

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़
IN THE INCOME TAX APPELLATE TRIBUNAL
DIVISION BENCH, 'B', CHANDIGARH

BEFORE SHRI A.D. JAIN, VICE PRESIDENT &
SHRI VIKRAM SINGH YADAV, ACCOUNTANT MEMBER

आयकर अपील सं./ITA No. 17/CHD/2020

निर्धारण वर्ष / Assessment Year : 2019-20

Punjab Plastic Waste Management Society, Rol Board, Vatavaran Bhawan, Nabha Road, Patiala	बनाम	The CIT (Exemptions), Chandigarh
स्थायीलेखासं./PAN NO: AAFAP6919H		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

निर्धारितकीओरसे/Assessee by : Sh. Tej Mohan Singh, Advocate

राजस्वकीओरसे/ Revenue by : Sh. Sarabjeet Singh, CIT DR

सुनवाईकीतारीख/Date of Hearing : 02.05.2023

उद्घोषणाकीतारीख/Date of Pronouncement : 14.07.2023

INDEX

S.No.	PARTICULARS	Page(s)
1	Delay	4
2	Grounds of appeal	5
3	CIT(E)'s Findings	5-7
4	Assessee's Submissions	8-11
5	Department's Contentions	11-12
6	Our observations	12 onwards
7	Need of preservation of environment	13-15
8	The Constitution of India	15-16
9	Other enactments	16-17
10	Swachh Bharat Mission	17-20
11	The Environment (Protection) Act, 1986	20-28
12	Plastic Waste Management as Preservation of environment	28-30
13	Plastic Waste Management Rules, 2016	30-38
14	Guidelines On Extended Producer's Responsibility For Plastic Packaging	38-41
15	Role of the State Pollution Control Board, as laid down in the guidelines on Extended Producer's Responsibility for plastic packaging, as contained in Schedule -II to The Plastic Waste Management (Amendment) Rules, 2022	41-45

16	First Objection of the CIT(E)	45-52
17	F.M.'S Speech While Presenting Budget For 2009-10, Introducing The 'Preservation of Environment' Limb In Section 2 (15), Income Tax Act	47
18	Punjab Pollution Control Board	47-52
19	Second Objection of the CIT(E)	52-83
20	Aims and Objects of the Assessee society	53-60
21	Further Functions pursuant to the Aims and Objects	60-66
22	Memorandum of Association	66-68
23	Bye-laws of the Assessee Society	68-96
24	Third Objection of the CIT(E)	97-140
25	Activities of the Assessee society	97-98
26	Multilayered Plastic Waste Management	98-101
27	Report on Assessee's activities from April 2020 to March 2021	101-105
28	Report on Assessee's activities from April 2021 to March 2022	106-117
29	Empanelment with Municipal Corporation / Council (s)	109-110
30	Details of Dry Waste Collection Centre(s)	110-111
31	Networking with Waste Picker communities & other activities	111-112
32	Workshops / Awareness Programmes with Waste Collectors	112-113
33	Details of the awareness workshops and training programmes conducted for the waste collectors / rag pickers at various locations	113
34	Report on Assessee's activities form April 2022 to March 2023	117-130
35	Awareness programmes for waste collectors and rag pickers	119-120
36	Awareness Programmes for Communities/ Housing Societies/ Communities in Punjab	120-121
37	Awareness programme for underprivileged communities / households	121
38	Awareness about initiatives of Punjab Plastic Waste Management Society (PPWMS) through participation in exhibitions and State Level programmes of Punjab Pollution Control Board (PPCB) and Environment Department of Punjab	121
39	Awareness programmes for Communities /Industrialists in Patiala Industrial Association on Ban of Single Use Plastic	121-122
40	Distribution of Pamphlets on Plastic Waste Management in communities/ households in various areas through newspaper agency.	122
41	Dedicated Plastic Waste Collection Drives	123
42	Activities under Dedicated Plastic Waste Collection Vehicle Drives	123-124
43	Installation of Canopies/ stalls for awareness on plastic waste segregation and management, exchange of plastic waste for cloth bags and distribution of pamphlets	124-125

44	Awareness Programmes for school children in Punjab	125-127
45	Details of all the awareness programmes held in Schools in Sept. 2022	127-128
46	Awareness Programme at Chandigarh University, Gharuan, Mohali (Punjab)	128
47	Mass Awareness through Vehicle Drives Playing Plastic Waste Jingle	128
48	Social Media Releases of activities of Punjab Plastic Waste Management Society (PPWMS) and Indian Pollution Control Association (IPCA)	128
49	Mass Awareness through Social Media Platforms	128
50	Mass Awareness through FM Channels	128-129
51	Installation of Hoardings at strategic locations for "spreading awareness on issues of plastic waste management" amongst masses and communities	129
52	Conference on "Extended Producer Responsibility (EPR) model of Plastic Waste Management in Punjab" on 24th February 2023	129-130
53	Activities under the Bye-laws	131-140
54	Fourth Objection of CIT(E)	140-141
55	Fifth Objection of the CIT(E)	141-142
56	Sixth objection of the CIT(E)	142
57	Case laws	143-151
58	Conclusions Summarised	151-153
59	Result	154

आदेश/Order

Per A.D. Jain, Vice President:

This is assessee's appeal against the order of the ld. Commissioner of Income Tax (Exemptions), Chandigarh, dated 19.09.2019, passed u/s 12AA (1)(b)(ii) of the Income Tax Act, 1961 (hereinafter called 'the Act'), rejecting the Assessee's application in Form No. 10A filed electronically on 29.3.2019 seeking registration u/s 12A of the Act.

2. There is a delay of 50 days in filing the appeal. The Assessee, vide its Application for condonation of delay, dated 25.04.2023, has submitted that the delay in filing the appeal was on account of a grave tragedy in the family of the Chairman of the Assessee society, Shri Prabhakar Mishra, who lost his elder brother, which caused significant disturbance and difficulties in the family; that the said deceased brother had already lost his wife in the year 2015 and thus, this grievous incident left Shri Prabhakar Mishra's nieces and nephew without parents, to be taken care of; that the onus of taking care of them shifted to him and it took time to settle the things; that also, the father of the Chairman of the Assessee firm fell ill and was hospitalized in Oct. 2019; and that he was engaged in the treatment of his father. It has been submitted that the delay caused was totally unintentional and bonfide on the part of the appellant. A request has been made by the Assessee to condone the delay in the interest of substantial justice.

3. We have considered the facts and the reasoning furnished by the Assessee. In view of the detailed explanation and reasoning given by the Assessee, finding that the Assessee was prevented by sufficient cause from filing the Appeal in time, and keeping in view the principles of natural justice, the delay of 50 days in filing the appeal is condoned.

4. The following grounds have been taken:-

1. *That the Ld. Commissioner of Income Tax has erred in law as well as on facts in rejecting application for registration under section 12AA of the Act which is arbitrary & unjustified.*
2. *That the Ld. Commissioner of Income Tax (Exemptions) has erred in observing that the assessee society is meant to be run as a one man show rather than public charity which is contrary to the facts on record and as such the order passed is arbitrary and unjustified.*
3. *That the Ld. Commissioner of Income Tax (Exemptions) has further erred in holding that the activities of the assessee society are not charitable in nature but restrictive in nature, which is contrary to the facts and as such the order passed is arbitrary and unjustified.*
4. *That the appellant craves leave to add or amend the grounds of appeal before the appeal is finally heard or disposed of.*
5. *That the order of the Ld. Commissioner of Income Tax is erroneous, arbitrary, opposed to law and facts of the case and is, thus untenable.*

CIT(E)'s FINDINGS

5. While rejecting the Assessee's application, by virtue of the impugned order, the ld. CIT(E) has held as follows:-

"7.On perusal of MOA of the society, it is noticed that powers mentioned in the clauses mentioned in the Bye-Laws are with (PPCB) only which are reproduced as under:-

Clause 5 of Bye-Laws:-

The Board of Management shall be the final authority for laying down the criteria for determining the eligibility and conditions for admission of Primary and Associate Members.

Clause 10 of Bye-Laws:-

Not with standing anything contained in Article 9, The PPCB may nominate more Directors from the Govt. and experts from the related field. These Directors shall also work to assist the Society in formulation of the policy initiatives and management of multilayered plastic waste. They shall also be members of the governing bodies and shall not be paid employees of the society.

Clause 11.i. of Bye-Laws:-

The PPCB shall have the final say as far as the term of the office is concerned.

Clause 14. of Bye-Laws:-

The PPCB may however modify, suspend or annul any resolution passed by the society which is in contravention of its objectives, bye-laws and rules. However, an opportunity will be provided to the PPWMA to explain its position before passing such orders.

The various clauses of the Bye-Laws of the society made it clear that the society is meant to be run as a one man show, rather than as a public charity; that all the powers were exclusively vested in the PPCB, to be used at its sole discretion. The administrative part of the MOA also had a vital bearing on the conduct of the affairs of the society and had conveyed a clear intention of the PPCB to keep all powers in itself and that the applicant society looks more like the private affairs of an entity rather than a public charity.

8. Further, the aims & objectives mentioned at Sr. Nos. 3 & 4 is restrictive in nature, which are reproduced as under:-

"3. To interact with various stakeholders engaged in the packaging, distribution, generation, collection of the multilayered plastic pouches/packaging.

4. To provide facility to the Brand owners, producers for collection of multilayered plastic pouches/packaging equivalent to the generation through marketing of their products in the state of Punjab at a reasonable charge."

The claims of the assessee contended that these activities are contributing towards the long term benefit of larger masses. Prima facie none of the activities gets covered by any of the limbs of "charitable purpose" envisaged in section 2(15) of IT. Act, 1961. Moreover these activities would be restricted to a specific group of companies and the same cannot be claimed to be enuring to the benefit of the general public. This issue further gets exacerbated by the fact that apart from the expenses on MLP collection and disposal charges for members only, no other major expenditure that could be attributable to the stated objects of the society has been claimed by the applicant in the financial statements for the last Year. This arrangement of the applicant clearly leads to conclude that the applicant is not pursuing the charitable objects for public at large but is restricted to a specific group of companies which are members of the society. The other stated charitable objects are merely ostensible.

8. In the absence of the activities enuring for the public at large, there is no way the genuineness of activities of the society can be corroborated with the stated aims and objects as per the documents submitted by the applicant. Accordingly, the application under section 12A for grant of registration is rejected."

