

From SG's Desk



Happy New Year!

The past year was an eventful one for IBHA. We made significant progress – be it representing industry concerns to the government or being the face of the industry at international forums. All in all, we led from the front and the results are there for all to see.

As you know, one of the landmark developments of the past year was the introduction of GST. As an industry we welcomed this initiative. Initially cosmetics were levied 28% tax. This rate was subsequently revised to 18% - thanks to the effective advocacy on the part of the industry. No doubt, the government was equally receptive to our inputs.

One of the important highlights of the last year was the growing interest in the Indian regulatory landscape from international quarters. And this came into light when I was invited to represent IBHA at the CTPA Seminar in November. I came away gratified to

note that IBHA is indeed recognised as a robust body.

Going forward, I am sure there will be a lot more action as there are many important issues to be tackled. As an industry association, we see ourselves playing a pivotal role in nurturing an environment conducive to the overall development of the industry. Once again, I look forward to your unwavering support.

Let us also work together to be more responsible towards sustaining an environment that is safe and pollution free.

Cheers!

Malathi Naryanan

Issue Highlights

- ▶ MoEF meeting
- ▶ CTPA Seminar 2017
- ▶ A member's view point

On The Legal Front

CLARIFICATIONS WITH RESPECT TO GST RATE ON CERTAIN GOODS

The Government of India revised the GST rates after the 23rd GST Council meeting held on 10th November 2017. The new rates have now been reduced to 18% from 28% for 178 items and have been effective from 15th November, 2017. Detailed information including the circular can be accessed at the following link.

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/Changes-in-GST-IGST-10-11-2017.pdf;jsessionid=9312AC65E05CC52D2E5FB14DEB83D6A1>

Plastic Waste Management Update

In September 2017, an IBHA delegation met with the Joint Secretary (JS), Ministry of Environment & Forests (MoEF) regarding Plastic Waste Management Rules – 2016 and apprised him of the fact that some aspects of the PWM rules were unclear and this lack of clarity could lead to misinterpretations. The team also strongly suggested the need for a centralized registration system instead of brand owners, producers registering at the state PCBs.

At the meeting, the IBHA project report on PWM Recycling Project - a zero-waste project, incentivising rag pickers to collect multilayer flexible plastic wastes and send it to a recycling facility was shared. The Joint Secretary appreciated the efforts put in by the industry association.

JS informed the IBHA team that the Ministry is working on amending the PWM rules and that key stakeholders would be invited for a discussion once the amended rules are circulated. Further, a committee involving Municipal Commissioners of Pune, Ahmedabad, Indore and Vijayawada has been setup to relook the entire PWM Rules. The JS expressed that there will be a clear

definition of roles and responsibilities in the amendment with respect to the Extended Producers Responsibility (EPR).

All stakeholders and a few Municipal Commissioners of different states were invited for a meeting late December. This meeting, chaired by the Joint Secretary was held in order to gauge the issues faced by members.

- ▶ National framework for Extended Producer Responsibility (EPR) implementation
- ▶ Mandatory phase-out of non-recyclable multi-layered plastic (MLP)
- ▶ Withdrawal of Notices as received from State Pollution Control Boards (SPCBs)
- ▶ And, Energy Recovery as the feasible mechanism

IBHA will continue to vigorously monitor further developments.

Technical Committee Update

REVISION OF KEY REGULATIONS GOVERNING THE INDUSTRY

1. Perpetual Licensing Introduced as per 10th amendment of D&C act via G.S.R.1337(E) dated 27th Oct 2017.

The Drugs and cosmetics Act & Rules (DCAR) have been amended to include a perpetual licensing clause for locally manufactured products (Drugs/Cosmetics/Testing labs). This revision allows simplification of the license renewal process and eases-out the cumbersome process that required submission of huge dossiers even for renewals.

The manufacturing license once granted by the Licensing Authority will be perpetual, provided the license retention fees are paid before the expiry period. The revised rules also require inspection of the manufacturing premises, jointly by inspectors from state government and central government at least once.

This is a welcome step and will certainly help applicants avoid repetitive documentation and submissions to authorities.

2. Ministry of AYUSH harmonised “Date coding pattern”

The Ministry of Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homeopathy (AYUSH) has issued a notification to harmonise the format of printing manufacturing date and expiry date on the labels of Ayurveda, Siddha & Unani (ASU) products.

Following this notification, all Ayurvedic medicines need to code MFD and EXP date in numerical month and year i.e. “MM/YYYY” format with effect from 1st January, 2018.

3. National medicinal plants board (NMPB, Ministry of AYUSH) has developed an online portal to record raw material usage by AYUSH manufacturers

Drugs & Cosmetics Rules (Rule 157A) mandate Ayurvedic, Siddha and Unani manufacturers to maintain records of raw materials usage for previous financial year and submit the same to the state licensing authority and NMPB by 30th June of the subsequent financial year through Schedule TA.

