

Report of the Managing Committee for the year 2017-18

It gives me great pleasure to present the report of the Managing Committee of the Indian Beverage Association (IBA) for the year 2017-18.

2. As Members are aware, IBA was established in 2010 to meet the need for an industry body focussed on the issues and requirements of the non-alcoholic beverage industry. It 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 problems, issues and 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 had beneficial outcomes. It is a matter of satisfaction and gratitude for the Association that the views and issues projected by it have been accorded careful consideration by the various authorities.

3. The Managing Committee met three times during the year when, apart from deliberation on the course to be followed in respect of issues of immediate relevance and providing guidance to the IBA Secretariat regarding different matters, a review of the Association's activities was also undertaken.

4. The year under review began with ITC Limited joining as Associate Member on April 1, 2017. Membership of the Association stood at 23 as on March 31, 2018 comprising 8 Subscriber Members and 15 Associate Members. Bisleri International Pvt. Ltd. became Associate Member on July 25, 2018. We warmly welcome the latest addition to the IBA family. It goes without saying that with each new Member, the Association gets enriched and acquires a more meaningful existence.

5. During the course of the year, even after the GST regime came into effect on July 1, 2018, the Association continued its efforts and pleadings to secure a rational rate of tax for CSDs, to say nothing of the high incidence of Compensation Cess on this category. The fact that the GST Council has been providing relief to other goods in the highest bracket of 28 per cent in the last several months has only added to the agony. We continue, nevertheless, to hope for 'better times in this respect.

6. IBA has been continuing to interact with regulatory bodies like FSSAI and the Bureau of Indian Standards to project the views and concerns of the Members in respect of measures and regulations proposed for implementation and enforcement by these bodies. Besides, the Association also raised with the Minister of Commerce and Industry the problem relating to duty-free import of relevant goods from Bhutan into India and the unfair advantage that thus accrued to units close to the border on the Bhutan side. The implementation of the Goods and Services Tax resolved this issue.

7. The implementation of the Legal Metrology (Packaged Commodities) Amendment Rules, 2017 by the Government with effect from January 1, 2018 created serious practical concerns for the industry. The Association represented to the Department of Consumer Affairs and had meetings with senior officers of the Department in this regard. We are happy that the Department appreciated the difficulties and provided time for non-compliant inventory to be used up.

8. The year 2017-18 ended on a fairly unsettling note for the Industry with the Notification issued suddenly by the Government of Maharashtra on March 23, 2018 banning single-use plastic goods and thermocol products in the State. IBA has been playing its part in this respect since then by way of representations from time to time pointing out concerns and practical problems relating to the mandated scheme of things and through participation in interactions with the State Government and its agencies concerned.

9. The report of the Secretary General for the year 2017-18 is also being presented on this occasion and contains in detail the activities of IBA during this period.

10. 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)

August 16, 2018

President