ASSESSEE'S SUBMISSIONS:

6. Before us, the Id. Counsel for the Assessee contended that the Assessee is engaged in Plastic Waste Management covered under the limb of 'Preservation of Environment' as defined in Section 2(15); that the Assessee society was formed with the main aims and objects to set up a mechanism for collection, transportation, treatment & disposal of plastic material, especially multilayered plastic pouches, thermocol packing & utility items (polystyrene products) in environmentally sound and safe methods / technologies; that the Id. CIT(E), while wrongly rejecting the Assessee's application for registration, referred to only a few clauses mentioned in the Assessee's bye-laws and aims and objectives, which he reproduced in paras 7 and 8 of the order under appeal; that the Id. CIT(E) has accepted all the aims and objectives of the Assessee to be charitable, except those mentioned in Clauses 3 & 4; that however, neither of these clauses is restrictive in nature as wrongly observed by the Id. CIT(E); that the plastic waste generated by the big companies is required to be managed by the Assessee society only after interaction with the stakeholders, i.e., Companies and NGOs whose support is required to collect the waste; that this, in turn, contributes to the long term benefit of the larger masses, i.e, the public at large; that this facility is provided to the Brand owners and producers of plastic waste

for a small charge as the Society requires monetary assistance to manage waste; that this in no way makes the Assessee's objectives restrictive; that the Id. CIT(E) has wrongly observed that the various clauses of the Assessee's Bye-laws make it clear that the society is meant to be run as a one man show rather than as a public charity; that the Id. CIT(E) has further wrongly construed that all the powers are vested exclusively in the Punjab Pollution Control Board (PPCB), to be used at its sole discretion; that the Id. CIT(E) has further gone wrong in observing that the administrative part of the Assessee's Memorandum of Association (MOA) also has a vital bearing on the conduct of the affairs of the society: that it conveys a clear intention of the Punjab Pollution Control Board (PPCB) to keep all powers with itself; and that the affairs of the applicant society look more like the private affairs of an entity, rather than a public charity. It has been contended by the Id. Counsel that the Id. CIT(E) has adopted a pick and choose method to deny registration to the Assessee without looking at the picture in a holistic manner; that for example, he has extracted Clause 5, which states that the Board of Management shall be the final authority for laying down the criteria for determining the eligibility and conditions for admission of Primary and Associate Members; that "Board of Management" has been defined in the aims and objectives specifically and it includes representatives of the Government as well as the Brand Owners; that calling it as a one man

show, rather than a public charity is not warranted; that similarly, the other clauses relied on by the ld. CIT(E) to deny registration to the Assessee do not, in any manner, lead to a conclusion that the society is being run as a one man show; that as per the ld. CIT(E), all powers are exclusively vested with the Punjab Pollution Control Board (PPCB); that this is factually wrong; that the ld. CIT(E) has failed to consider the other clauses, which are required to be read in conjunction with each other and with the remaining clauses, and not in isolation, as has been done by the ld. CIT(E); that the ld. CIT(E) has accepted the charitable activities undertaken by the Assessee society, in as much as no adverse inference has been drawn in the impugned order; that even after the passing of the impugned order, the Assessee society has actively pursued its objects. In this regard, our attention has been drawn to the reports on the activities of the Assessee society for the periods April 2020 to March 2021(APB 39-56), April 2021 to March 2022 (APB 57-96) and April 2022 to March 2023 (APB 97-142). It has further been submitted that while considering grant of registration to a charitable trust or institution, the Commissioner is supposed to examine whether the objects of the trust are charitable or not and where the genuineness of the activities of the trust or institution is not in doubt, the ld. Commissioner is required to grant registration u/s 12AA of the Act. Reliance was placed on the following decisions:-

- (i) 'CIT Vs. ILLM Foundation Academy', 389 ITR 148 (P&H).
- (ii) 'CIT Vs. Shri Shirdi Sai Darbar Charitable Trust', 395 ITR 567 (P&H).
- (iii) 'Har Nihal Charitable Trust Vs. CIT(E)', 131 taxman.com 155 (Chd-Trib.).
- (iv) CIT Vs. Naroda Enviro Projects Limited', 429 ITR 376 (Gujarat).

DEPARTMENT'S CONTENTIONS

7. The ld. DR, on the other hand, has placed strong reliance on the impugned order. It has been contended that as rightly observed by the ld. CIT(E), it is clear from Clauses 5, 10, 11(i) and 14 of the By-laws of the Assessee-society, that the powers mentioned therein are with the Punjab Pollution Control Board only; that from this, it is amply clear that the Assessee-society is merely a one man show without any public charity, as unsuccessfully tried to be made out; that the PPCB has kept all the powers exclusively with itself and these powers are to be used at the sole discretion of the PPCB; that so much so, again, as correctly observed by the ld. CIT(E), the administrative portion of the MOA of the Assessee society conveys a clear intention to vest the powers exclusively with the PPCB; that further, Sr. Nos. 3 and 4 of the Aims and Objectives of the Assessee society are restrictive in nature, allowing interaction only with the stakeholders and providing facility for collection of plastic only to the Brand owners

and producers; that none of the activities of the Assessee society is for a charitable purpose as required u/s 2(15) of the Act; that even these activities are restricted to a specific group of companies, rather than enuring for the benefit of the general public; that no major expenditure other than that on multilayered plastic collection and disposal charges for Members only, has been claimed for the last year, as attributable to the stated objects of the society; that this also makes it clear that the Assessee society is not pursuing any charitable object for the public at large, but is restricted to the specific group of companies which are members of the Assessee society; and that other stated charitable objects are merely ostensibly charitable objects. It has been contended that as such, the order passed by the Ld. CIT(E) is a well versed order, requiring no interference and the appeal filed by the Assessee, lacking merit, requires to be dismissed.

OUR OBSERVATIONS

8. We have heard the parties and have perused the material on record. While rejecting the Assessee's application for registration, the Id. CIT(E) has noted that as seen from the Memorandum of Association and Bye-laws of the Assessee society, all the powers are vested only with the Punjab Pollution Control Board, making the Assessee a one man show and not a public charity. For this, the Id. CIT(E) has referred to Clauses 5, 10, 11(i) and 14 of the Bye-laws. It has been held that all the powers are exclusively vested with the

PPCB, to be used at its sole discretion. It has been held that the MOA itself conveys the clear intention of the PPCB to keep all the powers with itself. It has been held that Sr. Nos. 3 and 4 of the Aims and Objectives of the Assessee society are restrictive in nature. It has been held that none of the activities of the Assessee society is covered under “charitable purposes”, as defined in section 2(15) of the I.T. Act. It has been held that the activities are restricted to a specific group of companies who are members of the Assessee society. It has been held that therefore, none of the activities enure for the benefit of the public at large. Now, before entering into the controversy proper, the requirement of preservation of the environment should be dwelt upon at some length in order to appreciate its importance.

NEED OF PRESERVATION OF ENVIRONMENT

9. Section 2(15) of the I.T. Act provides preservation of our environment to be a charitable purpose. Meaning thereby, that action oriented towards preservation of / saving/ conservation of our environment has been construed and held by the legislature to be a charitable action. The legislature, it is trite, chooses its words with utmost care. And in our present context, the reason for the choice of words by the legislature is neither far to seek, nor esoteric.

10. Protecting our environment is the very foundation for sustaining our planet, community and economy for maintaining the

ecological balance. Our environment supports and houses our ecosystems, allowing them to grow and thrive. If we fail to protect our environment, we will put the lives of humans, animals, plants and more at risk.

11. Although the environment can continue to survive in its natural state, human intervention has caused extensive destruction in many ecosystems. We have now arrived at a stage where positive human intervention has become the sine qua non very important for the preservation of our environment, so that we can continue to live on this planet in a healthy and safe atmosphere.

12. Industrially developed and developing countries – all alike, are facing threats of being polluted and affected by the detrimental environmental impact made by human actions. Waste disposed in our water sources is brutalizing aquatic life and pollution from factories, our usage of plastic bags and pollutants released from vehicles, are all factors contributing to climate change. Depletion of the ozone layer, unmitigated indiscriminate aerosol usage being a huge harbinger thereof, is increasingly exposing our earth to harmful ultraviolet rays through destabilizing the atmosphere, leading to melting of glaciers and consequent alarming rise in sea and ocean levels.

13. There have been many agreements officially signed between countries to prevent the harmful impact of the utterly careless human

activities on nature and the climate, but the targets set during these agreements are often not met and the detrimental effects of climate change are left unmitigated.

14. Therefore, we can all do our best to contribute towards preserving our environment. We should not think that a single person cannot make a difference. Change originates from the start initiated by a singular effort, or that, as so erroneously taken by the Id. CIT(E) in the present case, without considering its ramifications in their right perspective, an endeavor by an entity is a one man show rather than charity.

THE CONSTITUTION OF INDIA

15. The vital importance of environment protection stands recognised by the Constitution of India, our mother statute. The Constitution of India embodies the frame-work of protection and preservation of the environment. Article 51-A(g) of the Constitution states that 'it shall be the duty of every citizen of India to protect and improve the natural environment including forests, lakes, rivers and wild life, and to have compassion for living creatures'.

16. The Preamble of the Constitution ensures a socialist pattern of society and dignity of the individual. A decent standard of living and a pollution free environment are inherent in this. The Directive

Principles of State Policy, as contained in the Indian Constitution direct towards the idea of building a Welfare State. A healthy environment is also one of the elements of a Welfare State. Article 47 provides that the State shall regard the raising of the level of nutrition and the standard of living of its people and the importance of public health as amongst its primary duties. The importance of public health also includes the protection and improvement of the environment. Without it, public health cannot be assured. Article 48-A of the Constitution of India says that 'the state shall endeavor to protect and improve the environment and to safeguard the forests and wildlife of the country'.

17. The Constitution guarantees fundamental rights which are essential for the development of every individual. Right to environment is also a right for such development. Articles 14, 19 and 21 have been used for environmental protection.

OTHER ENACTMENTS

18. Other specific enactments have also been made with regard to environmental protection / preservation, like the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution), Act 1981, and other such enactments. For managing plastic waste, the Plastic Waste (Management and Handling) Rules, 2011 had been framed. These

rules had been enacted with the primary objective to channelize the plastic waste, especially multi-layered plastic waste for its environmentally sound recycling / processing. Since the major portion of such waste lands in the landfill, the open air burning of such waste results in higher pollution, causing damage to the environment. It was in order to cope with the problem of plastic waste management, that the Ministry of Environment and Forest framed the Plastic Waste (Management and Handling) Rules, 2011, which were amended from time to time, in order to ensure the effective implementation thereof ,and so as to clearly identify the role of Producers, Importers and Brand owners in the Extended Producer Responsibility (EPR). They were superseded by the Plastic Waste (Management) Rules, 2016. We shall presently deal with these and other enactments, as relevant for our present purposes.

SWACHH BHARAT MISSION

19. On 14.10.2020, the Assessee and the Indian Pollution Control Association (IPCA) collaborated by way of signing an agreement to work together under the Swachh Bharat Mission towards the observance of Plastic Waste Management. A 'Swachh Shramdaan Plastic Clean-up Drive for Patiala' was carried out (photographs at APB 30 to 32) for Plastic Waste Management. The importance of the Swachh Bharat Mission for the preservation of our environment

cannot be overly emphasized. However, it would be beneficial to dwell on it at some length here.

20. Swachh Bharat Mission (SBM), Swachh Bharat Abhiyan, or Clean India Mission is a country-wide campaign initiated by the Government of India in 2014 to eliminate open defecation and improve solid waste management. The program also aims to increase awareness of menstrual health management.

Phase I of the Swachh Bharat Mission lasted till October 2019.

Phase II is being implemented between 2020–21 and 2024–25 to help cement the work of Phase I.

Initiated by the Government of India, the Mission aimed to achieve an "open-defecation free" (ODF) India by 2nd October, 2019, the 150th anniversary of the birth of Mahatma Gandhi, through construction of toilets. An estimated 89.9 million toilets were built in the period. The objectives of the first phase of the Mission also included eradication of manual scavenging, generating awareness and bringing about a behavioral change regarding sanitation practices, and augmentation of capacity at the local level.

21. The second phase of the Mission aims to sustain the open defecation free status and improve the management of solid and liquid waste, while also working to improve the lives of sanitation workers. The Mission is aimed at progressing towards target 6.2 of the

Sustainable Development Goals Number 6 established by the United Nations in 2015. By achieving the lowest open defecation-free status in 2019, India achieved its Sustainable Development Goal (SDG) 6.2 health target in record time, eleven years ahead of the UN SDG target of 31st December 2030.

22. The campaign's official name is in Hindi. In English, it translates to "Clean India Mission". The campaign was officially launched on 2nd October 2014 at Rajghat, New Delhi by the Prime Minister. It is India's largest cleanliness drive to date with three million government employees and students from all parts of India participating in 4,043 cities, towns, and rural communities.

