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Ref.No.MAIT/PY/2673

March 23, 2023

MOST IMPORTANT AND URGENT

Ms. Leena Nandan, IAS,
Secretary
The Ministry of Environment, Forest & Climate Change

Subject: MAIT suggestions regarding CPCB's mandate on uploading sales/procurement invoices related to plastic packaging on the online EPR portal

Re.: MAIT Representation Ref.No.MAIT/PY/2659 dated March 10th 2023

Respected Madam,
Greetings from MAIT!

As you may be aware, MAIT is a member of the **stakeholder group constituted to review the development of the online EPR portal** via Office Memorandum No. B-17011/7/UPC-II/PWM/2022 dated July 18, 2022 (copy attached). A major issue the industry members are currently grappling with relates to CPCB's mandate (vide letter dated February 21, 2023 (copy attached)) to upload sales/procurement invoices related to plastic packaging on the online EPR portal in order to determine to EPR targets. By virtue of being a member to the stakeholder group, MAIT would like to humbly reiterate a few observations and suggestions in this regard, with a view to not only ease compliance for the industry but also aid in the ease of doing business. Electronics industry is a fast-growing sector with a vision of achieving production of USD 300 billion by 2026 including exports of USD 120 billion.

As represented previously on this subject, a majority of industry members within the electronics sector are involved in the procurement and sale of finished goods, and do not directly procure and/or import standalone plastic packaging. Regardless of this, our members were constrained to register as an "Importer" as well as, a "Brand Owner" owing to the broad definitions of these terms under the Plastic Waste (Management) Rules, 2016 (as amended) ("**PWM Rules**") instead of adopting a differentiated approach. However, it is challenging for members to meet specific compliance of the said requirement on the online EPR portal, especially since procurement/sales invoices in this context do not bear any information and/or reference to plastic packaging in any capacity, but only to finished goods that are being sourced. Additionally, the information on procurement/sales invoices of finished goods is not only **classified and business sensitive** for members but also cannot be used to demonstrate EPR compliance under the PWM Rules - it does not aid in CPCB's desired outcome, whether it is verification of plastic packaging procured and/or auto-generating EPR targets. We request this be duly noted for necessary amendment to the guidelines.

The Ministry of Environment, Forest & Climate Change ("**MoEFCC**") vide an Office Memorandum dated January 6, 2023, had rightfully proposed that industry members resort to submitting a '**self-declaration**' based on an entity's audited books of accounts.

However, CPCB in complete disregard to the above memorandum issued a notice to PIBOs demanding upload of sales/procurement invoices related to plastic packaging on the online EPR portal, issued by the Central Pollution Control Board ("**CPCB**") dated February 21, 2023. This was issued without any prior industry consultation. If a formal detailed industry consultation was held, it would have possibly addressed many aspects including the need to adopt a differentiated approach as against "one size fits all" approach.

In this context, it may also be pertinent to mention that the above requirement from CPCB cannot be meaningfully met. Private entities under the Companies Act, 2013 are allowed to close their books of accounts annually (i.e., end of 12 months starting from April to March) and are granted a further six (6) months to complete audit formalities and shareholders approvals before filing the audited accounts with the Ministry of Corporate Affairs. Seeking real-time

transaction data on a quarterly basis (or more frequently, as potentially the case under the new Battery Waste (Management) Rules, 2022), not only takes away the flexibility offered to private entities in regards their books of accounts but will compromise confidentiality of accounts of businesses hinder competitive advantage in the market, and may also lead to potential leak of critical sales and procurement information, amongst other serious consequences. This is a serious matter and should be consulted before adopting either in the Plastics, Batteries and E-Waste Rules, respectively.

MAIT, therefore, once again requests MoEF&CC to continue accepting submission of a 'self-declaration' based on audited accounts without insisting submission/upload of any invoices/transaction data, *et al* on the online EPR portal. The industry favours a self-declaration approach which is consistent with global best practices. There is also no precedent in any jurisdiction worldwide that requires industry to submit invoices and/or transaction data for the purposes of validation of EPR submissions and/or generation of EPR targets. Even while we understand the need for CPCB to validate submissions, we are also cognizant of the fact that neither companies nor CPCB have the manpower to upload, download, assess and audit on an invoice or transaction level. With the invoices and transactions not having the requisite information as detailed above, the task of validation will only get more complicated. This will seriously hamper the ease of doing business.

Without prejudice to our interest in the continuation of self-certification basis, and with an amenable intent, the industry expresses its willingness to provide information in the format suggested below, along with the self-declaration on an annual basis For instance, for target generation and EPR compliance in FY 2024-25, the self-declaration along with data in the enclosed table will be provided to CPCB upon closing of the fiscal year FY 2023-24 and closure of audited accounts by the companies. We believe this format meets the above outlined principles, principles of EPR enshrined in the PWM Rules and considers CPCB's needs for ensuring EPR compliance. Seeking this data prior to completion of a fiscal year goes against the remit and intent of the legislation which is designed to determined EPR targets for a current fiscal year based on the previous year's plastic waste generation. However, we strongly request MoEF&CC to engage in a formal and detailed industry consultation also via the consultative committee on environment issues instituted by MeitY before issuing any further guidance, on the said subject.

S.No	Registration Type	Entity type	Category of Plastic	Financial Yr	Quarter	Date of entry	Total Plastic Quantity Ton	One sample customs invoice with products financials masked can be uploaded
		PWP/IMPORTER/Producer/ BO/Others	Cat I/ Cat II/ Cat III/ Cat IV					

We are sanguine that our request will be considered and addressed in a positive manner by your good office.

Warm regards,



Col. AA Jafri, Retd.
Director General

CC: Shri Naresh Pal Gangwar, Additional Secretary, MoEF&CC
 CC: Ms. Manmeet Nanda, JS, DPIIT
 CC: Shri Satyendra Kumar, IPS, Director, MoEF&CC
 CC: MS. Asha Nangia, Scientist G and Group Co-ordinator (Chairman – Consultative Committee on Environment Issues, MeitY)
 CC: Mr. Amitesh Sinha, Joint Secretary, MeitY