The Authority (NMPB) has launched an online portal, where Ayurvedic manufacturers have to register and submit Schedule TA online and also handover the hard copy to the State Drug Licensing Authority of the corresponding state.

The online portal has been linked with the NMPB website under the heading of “TA schedule”. The portal can also be accessed by clicking the following link: <http://nmpb.nic.in/content/ta-schedule>

4. Ban on “Microbeads” usage in rinse off cosmetic products

In view of environmental safety concerns and the EU ban on plastic microbeads, BIS has also amended the IS 4707 Part 2 in November 2017, to prohibit the usage of plastic microbeads categorised as “5 mm or less, water insoluble, solid plastic particle used to exfoliate or cleanse in rinse-off personal care products”

5. Biological Diversity act, 2002 expanded existing NTAC (Normally Traded As Commodities) with addition of 35 bio-resources

The Central Government, in consultation with the National Biodiversity Authority has amended the NTAC list under the Biological Diversity Act via notification S.O 3533(E) dated 7th November 2017, to include 35 new entries with respect to pulp wood and spice crop thus allowing few more biological resources to be eligible for NTAC exemptions.

Events

CTPA SEMINAR 2017

IBHA Secretary General had the privilege of being invited by CTPA (Cosmetic, Toiletry and Perfumery Association Ltd) of UK to participate as one of the keynote speakers in November, 2017. 110 delegates from various cosmetic companies, UK government, and other trade organisations were present.

SG's presentation on "India- Review of the Cosmetic Regulatory Framework" was well received and appreciated.

Conclusions:

- ▶ IBHA is recognised as a robust and credible organisation. There was much appreciation on the quantum of work undertaken in its advisory role, being the frontrunner where National Biodiversity is concerned, the PWM project and the ability to persuade government authorities to consider EU regulatory landscape.



- ▶ Other cosmetic companies are eager to enter India, but are still a bit apprehensive about "ease of doing business".
- ▶ There is a need to push for distinct Cosmetic Rules in India. Simplification of rules and alignment with EU to form its basis.

IBHA BONDING TIME

To celebrate 2017 and welcome 2018, an impromptu get-together was organised. Some technical committee members together with SG met up at a popular eatery for an evening filled with fun and revelry. Indeed it was an enjoyable time as there was no shop talk for a change.



Member's Corner

TREKKING - THE ESSENCE OF LIFE

Premanand Gunjal, Regulatory Affairs, Marico Limited

I started trekking a decade and half ago in Maharashtra. The popular Maratha warrior King Chhatrapati Shri Shivaji Maharaj is my inspiration for taking up trekking. During his rule during 16th century, when telescopic and satellite technology was not available, he had ably built forts across the Sahyadri hills at strategic points.

I can proudly say that I have conquered a great many peaks in the Sahyadri range, many of which are the remains of historical forts of King Shivaji Maharaj. They are Rajghad and Torna, Raigad, Sinhaghad, Shivneri, Saler and Muler, Alang, Malang and Kulang, Purandhar, Ratangad, Harischandra Gad, Lohaghad and Visapur, Pratapgad, Panhala, Vishalgad, Sindudurg, Janjira, Gorakghad, Vijaydurg and Ratangad.

I have had a number of learnings during my treks, which I would like to humbly share with you.

► ***There are better things in the world than the small screen***

TV, mobiles and computers have hijacked our lives. With no mobile networks in the wilderness, you are connected with yourself a 100%.

► ***Life is full of troughs and crests and both are equally important***

Trekking in the forest or mountains helps appreciate different aspects of life which otherwise go unnoticed.

► ***Where there is a will, there is always a way***

On many occasions during trekking we find no pathway or any help/aid to move towards our destination. These are moments where leadership skills and individual willpower shines through to find a way out.

► ***We need to protect the environment***

Trekking makes you realise that our environment is extremely fragile and it needs to be protected.



► ***Water and every natural resource is extremely important***

You truly appreciate the value of fresh water when the only drinkable water is what you carry in your bottle.

► ***There are other ways to get high!***

Nothing beats the sheer high derived from the thrill of walking in the woods or crossing rivers bare foot.

► ***You have to get out of your comfort zone to achieve better things***

Leaving your comfort zone and being uncomfortable for some time is always rewarding.

► ***Feeling of accomplishment***

Every new trek creates your own new story which is yours for a lifetime. This gives an immense feeling of accomplishment and satisfaction.

To conclude, I am not a great trekker but through this article my aim is to encourage readers to take up trekking. It need not be to a faraway place, I am sure you will find options around you. When you will stand on the summit after the climb, you will discover a new you, someone who is prepared to surmount any challenge.