23. At a rally in Champaran, the Prime Minister called the campaign 'Satyagrah se Swatchhagrah' in reference to Gandhi Ji's Champaran Satyagraha launched on 10th April 1916.

24. The Mission was split into two: rural and urban. In rural areas "SBM - Gramin" was financed and monitored through the Ministry of Drinking Water and Sanitation (since converted to the Department of Drinking Water and Sanitation under the Ministry of Jal Shakti), whereas "SBM - urban" was overseen by the Ministry of Housing and Urban Affairs. The rural division has a five-tier mechanism: central, state, district, block panchayat, and gram panchayat.

25. As part of the campaign, volunteers, known as Swachhagrahis, or "Ambassadors of cleanliness", promoted the construction of toilets using a popular method called 'Community-Led Total Sanitation' at the village level. Other activities included national real-time monitoring and updates from non-governmental organizations such as The Ugly Indian, Waste Warriors, and SWACH Pune (Solid Waste Collection and Handling).

26. The Government provided subsidy for construction of nearly 90 million toilets between 2014 and 2019. The campaign was financed by the Government of India and the state governments. The former released \$5.8 billion (Rs 40,700 crore) of funds for toilet construction in 700,000 villages. The total budget for the rural and urban components was estimated at \$28 billion, of which, 93 percent was for construction, with the rest being allocated for behavior change campaigns and administration. At the cost of repetition, the Assessee society works under the Swachh Bharat Mission, for preservation of the environment, claimed as a "charitable purpose" under section 2(15) of the I.T. Act.

THE ENVIRONMENT (PROTECTION) ACT, 1986

27. The Environment (Protection) Act, 1986 is an Act to provide for protection and improvement of the environment and for matters connected therewith. The Preamble of the said Act states that:

WHEREAS the decisions were taken at the United Nations Conference on the Human Environment held at Stockholm in June, 1972, in which India participated, to take all appropriate steps for the protection and improvement of human environment;

AND WHEREAS it is considered necessary further to implement the decisions aforesaid in so far as they relate to the protection and improvement of environment and the prevention of hazards to human beings, other living creatures, plants and property.”

28. Section 3 of the Environment (Protection) Act, 1986 talks of power of the Central Government to take measures to protect and improve the environment. As per the provisions of this section, the Central Government shall have the power to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of the environment and preventing, controlling and abating environmental pollution. Such measures may include, inter alia, measures with respect to co-ordination of actions by the State Governments, officers and other authorities under the Environment (Protection) Act, 1986, or the rules made thereunder, or under any other law for the time being in force which is relatable to the objects of this Act, planning and execution of a nation-wide programme for the prevention, control and abatement of environmental pollution, laying down standards for the quality of the environment in its various aspects, laying down procedures and safeguards for the handling of hazardous substances [section 2 (e)

defines “hazardous substance” to mean any substance or preparation which, by reason of its chemical or physico-chemical properties or handling, is liable to cause harm to human beings, other living creatures, plant, micro-organism, property or environment], collection and dissemination of information in respect of matters relating to environmental pollution and such other matters as the Central Government deems necessary or expedient for the purpose of securing the effective implementation of the provisions of this Act. Further, as per section 3 (3), the Central Government may, if it considers it necessary or expedient so to do for the purpose of this Act, by order, published in the Official Gazette, constitute an authority or authorities by such name or names as may be specified in the order for the purpose of exercising and performing such of the powers and functions, including the power to issue directions u/s 5, of the Central Government under this Act and for taking measures with respect to such of the matters referred to in sub-section (2) (some of which have been mentioned above) as may be mentioned in the order and subject to the supervision and control of the Central Government.

29. For ready reference, section 3 of the Act is reproduced as under:-

*“3. POWER OF CENTRAL GOVERNMENT TO TAKE
MEASURES TO PROTECT AND IMPROVE
ENVIRONMENT.-*

(1) Subject to the provisions of this Act, the Central Government, shall have the power to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of the environment and preventing controlling and abating environmental pollution.

(2) In particular, and without prejudice to the generality of the provisions of sub-section (1), such measures may include measures with respect to all or any of the following matters, namely:--

(i) co-ordination of actions by the State Governments, officers and other authorities--

(a) under this Act, or the rules made thereunder, or

(b) under any other law for the time being in force which is relatable to the objects of this Act;

(ii) planning and execution of a nation-wide programme for the prevention, control and abatement of environmental pollution;

(iii) laying down standards for the quality of environment in its various aspects;

(iv) laying down standards for emission or discharge of environmental pollutants from various sources whatsoever:

Provided that different standards for emission or discharge may be laid down under this clause from different sources having regard to the quality or composition of the emission or discharge of environmental pollutants from such sources;

(v) restriction of areas in which any industries, operations or processes or class of industries, operations or processes shall not be carried out or shall be carried out subject to certain safeguards;

(vi) laying down procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents;

(vii) laying down procedures and safeguards for the handling of hazardous substances;

(viii) examination of such manufacturing processes, materials and substances as are likely to cause environmental pollution;

(ix) carrying out and sponsoring investigations and research relating to problems of environmental pollution;

(x) inspection of any premises, plant, equipment, machinery, manufacturing or other processes, materials or substances and giving, by order, of such directions to such authorities, officers or persons as it may consider necessary to take steps for the prevention, control and abatement of environmental pollution;

(xi) establishment or recognition of environmental laboratories and institutes to carry out the functions entrusted to such environmental laboratories and institutes under this Act;

(xii) collection and dissemination of information in respect of matters relating to environmental pollution;

(xiii) preparation of manuals, codes or guides relating to the prevention, control and abatement of environmental pollution;

(xiv) such other matters as the Central Government deems necessary or expedient for the purpose of securing the effective implementation of the provisions of this Act.

(3) The Central Government may, if it considers it necessary or expedient so to do for the purpose of this Act, by order, published in the Official Gazette, constitute an authority or authorities by such name or names as may be specified in the

order for the purpose of exercising and performing such of the powers and functions (including the power to issue directions under section 5) of the Central Government under this Act and for taking measures with respect to such of the matters referred to in sub-section (2) as may be mentioned in the order and subject to the supervision and control of the Central Government and the provisions of such order, such authority or authorities may exercise the powers or perform the functions or take the measures so mentioned in the order as if such authority or authorities had been empowered by this Act to exercise those powers or perform those functions or take such measures.

30. Section 5 of the Act states that the Central Government may, in the exercise of its powers and performance of its functions under this Act, issue directions in writing to any person, officer or any authority and such person officer or authority shall be bound to comply with such directions.

31. Section 6 of the Environment (Protection) Act, 1986 provides that the Central Government may make rules in respect of all or any of the matters referred to in section 3. Such rules may provide for, inter alia, the procedures and safeguards for the handling of hazardous substances. Section 6 reads as follows:

“6. RULES TO REGULATE ENVIRONMENTAL POLLUTION:

- (1) *The Central Government may, by notification in the Official Gazette, make rules in respect of all or any of the matters referred to in section 3.*

- (2) *In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—*
- (a) *the standards of quality of air, water or soil for various areas and purposes;*
 - (b) *the maximum allowable limits of concentration of various environmental pollutants (including noise) for different areas;*
 - (c) *the procedures and safeguards for the handling of hazardous substances;*
 - (c) *the prohibition and restrictions on the handling of hazardous substances in different areas;*
 - (d) *the prohibition and restrictions on the handling of hazardous substances in different areas;*
 - (e) *the prohibition and restriction on the location of industries and the carrying on of process and operation in different areas;*
 - (f) *the procedures and safeguards for the prevention of accidents which may cause environmental pollution and for providing for remedial measures for such accidents.*

32. The rules framed for the procedures and safeguards for the hazardous substances, as provided for in section 6(2)(c) are, inter alia:

The Environment (Protection) Rules, 1986.

The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008.

The Plastic Waste Management Rules, 2011.

The Plastic Waste Management (Amendment) Rules, 2016.

The Plastic Waste Management (Amendment) Rules, 2021 and

The Plastic Waste Management (Second Amendment) Rules, 2022.

33. Section 20 of the Act provides that the Central Government may, in relation to its functions under this Act, from time to time, require any person, officer, State Government or other authority to furnish to it or any prescribed authority [as per section 2 (g) “prescribed” means prescribed by rules made under this Act] or officer, any reports, returns, statistics, accounts and other information and such person, officer, State Government or other authority shall be bound to do so.

34. Section 21 provides that all the members of the authority constituted under section 3 and all officers and other employees of such authority when acting or purporting to act in pursuance of any provisions of this Act, or the rules made or orders or directions issued thereunder shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code. Section 21 is as follows:-

“21. MEMBERS, OFFICERS AND EMPLOYEES OF THE AUTHORITY CONSTITUTED UNDER SECTION 3 TO BE PUBLIC SERVANTS.-

All the members of the authority, constituted, if any, under section 3 and all officers and other employees of such authority when acting or purporting to act in pursuance of any provisions of this Act or the rules made or orders or directions issued thereunder shall be deemed to be public

servants within the meaning of section 21 of the Indian Penal Code (45 of 1860)".

Section 25 of the Act provides power to the Central Government to make rules to carry out the purposes of this Act.

PLASTIC WASTE MANAGEMENT AS PRESERVATION OF ENVIRONMENT

35. Plastic waste represents 8% of the total waste generated in India. It is estimated that approximately 6137 tonnes of plastic waste go uncollected per day in India, which flows through streets, roads and beaches, thereby polluting our environment. India is the second largest producer of plastic polymers in the world. It is estimated that every 1kg per year increase in per capita consumption will require an additional 1.25 MT of polymers in India. In India, about 25 lacs sets of plastic based personal protective equipment per day have been required in the healthcare sector due to the Covid-19 Pandemic. Plastic production and consumption in India are increasing at a very rapid pace. Due to the growing industrial base of manufacturing and production, the consumption of various types of plastics has increased to a great extent in recent years. As a corollary, therefore, production of plastic waste has also grown by leaps and bounds. So much so, that environment protection laws have to be repeatedly amended and updated, qua plastic waste management. It goes without saying that the Plastic Waste Management Rules aim at ensuring protection of the environment through Plastic Waste Management, which the Assessee professes to carry out as its main objective.

36. The importance and general public requirement of plastic waste management becomes evident from the fact that at all public places, in present times, dust bins have been provided where plastic waste is to be disposed of in separate bins especially specifically dedicated for plastic waste, whereas other waste is to be disposed of in separate bins. The below reproduced figures depict such separate waste bins at airports / railway stations / bus terminals/multiplexes / malls etc., and even in public parks.



Figure I – Separate Plastic & Paper waste Bins



Figure 2 – Separate Waste Bins at Airports for Solid Waste and Recyclable Waste (Plastic Waste)

37. Further, even the Government Sanitation Department now requires such segregation of plastic waste from other waste in separate bins from the houses / complexes. Levy of fine has been imposed where households do not carry out the requisite separation of waste.

38. Evidently, therefore, segregation of plastic waste, i.e., plastic waste management is an activity which enures for the public at large and it is a step in the endeavor for preservation of the environment as a charitable purpose within the meaning of section 2(15) of the Income Tax Act.

As stated above, pursuant to the provisions of The Environment (Protection) Act, 1986, the Plastic Waste Management Rules have been framed to effectively carry out management of plastic waste for preservation of our environment.

PLASTIC WASTE MANAGEMENT RULES, 2016

39. The Government notified the Plastic Waste Management Rules, 2016, in supersession of the Plastic Waste (Management and Handling) Rules, 2011. While doing so, the Minister of State for Environment, Forest and Climate Change stated, inter alia, that 15000 tons of plastic waste was generated every day, out of which, 9000 tons was collected and processed, but 6000 tons of the balance waste was not being collected. He said that the rules, which were

admissible up to the municipal area, had been extended to villages; that notifying the new Plastic Waste Management Rules was a part of the revamping of all Waste Management Rules; and that this would help in achieving the vision of the Prime Minister, of Swacch Bharat, cleanliness being the essence of health and tourism.

