoming MC meeting.

10. TO UPDATE MEMBERS ON THE RADIO CAMPAIGN AND SOCIAL MEDIA CAMPAIGN OF AARC

Dr. Aggarwal apprised Members of Radio and Social Media Campaign of AARC and further stated that members are updated through monthly reports also.

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

Date:
Place:

Chairman



Annexure

In continuation to the agenda no. 9 regarding the restricting of AARC Dr. Aggarwal stated below five objectives when AARC was formed-

- Stabilization and Consolidation
- Enhance Memberships
- Advocacy
- Awareness Events / Workshops
- Collections

He further apprised the members about the following advocacy challenges and achievements of AARC-

Challenges-

- Regarding different interpretations of EPR and series of regulations in different states like Goa, Orissa, Kerala, Tamil Nadu, Pondicherry, Chandigarh, Himachal Pradesh etc.
- Fast evolving regulatory landscape resulting to notification of EPR- Draft EPR framework for CPCB as well as MoEFCC
- Regulatory push on the single use plastic, unfortunately impacting the integrated straws

Achievements-

- Ensured business continuity in the states like Maharashtra, Tamil Nadu, Kerala, Chandigarh and others where state level SUP bans were implemented or EPR in different forms was being enforced.
- Fair representation to the Government in the fast paced evolving regulatory landscape, ensuring industry's challenges and efforts are discussed with Government, engaging with Centre and State governments for ban
- After extensive engagements with MoEFCC, the final draft of NEPR has included many suggestions made by AARC.

Similarly, Dr. Aggarwal apprised the members about the Challenges and achievements in terms of awareness-

Challenges-

- False and misleading information about beverage cartons being spread through social media platforms
- Inappropriate perception among the stakeholders
- Lack of awareness in the public about the sustainability and credibility of Beverage Cartons
- General awareness about segregation of waste



Achievements-

- Government/CPCB understood the difference between beverage cartons and MLPs. They also appreciated the need for separate category
- The Radio campaign about awareness of waste management run by AARC in different states as well as at National level reached out to more than 2.5 crore listener base with interviews of government stakeholders and senior industry expert
- The social media campaign began in Feb 2021 resulting in bringing appropriate awareness about the beverage cartons category. The Campaign is reaching out organically to the public and spreading the awareness on segregation and importance of recycling
- Engaging webinars conducted by AARC has ensured the participation of all stakeholders in the waste management ecosystem, and also discussing the relevant issues pertaining to the industry
- Media reached out to AARC for the credible information as well as industry's stand on the changing regulatory landscape

He further touched upon the challenges and achievements in terms of collections-

Challenges-

- Lack of awareness among the brands regarding regulatory compliances, waste management ecosystem and documentation trail
- UBC going as MLP or as mixed waste.

Achievements-

- Motivated the members about their EPR efforts which resulted to increase of 100% of clean collection
- Better EPR targets helped in making policy decisions like: NEPR framework, setting of targets for EPR as well as category wise collection
- AARC understood the complexities of system and communicated the clear regulatory requirements to members in overcoming difficulties on the CPCB portal as well as reporting
- Extensive engagement and alignment helped in the PWP registration of recyclers like Khatema, and Eastern cargo

He further presented a summary of AARC's involvement in last four years in terms of Collection, Advocacy and Awareness which leads to recycling rate of beverage cartons more than 50%. He also stated that for future goals, we need to contribute more towards Advocacy part and then awareness and EPR. He further discussed with the members in details about future goals and challenges in terms of Advocacy, Awareness and Collection & Recycling (EPR). Further, a brief discussion took place between members regarding Integrated Straws, Recycling aspects, Advocacy etc.

Dr. Aggarwal further listed below important task that AARC should undertake in coming months-



- General awareness for source segregation and recyclability of beverage cartons
- Pursue with Environmental Regulators for associating category #84 as correct recycling identification code for beverage cartons
- Engage with suppliers of compostable and also those engaged in waste value chain to identify most practical route and mechanism to manage compostable EPR
- Lead the Credit mechanism discussion with Government
- Work with members and WMAs on the current practice of collecting, recycling and reporting MLP instead of UBCs
- Independently and/or collaboratively with producers engage with paper mills for registration of PWP