

Report of the Managing Committee for the year 2015-16

It gives me great pleasure to present the report of the Managing Committee of the Indian Beverage Association (IBA) for the year 2015-16.

2. As you are aware, IBA was established in 2010 to meet the need for an industry body focussing on the issues and requirements of the non-alcoholic beverage industry and has been discharging this role with increasing relevance and effectiveness in these years, having created a space for itself as a representative body of this sector in the country through furthering the interests and projecting the concerns of its Members and of the industry. The endeavours of the Association in taking up with various authorities matters of common interest and concern have mostly had beneficial outcomes. It is a matter of satisfaction and gratitude for the Association that the views and issues projected by it before the various authorities have been accorded careful consideration.

3. The Managing Committee met four times during the year. During these meetings, apart from providing guidance to the IBA Secretariat regarding different issues, a review of the Association's activities was also undertaken. Membership of the Association stood at 22 as on March 31, 2016 comprising 8 Subscriber Members and 14 Associate Members. In the course of the year, Hector Beverages Private Limited, Narang Danone Access Pvt. Ltd. and Monster Energy India Pvt. Ltd. became Associate Members of IBA. We take this opportunity to welcome these additions to the IBA family. It goes without saying that with each new Member, the Association gets enriched and acquires a more meaningful existence.

4. It will be recalled that at the instance of the Ministry of Food Processing Industries, IBA had submitted a report in November, 2014 on the referred issue of feasibility of mixing 5% fruit juice in carbonated drinks. IBA participated along with members of the industry in discussions with the Ministry of Food Processing Industries with a view to assisting the Ministry in arriving at a feasible and practicable course of action. The matter continues to be under the consideration of the Government of India.

5. The non-alcoholic beverage industry continued to face VAT-related challenges in various States during the year. Rates of VAT were raised by the Governments of Maharashtra, Madhya Pradesh, Karnataka, Rajasthan and the Union Territory of Daman & Diu. IBA continued its protestations in this regard with the State Governments. Success was achieved in Madhya Pradesh where the State Government's proposal to hike the rate from 14 to 26% was modified to limit the increase to 20%.

6. In this context, the recent developments relating to the Goods and Services Tax are a matter of happiness and satisfaction along with the hope that the crucial measure will be implemented from April, 2017.

7. The report of the Secretary General for the year 2015-16 is also being presented on this occasion and contains in detail the activities of IBA during this period.

8. The Managing Committee places on record its abiding commitment to providing good and effective services to the Members and towards endeavouring to promote the interests of the non-alcoholic beverage industry for it to serve the consumer in increasingly beneficial ways.

(S.R. Goenka)
President

August 20, 2016