40. The Plastic Waste Management Rules, 2016 aim, inter alia, to (i) expand the jurisdiction of applicability of the earlier rules from the municipal areas to the rural areas, since plastic had reached rural areas also, and (ii) to bring in the responsibility of producers and generators.

41. According to rule 3 (x), “waste generator” means and includes every person or group of persons or institutions, residential and commercial establishments including Indian Railways, Airports, Ports, Harbors and Defense establishments which generate plastic waste and according to rule 3(l), “Institutional waste generator” means and includes occupiers of the institutional buildings such as buildings occupied by the Central Government Departments, State Government Departments or Private sectors companies, hospitals, schools, colleges, universities or other places of education, organisations, academies, hotels, restaurants, malls and shopping complexes. So, remarkably, as per the Plastic Waste Management Rules, 2016, Central Government Departments, like the Income Tax Department

itself, are plastic waste generators which waste requires to be reduced in its production and managed in its entirety, for the protection and conservation of our environment, ensuring for public at large.

42. According to rule 3 (b), “brand owner” means a person or company, who sells any commodity in a registered brand liable as per the Extended Producer Responsibility.

43. Rule 3(h) states that “extended producer’s responsibility” means the responsibility of a producer for the environmentally sound management of the product until the end of its life.

44. As per rule 3(s), “producer” means persons engaged in manufacture or import of carry bags or multilayer packing or plastic sheets or the like, and includes Industries or individuals using plastic sheets or the like or covers made of plastic sheets or multi layered packaging for packing or wrapping the commodity.

45. “Registration”, states rule 3(t) means registration with the State Pollution Control Board or Pollution Control Committee concerned, as the case may be.

46. The Rules aim to introduce collection of Plastic Waste Management Fee through pre-registration of the procedures, importers [according to rule 3(k), “importer” means a person who imports or intends to import and holds an Importer - Exporter Code

number, unless otherwise specifically exempted] of plastic carry bags / Multi-layered packaging [rule 3(h) states that “multi-layered packaging” means any material used or to be used for packaging and having at least one layer of plastic as the main ingredients in combination with one or more layers of materials such as paper, paper board, polymeric materials, metalized layers or aluminum foil, either in the form of a laminate or co-extruded structure] and vendors selling the same for establishing the waste management system [according to rule 3 (y) “waste management” means the collection, storage, transportation reduction, re-use, recovery, recycling, composting or disposal of plastic waste in an environmentally safe manner]

47. The Rules also aim to promote use of plastic waste for road construction as per Indian Road Congress guidelines or Energy recovery or wastage to oil, etc., for gainful utilisation of waste and also address the waste disposal issue; to entrust more responsibility on wastage generators, namely payment of user charges as prescribed by the local body for collection and handing over of waste by the institutional generator, event organizer.

48. The Minister, at the time of notification of the rules, had also stated that an ecofriendly product, which is a complete substitute of plastic in all uses, has not been found till date; that in the absence of

a suitable alternative, it is impractical and undesirable to impose a blanket ban on the use of plastic all over the country; and that the real challenge is to improve plastic waste management systems. It was stated that the producers, importers and brand owners, who introduce the plastic carry bags, multi-layered plastic sachets, or pouches, or packaging in the market within a period of six months from the date of publication of these rules, 2016, need to establish a system for collecting back the plastic waste generated due to their products; that they shall work out the modalities for the waste collection system based on Extended Producer's Responsibility and involving State Urban Development Departments, either individually or collectively, through their own distribution channel, or through the local body concerned; that this plan of collection is to be submitted to the State Pollution Control Boards while applying for consent to Establish or Operate or Renewal; that the producers / brand owners whose consent has been renewed before the notification of these rules shall submit such plan within one year from the date of notification of these rules and implementation within two years thereafter; and that the introduction of the collect back system of waste generated from various products by the producers /brand owners of those products will improve the collection of plastic waste, its re-use/ re-cycling.

49. As per these rules, all Institutional Generators of plastic waste shall segregate and store the waste generated by them in accordance with the Solid Waste Management Rules, 2016 (notified by the Ministry of Environment Forest and Climate Change on 8.4.2016) and handover the segregated waste to authorized waste processing or disposal facilities or deposition centers, either on its own, or through the authorized waste collection agency. All waste generators shall pay such user fee, or charge, as may be specified in the bye-laws of the local bodies for plastic waste management, such as waste collection, or operation of the facility thereof, etc. Every person responsible for organizing an event in an open space, which involves service of food stuff in plastic, or multilayered packaging, shall segregate and manage the waste generated during such events, in accordance with the Solid Waste Management Rules, 2016.

50. According to the Plastic Waste Management Rules, 2016, the local bodies shall be responsible for setting up, operationalization and co-ordination of the waste management system and for performing associated functions. Rule 12 of these rules provides that the State Pollution Control Board and Pollution Control Committee in respect of a Union territory shall be the authority for enforcement of the provisions of these rules relating to registration, manufacture of plastic products and multilayered packaging, processing and disposal

of plastic wastes and that these prescribed authorities shall take the assistance of the District Magistrate or the Deputy Commissioner within the territorial limit of the jurisdiction of the concerned district in enforcement of the provisions of these rules. The importance of said Rule 12 of the Plastic Waste Management Rules, 2016 cannot be over emphasized, so far as regards our present proposes. The said rule is reproduced here under:

“12. Prescribed authority.- (1) The State Pollution Control Board and Pollution Control Committee in respect of a Union territory shall be the authority for enforcement of the provisions of these rules relating to registration, manufacture of plastic products and multilayered packaging, processing and disposal of plastic wastes.

(2) The concerned Secretary-in-Charge of the Urban Development of the State or a Union Territory shall be the authority for enforcement of the provisions of these rules relating to waste management by waste generator, use of plastic carry bags, plastic sheets or the like, covers made of plastic sheets and multilayered packaging.

(3) The concerned Gram Panchayat shall be the authority enforcement of the provisions of these rules relating to waste management by waste generator, use of plastic carry bags, plastic sheets or the like, covers made of plastic sheets and multilayered packaging in the rural area of the State or a Union Territory.

(4) The authorities referred to in sub-rules (1) to (3) shall take the assistance of the District Magistrate or the Deputy Commissioner within the territorial limits of the jurisdiction of the concerned district in the enforcement of the provisions of these rules.”

51. As per rule 13 of the 2016 rules, no person shall manufacture carry bags or recycle plastic bags or multilayered packaging, unless the person has obtained a registration from the State Pollution Control Board or the Pollution Control Committee of the Union Territory concerned, as the case may be, prior to the commencement of production. Every person recycling or processing waste or proposing to recycle or process plastic waste shall make an application to the State Pollution Control Board or the Pollution Control Committee, for grant of registration or renewal of registration for the recycling unit. Every manufacturer engaged in manufacture of plastic to be used as raw material by the producer shall make an application to the State Pollution Control Board or the Pollution Control Committee of the Union territory concerned, for the grant of registration or for the renewal of registration. The State Pollution Control Board has a power not to issue or renew registration in the circumstances mentioned in sub-rules (5) and (6) of rule 13 of the 2016 rules. The State Pollution Control Board may grant registration of recycling or processing of plastic waste, in accordance with rule 13(7), on compliance of the conditions contained therein. Under rule

13(10), the State Pollution Control Board also has power to revoke, suspend or cancel registration. In accordance with rule 16, the State Government shall, for the purpose of effective monitoring of implementation of these rules, constitute a State Level Advisory Committee, wherein the Member Secretary from the State Pollution Control Board shall be a Member. Rule 17 provides that every person engaged in recycling or processing of plastic waste shall prepare and submit an annual report to the local body, under intimation to the concerned State Pollution Control Board by the 30th of April of every year. Every local body shall prepare and submit an annual report to the concerned Secretary-in-charge of the Urban Development Department, under intimation to the concerned State Pollution Control Board by the 30th of June every year. Each State Pollution Control Board shall prepare and submit an annual report to the Central Pollution Control Board, on the implementation of these rules, by the 31st of July every year.

GUIDELINES ON EXTENDED PRODUCER'S RESPONSIBILITY FOR PLASTIC PACKAGING.

52. The Plastic Waste Management (Amendment) Rules, 2022 have introduced Schedule-II in the rules. This Schedule-II contains Guidelines on Extended Producer's Responsibility for Plastic Packaging. These rules have been notified on 16.2.2022. As per item 6 of these Guidelines, the Producers, Importers, Brand Owners and

Plastic Waste Processors [according to entry 3 (j) of the Guidelines, “Plastic Waste Processors” means recyclers and entities engaged in using plastic waste for energy (waste to energy), and converting it to oil (waste to oil), industrial composting], shall register on the centralized portal developed by the Central Pollution Control Board. Such registration shall be done by the State Pollution Control Board or Pollution Control Committee through the centralized Extended Producer Responsibility portal developed by the Central Pollution Control Board.

53. Item 9 of these Guidelines provides for imposition of Environmental Compensation based on the ‘polluter pays’ principle, with respect to non-fulfillment of Extended Producer’s Responsibility targets by Producers, Importers and Brand Owners, for the purpose of protecting and improving the quality of the environment and preventing, controlling and abating environmental pollution. The Environment compensation shall be levied by the respective State Pollution Control Board on the Producers, Importers and Brand-owners operating in their jurisdiction, Plastic Waste Processors, which includes recyclers [as per item 3 (n) “recyclers” are entities who are engaged in the process of recycling of plastic waste] and other waste processors - waste to energy, waste to oil, co-processors, with respect to non-fulfillment of their Extended Producer’s Responsibility targets

or responsibilities and obligations set out under these Guidelines. In case the State Pollution Control Board does not take action in reasonable time, the Central Pollution Control Board shall issue directions to the State Pollution Control Board. The funds collected under environmental compensation shall be kept in a separate escrow account, wherever so applicable, by the State Pollution Control Board. The funds collected shall be utilised in collection, recycling and end of life disposal of uncollected and non-recycled or non-end of life disposal of plastic packaging waste, on which the environmental compensation is levied.

54. In accordance with item 10.6 of the Guidelines, the producers, importers and Brand Owners shall file annual returns on the plastic packaging waste collected and processed towards fulfilling obligations under Extended Producer's Responsibility with, wherever so applicable, with the State Pollution Control Board, by the 30th June of the next financial year.

55. Item 11.4 states that in case at any stage it is found that the information provided by the plastic waste processor is false, the plastic waste processor shall be debarred by the State Pollution Control Board, from operating under the Extended Producer's Responsibility framework for a period of one year.

56. In keeping with item 12.2 of the Guidelines, where Producers, Importers & Brand-Owners are operating in the jurisdiction of a State Pollution Control Board, the Central Pollution Control Board will share the application fee with the concerned State Pollution Control Board, such fee being the fee charged for processing of application for registration and annual fee for processing of return.

57. Item 12.4 of the Guidelines states that in case of Plastic Waste Processors and Brand Owners operating in a State, the Central Pollution Control Board may, if required, direct the State Pollution Control Board to take action where there is non-compliance by such Producers, Importers and Brand Owners.

ROLE OF THE STATE POLLUTION CONTROL BOARD, AS LAID DOWN IN THE GUIDELINES ON EXTENDED PRODUCER'S RESPONSIBILITY FOR PLASTIC PACKAGING, AS LAID DOWN IN SCHEDULE -II TO THE PLASTIC WASTE MANAGEMENT (AMENDMENT) RULES, 2022

58. Item 13 of the Guidelines lays down the role of the State Pollution Control Board, stating as follows:

“13. Role of State Pollution Control Board or Pollution Control committee

(13.1) The concerned State Pollution Control Board or Pollution Control Committee shall register Producers, Importers & Brand-Owners (operating in one or two states) and plastic waste processors, through the online portal developed by Central Pollution Control Board. Provision for registration shall be made on the Extended Producer Responsibility portal. State Pollution Control Board or Pollution Control Committee

by itself or through a designated agency shall verify compliance of Producers, Importers & Brand-Owners through inspection and periodic audit, as deemed appropriate, of Producers, Importers & Brand-Owners as well as plastic waste processors in their jurisdiction as per the Plastic Waste Management Rules, 2016.

(13.2) The State Pollution Control Board or Pollution Control Committee shall bring out a list of entities (Exception Report) who have not fulfilled their Extended Producer Responsibility responsibilities on annual basis and publish the same on their website. The State Pollution Control Board or Pollution Control Committee shall submit the Annual Reports submitted by Producers, Importers & Brand-Owners and plastic waste processors in their jurisdiction to Central Pollution Control Board and upload the same on the online Extended Producer Responsibility portal.

(13.3) State Pollution Control Board or Pollution Control Committee will establish a mechanism to ensure a regular dialogue between relevant stakeholders involved in the fulfillment of extended producer responsibility obligations under the Plastic Waste Management Rules, 2016.

(13.4) State Pollution Control Board or Pollution Control Committee shall carry out a compositional survey of collected mixed municipal waste to determine the share of plastic waste as well as different categories of plastics packaging material on a half-yearly basis.”

59. Item No. 15 of the Guidelines, which concerns the fulfillment of Extended Producer Responsibility Obligations, states that the Producers, Importers and Brand-Owners shall have to provide the details of re-cycling certificate only from registered recyclers along

with the details of quantity sent for end of life disposal by 30th June of the next financial year while filing annual returns on the online portal. The details provided by Producers, Importers and Brand-Owners and registered plastic waste processors will be cross-checked by the online portal. In case of difference, the lower figure would be considered towards fulfillment of Extended Producer's Responsibility obligation of Producers, Importers and Brand-Owners. The certificates shall be subject to verification by the Central Pollution Control Board or the State Pollution Control Board or the Pollution Control Committee, as the case may be.

60. Item No. 16.3 of the Guidelines states that the State Pollution Control Board shall also use the centralized portal developed by the Central Pollution Control Board for registration of Producers, Importers and Brand-Owners as well as recyclers / waste processors.

61. Item No. 17 of the Guidelines provides that the State Pollution Control Board shall submit an annual report on Extended Producer's Responsibility portal with respect to fulfillment of Extended Producer's Responsibility by Producers, Importers and Brand-Owners (which includes manufacturers of plastic packaging material) and plastic waste processors in the State to the Central Pollution Control Board and to the State Level Monitoring Committee, constituted under the Plastic Waste Management Rules, 2016 and the State

Pollution Control Board shall also submit an annual report with respect to recyclers or end of life disposal in the State by 31st July of the next year.

62. Item No. 18 of the Guidelines provides for a Committee for Extended Producer's Responsibility under the PWM Rules. Item 18.1 states that a committee shall be constituted by the Central Pollution Control Board under the chairpersonship of the Chairman, Central Pollution Control Board to recommend measures to the Ministry of Environment, Forest and Climate Change for the effective implementation of Extended Producer's Responsibility, including amendments to Extended Producer's Responsibility Guidelines. The committee shall monitor the implementations of Extended Producer's Responsibility and also take such measures, as required for removal of difficulties. The Committee shall also be tasked with the guiding and supervision of the online portal including approval of requisite forms or pro forma. As per item 18.2, the committee shall comprise of representatives from the concerned line Ministries/Departments, such as Ministry of Housing and Urban Affairs, Ministry of Micro, Small and Medium Enterprises, Department of Drinking Water and Sanitation, Department of Chemical and Petrochemicals, Bureau of Indian Standards, three State Pollution Control Boards or Pollution Control Committee, Central Institute of Plastic Engineering and

Technology (CIPET), National Environmental Engineering Research Institute (NEERI) and three industry associations, and any other invitee as decided by the chairperson of the committee.

63. In the light of the preceding discussion, we now proceed to deal with the objections raised by the CIT(E) in the impugned order.

FIRST OBJECTION OF THE CIT(E)

64. The first objection by the Ld. CIT (E) is that powers in the Bye-laws of the Assessee society are with the Punjab Pollution Control Board ('PPCB') only; that the various clauses of the Bye-laws of the society make it clear that the society is meant to be run as a one man show, rather than as a public charity; that all the powers are exclusively vested in the Punjab Pollution Control Board, to be used at its sole discretion; that the administrative part of the MOA of the Assessee society also has vital bearing on the conduct of the affairs of the society and has conveyed a clear intention of the Punjab Pollution Control Board to keep all powers with itself; and that the society acts more like the private affairs of an entity, rather than a public charity. In short, as per the CIT(E), since the Punjab Pollution Control Board has kept all powers with itself, the Assessee society is not a public charity.

65. In this regard, it is seen that the Assessee society has sought registration on the basis of its claim that it is covered under the charitable purpose limb of 'preservation of environment' in section 2(15) of the Income Tax Act. To deal with the aforesaid first objection raised by the ld. CIT(E), it would be appropriate to at the outset consider the legal position qua the "preservation of environment" limb of section 2(15) of the Income Tax Act.

66. Section 2(15) of the Income Tax Act (relevant portion) reads as under:-

'Charitable purpose' includes relief to the poor, education, yoga, medical relief, preservation of environment (including watersheds, forests and wildlife) and preservation of monuments or places or objects of artistic or historic interest, and the advancement of any other object of general public utility.

67. The limb 'preservation of environment (including watersheds, forest and wildlife) and preservation of monuments or place or objects of artistic or historic interest' was added by the Finance (No.2) Act, 2009, with retrospective effect from 1.4.2009. In the speech of the Finance Minister delivered on 6.7.2009, while presenting the Budget for 2009-10, it was in this regard stated as follows by the Hon'ble Minister:

**F.M.'S SPEECH WHILE PRESENTING BUDGET FOR 2009-10,
INTRODUCING THE 'PRESERVATION OF ENVIRONMENT' LIMB IN
SECTION 2 (15), INCOME TAX ACT**

“103. Under the present provisions of section 2 (15) of the Income Tax Act, “charitable purpose” includes relief of the poor, education, medical relief, and the “advancement of any other object of general public utility”. However, the “advancement of any other object of general public utility” cannot involve the carrying on of any activity in the nature of trade, commerce or business. I propose to provide the same tax treatment to trusts engaged in preserving and improving our environment (including watersheds, forests and wildlife) and preserving our monuments or places or objects of artistic or historic interest, as is available to trusts engaged in providing relief of the poor, education and medical relief.”

68. From the above, it is clearly evident that the intention was to treat trusts involved in ‘preserving and improving our environment’ at par with trusts engaged in providing relief to the poor, education and medical relief, as charitable purposes. It is, therefore, that ‘preservation of environment’ was brought under the umbrella of ‘charitable purpose’ in section 2(15) of the Income Tax Act.

PUNJAB POLLUTION CONTROL BOARD

69. The Punjab Pollution Control Board was constituted in the year 1975 vide Punjab Government Notification dated 30.07.1975, after enactment of the Water (Prevention) and Control of Pollution Act, 1974, to preserve the wholesome of water. Subsequently, with the enactment of other environmental laws, the responsibility to

implement the provisions of such laws, as above, was entrusted to the Punjab Pollution Control Board in the state of Punjab.

70. Vide letter dated 7.2.2023, the Central Pollution Control Board has issued directions u/s 5 of The Environment (Protection) Act, 1986 to, inter alia, the State Pollution Control Boards for implementation of the Plastic Waste Management Rules, 2016, (as amended).


71. As noted, u/s 2(g) of the Environment (Protection) Act, 1986 “prescribed” means prescribed by rules made under the said Act. The Plastic Waste Management Rules, 2016, under Rule 12, have prescribed the State Pollution Control Board to be a prescribed authority for enforcement of the provisions of these rules relating to registration, manufacture of plastic products and multi-layered packaging, processing and disposal of plastic waste. The all important functions and duties of the State Pollution Control Board as a prescribed authority under the rules has been discussed hereinabove, in extenso, while dealing with the provisions of the Plastic Waste Management Rules, 2016, and their amendments. That being so, the objection of the ld. CIT(E) that the powers are with the Pollution Control Board only, is a result of non-awareness about the statutory mandate of the rules with regard to the role the Punjab Pollution Control Board has to play in the matter of plastic waste management,

which the Assessee professes and in our considered opinion, correctly so, to be covered under the charitable purpose of protection of the environment, so as to be governed by the provisions of section 2(15) of the Income Tax Act and thereby be entitled to registration u/s 12A of the Act.

72. The ld. CIT(E) is, therefore, totally un-justified in observing that since all the powers as laid down in the Bye-laws of the Assessee society are vested in the Punjab State Pollution Control Board only, this makes it clear that the Assessee society is meant to be run as a one man show and not as a public charity. Here, it needs to be re-emphasized that since the Punjab Pollution Control Board is a prescribed authority under the rules for plastic waste management, the Assessee society, working in tandem with the Punjab Pollution Control Board, is nothing other than a public charity, and not a one man show. Further, the authority vested in the Punjab Pollution Control Board and its powers have correctly been left to the exercise of its sole discretion. Otherwise, if these powers were to be vested in other constituents of the consortium, it would lead to chaotic results and the very purpose of plastic waste management would get defeated. Under the umbrella of the Punjab Pollution Control Board, the exercise of such powers gives a direction to the charitable object sought to be carried out by the Assessee society, and for this reason

too, the ld. CIT(E) is again wrong in observing that the affairs of the Assessee society are more like the private affairs of an entity and not those of a public charity.

73. Rather, the basic fact is that taking an initiative to implement the Plastic Waste Management Rules, 2016, various meetings of Brand owners Companies using multi-layered plastic material for packaging of their products, were also held at the level of the Chairman, Punjab Pollution Control Board. It was observed that multi-layered plastic was not being collected by the rag-pickers, because it is lighter in weight and is also not recyclable. Hence, the Punjab Pollution Control Board initiated a pilot project for collecting and sorting the thin multi-layered plastic waste. It was, therefore, that the Assessee society, comprising of major Brand-owners Companies, as well as the Punjab Pollution Control Board as a member, was registered in the name of 'Punjab Plastic Waste Management Society'. Vide letter dated 4.4.2019, the Punjab Pollution Control Board, through the Chief Environmental Engineer (HQ), wrote to the Project Director, Punjab Municipal Infrastructure Management Company, Sector 35, Chandigarh, for nominating a Member from the said company in the Assessee Punjab Plastic Waste Management Society. It would be important to reproduce this letter here under:-

	PUNJAB POLLUTION CONTROL BOARD VATAVARAN BHAWAN, NABHA ROAD, PATIALA
Email: epappcb@gmail.com	www.ppcb.gov.in
EPA/2019/No.	Dated:

To

The Project Director,
Punjab Municipal Infrastructure Management Company,
Sector-35, Chandigarh

Subject: Regarding nomination of a representative from the department as a member of the Punjab Plastic Waste Management Society

Reference: Discussion held during Action Plan Review Meeting held under Hon'ble PSSTE on 20.02.2019.

In reference to above, it is intimated that as per Rule 9(1) of the Plastic Waste Management Rules, 2016, the Producers and Brand-Owners, within a period of six months from the date of publication of these rules, shall work out modalities for waste collection system based on Extended Producers Responsibility and involving State Urban Development Departments, either individually or collectively, through their own distribution channel or through the local body.

Taking an initiative to implement said Rules in the State of Punjab, various Meetings of the Brand owner companies which were using Multi Layered Plastic (MLP) material for packing of their products were held at the level of Chairman PPCB. A meeting was also taken with the rag pickers and their contractors on 15.09.2017 which were collecting plastic waste from the solid waste. It was observed that the Multi Layered Plastic is not collected by the rag pickers because it is lighter in weight and also is not recyclable. Hence, the Board initiated a pilot project for collecting and storing the thin multi-layered plastic waste in Patiala and a society comprising of major brand owner companies as well as PPCB as a member was registered in the name of Punjab Plastic Waste Management Society. The Society is registered under Societies Registration Act (XXI of 1880). A separate bank account under the head "Plastic Waste Management Fund" was opened for all the financial transactions related to the Society. The Brand-Owners Companies made contribution in the account of the Society on the basis of quantum of multi-layered plastic waste generated due to sale of their products in the State. The amount so collected in the account is being used for making payment for collection and disposal of multi-layered plastic waste. Currently, the Society is being run by around 28 major brand owner companies such as Dabur, HUL, Pepsico, ITC, Nestle, Parle, Patanjali, Tata, Perfetti etc.. The Society has made agreement with Producer Responsibility Organization (PRO), M/s Indian Pollution Control Association, New Delhi (registered with Central Pollution Control Board) for collection and disposal of multi-layered plastic waste. The current Chairman of the Punjab Plastic Waste

Management Society is Mr. Prabhakar Mishra, Associate Head, Scientific and Regulatory Affairs, M/s Perfetti Van-Melle India Pvt. Ltd. Any Brand-Owner Company interested in joining the society can join the society after filling the application form of the Society.

As per discussions held in the above referred meeting, the Department of Local Government has an important role to play in the implementation of the Plastic Waste Management Rules, 2016 and thus need to be involved in the activities of the Punjab Plastic Waste Management Society

You are therefore requested to nominate a member from your department in the Punjab Plastic Waste Management Society.

Sd/-
Chief Environmental Engineer (HQ)

Endst. 1078 **Dated:** 04/04/2019

A copy of the above is forwarded to the Chairman, Punjab Plastic Waste Management Society for information and necessary action.

[Signature]
Chief Environmental Engineer (HQ)

74. It is, thus, evident that not only is it that all the powers are vested with the Punjab Pollution Control Board, in fact, it is the Punjab Pollution Control Board which is spearheading the implementation of the Plastic Waste Management Rules, 2016. It is the Punjab Pollution Control Board, which, as a prescribed authority under the rules, has registered the Assessee society for implementation of the rules for managing plastic waste in the State of Punjab.

75. Therefore, there is no force in the objection raised by the Id. CIT(E) that all powers have been vested by the Punjab Pollution Control Board in itself and that the Assessee society is meant to run as a one man show and not as a public charity. The objection in this regard, is as such, rejected.

SECOND OBJECTION OF THE CIT(E)

76. The next objection raised by the Id. CIT(E) is that Sr. Nos. 3 and 4 of the Aims and Objectives of the Assessee society are restrictive in nature and that its Bye-laws and the administrative part of its MOA make it clear that the Assessee society is meant to be run as a one man show, rather than a public charity.

AIMS AND OBJECTS OF THE ASSESSEE SOCIETY

77. For the purpose of grant of registration, the first thing to be seen by the Registering Authority is the objects of the applicant. The Aims and Objects of the Assessee society are as under:-

“1.The society shall be registered under the societies Act 1860, since it shall operate on a no loss no profit basis.

2 To set up a mechanism for collection, transportation, treatment & disposal of plastic material especially multilayered plastic pouches, thermocol packing & utility items (polystyrene products) in an environmentally sound S. safe methods/ technologies.

3 To interact with various stakeholders engaged in the packaging, distribution, generation, collection of the multi layered plastic pouches/packaging.

“4. To provide facility to the Brand owners, producers for collection of multilayered plastic pouches/packaging equivalent to the generation through marketing of their products in the State of Punjab at a reasonable charge.

5. To conduct survey & to undertake research & development for the treatment & disposal of the multi layered plastic packaging through use of innovative & environmentally sound technologies.

6. To share & make available the benefits of such environmentally sound technologies along with data to all the stakeholders as & when required for the advantage of them & public at large.

7. To take premises on rent all over the state as per the requirement to set up multi layered plastic waste packaging, collection, ratings & processing plants,

8. To work out the common cause of management of multilayered waste management in the State of Punjab through innovative methods, techniques etc.

9. To manage/arrange funds for the management of the plastic waste.

10. To help set up units for utilization/recycling/processing/reprocessing etc. in an environment friendly manner.

11. To take various measures incidental or assistive to the achievement of above objectives for the improvement of environment of the State.

78. Now let us deal with each of these objects in detail, to see as to whether these objects are restrictive (object Nos. 3 and 4), in nature, as held by the CIT(E) or if they are charitable within the meaning of section 2(15) of the I.T. Act.

79. The first object is that since it shall operate on a no profit no loss basis, the society shall be registered under the Societies Act, 1860. The ld. CIT(E) has not raised any objection in this regard. It has not been denied that the Assessee society is operating on a no profit no loss basis and it is so, that it is registered under the Societies Registration Act, 1860.

80. Object No. 2 states that the Assessee society is to set up a mechanism for collection, transportation, treatment and disposal of plastic material, especially multi-layered plastic pouches, thermocol

packing and utility items (polystyrene products) in environmentally sound and safe methods /technologies. Again, no objection has been raised by the ld. CIT(E). Such action is entirely in line with the implementation of the Plastic Waste Management Rules, 2016 and the Environmental (Protection) Act, 1986. Since, this object leads to protection of the environment, it falls under the charitable purpose of protection of the environment u/s 2(15) of the I.T. Act.

81. As per object No.3, the Assessee society is to interact with various stakeholders engaged in the packaging, distribution, generation and collection of multi-layered plastic pouches / packaging. As noted above, under the rules, “Extended Producers Responsibility” (EPR) means the responsibility of a producer, i.e., persons engaged in the manufacture of carry bags or multi layered packaging or plastic sheets or the like, for the environmentally sound management of the product until the end of its life. As per the Guidelines on Extended Producer Responsibility for Plastic Packaging as contained in Schedule-II to the rules, the Plastic Waste Management Rules, 2016 mandate the generators of plastic waste to take steps to minimize the generation of plastic waste, not to litter the plastic waste, ensure segregated storage of waste at source and handover segregated waste in accordance with the rules. Object No.3, is, therefore, entirely in keeping with this mandate of the rules.

82. Object No. 4 states that the Assessee society is to provide facility to the Brand owners and producers for collection of multilayered plastic pouches/packaging equivalent to the generation through marketing of their products in the State of Punjab at a reasonable charge. Evidently, this object too is in accordance with the mandate of the guidelines on Extended Producer Responsibility of Plastic packaging, as contained in Schedule-II of the Rules. The Id. CIT(E) has reproduced only object Nos. 3 and 4 out of the total 11 objects of the Assessee society. The Id. CIT(E) states that the aims and objects at Sr. No. 3 & 4 are restrictive in nature. He states so, since object No.3 mentions “stakeholders”, whereas object No. 4 deals with “Brand owners” and “Producers”.

83. In this regard, as per Rule 9 of the Rules, it is the responsibility of the producers to work out the modalities for waste collection system based on Extended Producer Responsibility and involving State Urban Development Departments, either individually or collectively, through their own distribution channel, or through the local body concerned. The primary responsibility for collection of used multi-layered sachets or pouches or packaging is of Producers, Importers and Brand owners who introduce the products in the market. The requirement of the rules is for them to establish a system for collection of plastic waste generated due to their products. This

plan of collection is to be submitted to the State Pollution Control Board, while applying for consent to establish or operate or renewal. Manufacture and use of multi-layered plastic which is non-recyclable or non-energy recoverable, or with no alternate use of plastic, if any, is required to be phased out in two years' time. The producer has to apply to the State Pollution Control Board for grant of registration. Without registration from the State Pollution Control Board, no producer can manufacture or use any plastic or multi-layered packaging for packing of commodities. Every producer shall maintain a record of details of the persons engaged in the supply of plastic used as raw material to manufacture carry bags of plastic sheets or the like, or covers made of plastic sheets or multi layered packaging.

84. It is, therefore, seen that object Nos. 3 and 4 of the Assessee society are nowhere restrictive in nature. They are, rather, strictly in accordance with the mandate of the rules. The objection of the Id CIT(E) in this regard is, hence, utterly erroneous.

85. Object No.5 states that the Assessee society is to conduct survey and to undertake research & development for the treatment and disposal of the multi layered plastic packaging through use of innovative & environmentally sound technologies. The Id. CIT(E) has not raised any objection to this object. This object, it is seen, is, again, entirely within the scope and ambit of the statutory dictat of the rules

as well as the Environment (Protection) Act, 1986. Since production of plastic waste is rapidly increasing, R&D for its treatment and disposal through use of innovative and environmentally sound technologies is entirely called for, rather inexorable.

86. In keeping with the Object No.6, the Assessee society is to share and make available the benefits of such environmentally sound technologies along with data to all the stakeholders as and when required, for the advantage of them and the public at large. Again, the ld. CIT(E) would have no objection. Making available environmentally sound technologies to the stakeholders and the public at large is in line with the object of protection, conservation and sustenance of our environment. The benefits thereof will obviously accrue to one and all and help in protecting the environment in accordance with the rules and the Environment (Protection) Act.

87. Object No. 7 enables the Assessee society to take premises on rent all over the State, as per the requirement, to set up plants for multi-layered plastic waste packaging, collection, ratings & processing. The ld. CIT(E) has not objected to this object also. Obviously, for setting up of such plants, premises are required to be taken on rent and this object is in keeping with the rules and the Act.

88. Object No.8 states that the Assessee society is to work out the common cause of management of multilayered waste management in

the State of Punjab through innovative methods, techniques, etc. Plastic waste management is undoubtedly the common cause for protection of the environment under the rules and the Act and working out such management is required for the implementation of the rules and the Act. With the increase in the production of plastic waste, management thereof requires innovative methods and techniques, etc. This, the Assessee society is to work out. The Id. CIT(E) has not objected.

89. Object No. 9 mandates to manage /arrange funds for the management of the plastic waste. It goes without saying that management of plastic waste involves various steps like collection, segregation, distribution, transportation, recycling, etc. Now, obviously, such management requires funds, which the Assessee's object is to manage and arrange. This object again, is a link in the chain of the entire process of implementation of the rules and the Act for the protection of the environment, to which, again, the Id. CIT(E) would have no objection.

90. Object No. 10 requires the Assessee to help set up units for utilization/recycling/processing/reprocessing, etc., in an environment friendly manner. Here, unless the waste plastic is utilised, recycled, processed and re-processed, etc., and unless this is done in an environmentally friendly manner, the very basic purpose of the

protection of environment would not be met. Therefore, units for carrying out this action are required to set up and the Assessee needs to help in the setting up of such units. This, evidently, is in furtherance of the rules and the Act. The Id. CIT(E) has not objected.

91. The last object, i.e., object No.11 requires the Assessee to take various measures incidental or assistive to the achievement of the other ten objectives for the improvement of the environment of the State. This object is self-explanatory.

92. The above object-wise discussion shows that all the objects of the Assessee society are objects in furtherance of the Plastic Waste Management Rules, 2016, as amended from time to time and the Environment (Protection) Act, 1986. All these objects are for the sole purpose of preservation of the environment, which is a charitable purpose under the provisions of section 2 (15) of the Income Tax Act. Object Nos. 3 and 4 have, therefore, been wrongly held by the CIT(E) to be restrictive in nature.

FURTHER FUNCTIONS PURSUANT TO THE AIMS AND OBJECTS

93. Further, pursuant to the above objectives, as provided in the Assessee's MOA (APB-8), the society may:

- (a) *Make rules and bye-laws for the conduct of the affairs of the Society and add to, amend, vary or rescind them from time to time:*

- (b) Advise the Government regarding policy initiatives in respect of multilayered plastic waste management:*
- (c) Arrange funds (cash or kind), grants, securities, property and infrastructure of any kind, from any department, state and central government, industry, society, individual, etc.*
- (d) Borrow money required for the purpose of the society with or without security upon such terms and in such manner as may be determined by the Board of the Society.*
- (e) Invest any money of the society not immediately required for any of its objects in such a manner as the Board may in its absolute discretion determine.*
- (f) Meet out of the funds of the society all expenses, which the society may incur with respect to the information, registration and operations of the society;*
- (g) Open Bank Accounts of any type including overdraft account and operate the same in ordinary course of business;*
- (h) Own, establish or have and maintain offices, branches and agencies in or outside India for the purpose of carrying on its business;*
- (i) Promote form conduct or associate in the promotion formation, or conduct of companies, subsidiaries, societies, or such other associations of persons as it may deem fit;*
- (j) Sell or dispose of the undertaking of the society or any part thereof for such considerations as the Society may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the Society.*
- (k) Enter into partnership or joint venture with any company, society, association of person, or to co-operate*

with or subsidizes or assist in any way such company, society, association of person.

(l) Purchase or take land on lease to setup multilayered plastic waste management project or purchase, take on lease or otherwise acquire any land, building, infrastructure or other property movable, which may be necessary,

(m) Hire contractual staff for fieldwork and accounts/secretarial work and also take on lease/hire vehicles for day-to-day operations or as and when required.

(n) Take staff/experts on deputation from other departments, governments industry, etc. or as contribution of industry to the society,

(o) Do all other such things as the society may consider necessary, incidental or conducive to the attainment of its objectives.

94. These actions are also dealt with herein under item wise. The ld. CIT(E) has not taken objection to any of these actions, though registration has been refused to the Assessee society, anyway.

95. The Assessee society, in pursuance of its objects may make rules and bye-laws for the conduct of the affairs of the Society and add to, amend, vary or rescind them from time to time. In pursuance of this power, the Assessee society has made Bye-laws for the conduct of its affairs, which Bye-laws shall be discussed separately.

96. The Assessee society may advise the Government regarding policy initiatives in respect of multilayered plastic waste management.

This undisputedly is in pursuance of the main object of multi-layered plastic waste management.

97. The Assessee society may arrange funds (cash or kind), grants, securities, property and infrastructure of any kind, from any department, State and Central Governments, industry, society, individual, etc. Obviously, the Assessee society is enabled to carry out any of these actions to implement and further the object of plastic waste management, which require funds, property and infrastructure, as discussed herein above.

98. The Assessee society may borrow money required for the purpose of the society with or without security upon such terms and in such manner as may be determined by the Board of the Society. This is also in pursuance of the object of carrying out the plastic waste management. The purpose of the society in this regard might require borrowing of money. The manner for such borrowal is to be determined by the Board of the society and not by any individual.

99. In pursuance of its objects, the Assessee society may also invest any money of the society not immediately required for any of its objects. The manner of such investment is to be determined by the Board of the Society, and, again, not by any individual.

100. The expenses which may be incurred by the society with regard to the information, registration and operations of the society are to be met out of the funds of the society. This, again, is in pursuance to the objects of the society and not otherwise.

101. Likewise, the Assessee society may open Bank Accounts of any type including overdraft account and operate the same in ordinary course of business. Obviously, the course of business of the society is carrying out of its main objective of plastic waste management.

102. For this purpose, i.e., the main object of the society, it may own, establish or have and maintain office, branches and agencies in or outside India.

103. The Assessee society is also entitled to promote, form, conduct or associate in the promotion, formation, or conduct of companies, subsidiaries, societies, or such other associations of persons as it may deem fit. This clause governs the action of the Assessee society in engaging with the Brand Owners, Producers and other stake holders, regarding plastic waste management, as provided for in the Plastic Waste Management Rules, 2016, as amended from time to time, as has been discussed herein above.

104. The Assessee society may sell or dispose of the undertaking of the society or any part thereof for such consideration as it may

think fit, and in particular for shares, debentures or securities of any other companies having objects altogether or in part similar to those of the Assessee Society. This clause is self-speaking in as much as the action enabled therein has been specifically stated to be with regard to the entities having objects altogether or in part similar of those of the Assessee society.

105. The Assessee society may also enter into partnership or joint venture with any company, society, association of persons, or to co-operate with or subsidize or assist in any way such company, society or association of persons. Again, this clause is in furtherance of the main objective of the Assessee society, i.e., plastic waste management.

106. Likewise, the Assessee society is also entitled to purchase or take land on lease to setup multilayered plastic waste management project or purchase, take on lease or otherwise acquire any land, building, infrastructure or other property movable, which may be necessary. This clause concerns, as stated therein, acquisition of infrastructure necessary for plastic waste management, which is the main object of the Assessee society.

107. The Assessee society may also hire contractual staff for fieldwork and accounts/secretarial work and also take on lease/hire vehicles for day-to-day operations or as and when required. This is also in pursuance of the plastic waste management object.

108. The Assessee society may also take staff/experts on deputation from other departments, governments, industry, etc., or as contribution of industry to the society. This clause, again, follows the main purpose and object of the Assessee society.

109. The last clause is a residuary clause, as per which, the Assessee society may do all other things as considered necessary, incidental or conducive to the attainment of its objectives. Being self-speaking, this clause does not require any further explanation.

110. From the above delineated actions, it is evident that these actions are in pursuance of the main objects of the Assessee society, which objects, at the cost of repetition, are in pursuance of the charitable purpose of preservation of the environment through implementation of the Plastic Waste Management Rules, 2016 and the Environment (Protection) Act, 1986.

MOMORANDUM OF ASSOCIATION

111. It has also been provided in clause 4 (c) of the Memorandum of Association (MOA) of the Assessee society that all the incomes, earnings movable or immovable properties of the Assessee society shall be solely utilised and applied towards the promotion of its aims and objects only, as set forth in the MOA and no profit thereof shall be paid or transferred directly or indirectly by way of dividend, bonus,

profits or in any other manner whatsoever to the present or past Members of the society. It has also been provided that no Member of the society shall have any personal claim on any movable or immovable properties of the society or shall make any personal claim on any movable or immoveable properties of the society or shall make any profits whatsoever, by virtue of his membership. It has been provided that however, payment in good faith, remuneration of any member of the society, or other person in return for any services rendered to the society, or for travelling allowances, halting or similar charges, would not be prevented.

112. Clause 4 (c) of the MOA of the Assessee society, as such, is an all-encompassing clause governing bona fide action mentioned therein, for the furtherance of the objects of the society, particularly the object of the plastic waste management.

113. While concluding that the powers mentioned are with the Punjab Pollution Control Board only, the ld. CIT(E) has made reference to clauses 5, 10, 11(i) and 14 of the Bye-laws of the Assessee society. We have dealt with the primary crucial role of the Punjab Pollution Control Board in furtherance of the Plastic Waste Management Rules, 2016, and the Environment (Protection) Act, 1986, for preservation of the environment as a charitable purpose under the provisions of section 2(15) of the Income Tax Act, in the

preceding paragraphs. However, since the Id. CIT(E) has doubted the Bye-laws of the Assessee society, each of these Bye-laws needs to be deliberated upon individually here.

BYE-LAWS OF THE ASSESSEE SOCIETY

114. The bye-laws of the Assessee society (APB 10-19) are as follows:-

“1.Name

The Society shall be called the PUNJAB PLASTIC WASTE MANAGEMENT SOCIETY’.

2. DEFINITIONS

In these Bye Laws, unless the context otherwise provides:

- i. “Society” means the Punjab Plastic Waste Management Society’ for management of multilayered plastic waste, a society registered under the Societies Registration Act.*
- ii. “Board” means the Board of Management constituted in terms of these bye-laws,*
- iii. “Chairman” means the Chairman of Board of Management under these bye-laws,*
- iv. “Act’ means the Societies Registration Act, as is applicable in the State Union Territory in which Head Office of Council is located,*
- v. Memorandum of Association” means the Memorandum of Association of the Punjab Plastic Waste Management Society’ for management of plastic waste.*
- vi. ‘Secretary’ means the Secretary of the Society.*

viii. *Chief Executive" means Chief Executive of the Society*

3. FUNCTIONS & ACTIVITIES

In furtherance of the Aims & Objects of the Society indicated in the memorandum of Association, the Society may undertake itself and for cause to be undertaken by the concerned Departments/Agencies/Units one or more of the following tasks or activities in addition to any other tasks or activities as may be considered to be appropriate and necessary

- 1 to invite consultants with suitable technology for installation of proper assessment, collection, boiling & processing plant*
- 2. to fix contractor for setting up of operation & maintenance of the plant as found necessary*
- 3 to maintain suitable land and to construct buildings thereon for establishing/storage/ treatment/processing plants and for any other purpose connected therewith.*
- 4 to purchase or take on lease any buildings, or other Immovable or movable property and to improve manage, develop and or exchange the buildings or their immovable' movable property which was purchased or taken on lease by the company*
- 5 to, let out on rent, hire, sublet or otherwise deal with all or any part of the properties and assets of the company*
- 6 to enter into agreement with any Government or Government undertakings or any other authorities supreme, municipal, local, foreign or otherwise which may seem conducive to the company's objective' any of them either for joint collaboration or for obtaining from any of them any grants concession rates, privileges, quotas, lease and license*

- 7 *To promote status and research, both scientific and technical, investigation and invention by providing subsidizing, endowing laboratories, workshops libraries, lectures, meetings and conferences and providing grants and subsidies to the persons undertaking such work, as found convenient*
- 8 *to establish sub-offices, research laboratories and other information offices for the plant for the benefit of the user brand owners/producers of plastic waste*
9. *to obtain any order enabling the society to carry out its objectives in effect or for effecting any modification of the society's constitution or for any other purpose by lawful means and to oppose any proceedings or application which may seem calculated direct./ or indirectly to prejudice the society's interest*
- 10 *to take suitable steps to enable the society to carry out any of its objects into effect or for effecting any modification of the society's constitution or any other purpose which may seem expedient,*
- 11 *to receive grants, loans, advances or other moneys or deposits or other kinds of financial assistance from the Central Government or State Government, Banks, Firms, Companies, Trusts or individuals, with or without allowances of interest there on*
- 12 *to open and operate bank accounts, to 'draw, make accept, endorse, discount, issue and negotiate assign and otherwise deal with cheques, drafts, promotes, bills of landing, railway receipts, warrants and all other negotiable or transferable instruments*
- 13 *To acquire by subscription, purchase or otherwise and to accept and take hold and sell, shares, or stocks, in any company society or to undertake the objects which shall either in whole, or part, be "similar to those of this company*

14 To undertake and execute any contracts for works involving the supply, application or use of any machinery, materials or processes and to carry on any ancillary or other works comprising of and identical to the manufacturing line for which the company has been established

15 To draw, make, accept, endorse, discount and execute negotiable instruments

16 to meet the energy requirements of the company subject to and under compliance with law in force time to time

17 The income and property of the company' shall be applied solely for the promotion of these objects as set forth in the memorandum

18 No portion of the income or property aforesaid shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to persons who at any time or having members of the society or to anyone or more of them or to any person claiming through anyone or more of them.

4. MEMBERSHIP OF THE SOCIETY

a) Primary Members: All such brand owners /producers /individuals desirous of participating in the affairs and business of the Society can become primary members of the Society on admission by the Board of Management and by fulfilling conditions as may be prescribed from time to till.

b) Associate Members: ail organizations / individuals involved in similar business and having interests in the functioning of the Society, may be admitted as Associate Members, subject to the conditions laid down by the Board of Management.

- c) *Associate Members shall have the right "to attend General Body Meetings of the society or any" other meeting to which they are invited, but shall not be entitled to vote.*

5. *ADMISSION OF MEMBERS*

The Board of Management shall be the final authority for laying down the criteria for determining the eligibility and conditions for admission of Primary and Associate Members.

6. *SUBSCRIPTION*

Member shall pay such subscription as may be prescribed by the Board of Management.

7. *CESSATION OF MEMBERSHIP*

A member shall cease to be a member on not fulfilling the conditions laid down by the Board of Management or due to reason adjudged by the Board of Management as injurious to the functioning of the SOCIETY. Violation of Section 15 of Societies Registration Act, 1960 shall also be disqualification for the Member.

8. *GENERAL BODY MEETING*

- a) *General Body of the-Society shall consist of all the Primary members and Associate Members of the society.*
- b) *The Council shall hold an Annual General Meeting at least once a year and not more than 18 calendar months shall lapse between two successive Annual General Meetings, a notice of dear 15 days convening such a meeting shall be given to the members The business of the Annual General Meeting shall be :*
- i. *To consider and adopt the Annual Report and Audited Accounts of the Society together with the Auditor's Report on the accounts;*

- ii. *To amend the Memorandum and Bye-laws of the Council, if necessary;*
- iii) *To transact any other business as may be laid before it by the BOM or brought forward by 3 member of the General Body with the permission of the Chairman of the meeting.*
- c) *The Chairman of the Board of Management will chair the meeting or in his absence the members will chose the Chairman of the meeting from amongst themselves.*
- d) *The Govt. directors may send their representative in the meeting in case they are unable to attend personally.*

9. BOARD OF MANAGEMENT

- a) *There shall be a Board of Management which will include following functionaries :-*
 - i) *Chairman*
 - ii) *Chief Executive*
 - iii) *General Secretary*
 - iv) *Joint Secretary*
 - v) *Directors*

Further, all the office bearers bearer to the Board of Management shall be by virtue of their post/designation in their respective institutions.

- b) *The number of Directors initially will be seven but subsequent this no. can be increased. These Directors will be elected among the primary members of the Society once in a year but not later than eighteen months.*
- c) *The office bearer of the Society i.e. Chairman, Chief Executive, General Secretary and Joint Secretary will initially nominated in the general body meeting of the Directors of the Society Subsequently, these will be elected among the Directors of the Society once in a year but not later than eighteen months.*

(10) SPECIAL PROVISION

Not with standing anything contained in Articles 9, the PPCB may nominate more Directors from the Govt. and experts from the related field. These Directors shall also work to assist the Society in formulation of the policy initiatives and management of multilayered plastic waste. They shall also be members of the governing bodies and shall not be paid employees of the Society.

11. TERM OF OFFICE

- i The PPCB shall have the final say as for as far as the term of the office is concerned.*
- ii The nominee Directors of Punjab Pollution Control Board shall not be liable for retirement by rotation nor shall be liable to be removed by the Board of Directors and/or General Body. It is clarified that the nominated Director(s) Govt. nominees shall not be responsible for any act of commission or omission of the Society or their own acts done in good faith and shall always be held unconditionally immune from any suit , proceedings or legal action whatsoever, including civil, pecuniary and criminal or prosecution under any general or special law in respect of the functions and working of the Society and the Society indemnifies and undertakes to keep always indemnified such Nominated Director(s) / Govt. Nominees for and against any loss, claim, action, costs proceedings, complaint, charges etc. incurred or likely to be incurred by such Nominated Director(s) / Govt. Nominees for any act of commission or omission of the society.*
- iii) The directors nominated by Punjab Plastic Waste Management Association" (PPWMA) shall remain at the office for a period of one year in the first instance Thereafter 1/3³ of the directors nominated by the PPWMA are liable to retire every year at the annual*

general meeting by rotation. The retiree director may be reelected at Annual general meeting but for a maximum tenure of two years. The first Director shall retire at the first Annual General Meeting. The Director who had already availed the term of two years can be re-nominated after the gap of two years.

- iv) Except for the members nominated by Govt. of Punjab, the member ceases before the tenure as per bye-laws or is terminated by Board of Management under the following circumstances:*
- a) If member intentionally does any act or omission likely to injure the credit of Society or fails to observe proper discipline in regard to work of the Society.*
 - b) If a Member does any act of omission which may be held by the Board to be dishonest or contrary to the stated objects or interests of the Society.*
 - c) If a Member without showing satisfactory reasons and without the permission of the Chairman as the case may be, absents himself from three consecutive meetings of the Board of Management.*
 - d) In the event of invocation bye-laws as above a show cause notice shall issued to explain his conduct and he/she shall be given an opportunity in his/her defence after, issuance of notice. In the event of invocation of bye-law ll(iv), he/she shall be given an opportunity in his/her defence after issuance of a Show-cause Notice for his/her absence. However, if the Member requests for leave of absence, it shall not be denied to him/her without just and valid reason, to be recorded in writing.*
 - e) The membership of the person who becomes a member of the society by reason of the office or post he holds shall terminate when he ceases to hold that office or post and his successor shall automatically replace him on the Board.*

- v) *A nominated member may, at any time, resign from the office sending his resignation to the Chairman of Board of Management. Such resignation shall take effect from the day it is accepted.*

12. FUNCTIONS OF BOARD OF MANAGEMENT

The Board of Management of the society shall have all such power as are considered necessary or expedient for the purpose of carrying out its functions.

Without prejudice to the generality of the foregoing power, such power would include this power.

i. *To admit Members and terminate membership of the Society*

ii. *To approve the budget estimates.*

iii. *To hear appeal of employees of the Society or SPV against the orders of Chairman.*

iv. *To frame regulations for appointment of staff, conduct of business, supervision and management of the Society.*

v. *To determine terms and conditions of collaboration with other institutions and organization.*

vi *To authorize persons to sign on behalf of the society bills, notes, receipts, acceptance, endorsements, cheques, release, contracts and other documents.*

vii. *To appoint such Committees sub-committees as may be necessary and delegate powers to them or to the other officers of the society.*

viii *To furnish to the Board periodical information necessary for appraising it to the operations and functions of the society.*

ix To perform such other duties and exercising such other powers as may be assigned.

(8) POWERS, DUTIES AND FUNCTIONS OF FUNCTIONARIES

A) Chairman

- i. The Chairman shall preside over all the meetings of the Board of Management and in his absence no meeting shall take place unless the Chairman previously informs his inability to attend the meeting and authorize any other office bearer/director to chair the meeting on his behalf.*
- ii. The Chairman shall approve all the agenda items and budget proposals before the same is put up to Board of Management for consideration.*
- iii. The Chairman shall maintain order of the meeting and in case of any uncalled behaviour of any member, Chairman shall be competent to suspend the member from participating in that particular meeting.*
- iv. In case of ...quity of the Board in the meeting of the Board of Management, the Chairman shall have power to decide the matter.*
- v. The Chairman shall be competent to carry out uninterrupted day to day function of the Society, Chief Executive or other Director/employees of the Society shall be responsible to him.*
- vi. The Chairman shall be competent to appoint and take all disciplinary action including removal of any Director/employee of the Society.*
- vii. To discharge all such duties, powers and functions delegated by the Board of Management to the Chairman.*

- viii. *To approve any expenditure on any item upto Rs, 1.00 lac or upto such limit beyond Rs. 1.00 lac as delegated by Board of Management.*
- ix. *In emergent situation, the Chairman shall take all such decisions as deemed appropriate in the Interest of the society.*
- x *To call the meeting of the general body with prior approval of the Board of Management.*

b) *Chief Executive:*

All policy decision taken by the board of management shall be implemented by the Chief Executive.

c) *General Secretary:*

- i. *To be custodian of all the funds, documents and records of the society.*
- ii. *To make arrangements for the proper maintenance of various books and records of the society.*
- iii *To prepare the agenda for meetings & Convening meetings of the General Body / Board of Management.*
- iv. *To maintain Minutes Book, record truly and correctly proceedings of the Board of management and General Body.*
- v. *To get the annual accounts audited from the auditors.*
- vi. *To receive funds financial aid, loan amounts, membership fees and all other moneys payable to the Society and to give receipt and acknowledgement.*
- vii *To keep regular accounts and to submit before the Board of Management an abstract showing the financial position of the Society.*

d) *Joint Secretary*

To help the General Secretary in performing his functions.

13. MEETINGS OF THE BOARD OF MANAGEMENT

- a) *The meetings of the BOM shall be convened by the Secretary with the approval of the Chairman of the UOM: Meetings of the BOM shall be ordinarily held once in every quarter.*
- b) *Generally, a notice of 15 days shall be given to the members for a meeting of the Board. An emergent meeting of the Board may be called at a shorter notice, at the discretion of the Chairman of the Board as the-case may be.*
- c) *The quorum of the meeting shall be 1/3rd of the total strength and presence of one of the Directors from Govt. is must to ensure quorum if there is no quorum at any meeting of the Board the meeting shall be adjourned.*
- d) *The Chairman of the UOM will chair the meeting or in his absence, if duly informed by Chairman in advance, the members present in the meeting shall elect a Chairman for the meeting from amongst themselves.*
- e) *All matters in the meeting shall be decided by majority of the members present and voting if necessary. Each member of the Board shall have one vote. In the event of a tie or equality of votes the Chairman shall have a second and casting vote.*
- f) *Registered office shall be the venue of the meetings of the Board of Management unless It is decided to hold it at any other place with the approval of the Chairman of the Board.*
- g) *A record of the meeting of the meeting of the Board shall be kept. The minutes shall be signed by the Secretary and shall be circulated to all members and shall be ratified by the Members of the Board. Copies of the minutes should be readily available to all members of the Board and shall form an agenda Item in the next meeting of the Board.*

14. POWERS OF THE GOVT.

The PPCB may however modify, suspend or annul any resolution passed by the society which is in contravention

of its objectives, by-laws and rules. However, an opportunity will be provided to the PPWMA to explain its position before passing such orders.

15. GRANTS, DONATIONS ETC

The Society may receive gifts, grants, donation and benefactions from Government or any other source In or outside India and the same shall be used by the Society for exercising its functions and discharging its responsibilities subject to the condition that an, acceptance from foreign agencies, institutions and Governments will be on such terms as may be prescribed by the Government of India from time to time.

16. FUND

1) *The Society shall maintain a Fund to be called the Society Fund to which shall be credited.*

a) *all sums of money that may be provided by Government*

b) *all subscriptions and charges received from the members;*

c) *all sums of money generated from gift commodities by the society or received by it by way of grants and donations, and*

d) *all sums of money received by the society In any other manner or from any other source*

2. *All sums of money credited to the said fund shall subject to the regulations, if any, made in this behalf be deposited with any nationalised bank or public finance institution approved by the BOM.*

3. *The said Fund shall be applied towards meeting the administrative and other expenses of the society including expenses incurred in the exercise of powers and the discharge of Its functions and responsibilities or In relation to any of the activities referred to in the bye-laws*

17. *DISTRIBUTION AND DISPOSAL of ITS PROFITS*

- 1) *The profits if any generated from the activities of the Society shall form part of the fund*
- 2) *The Society can provide honorarium to its members or office bearers.*

18. *PREPARATION OF ACCOUNTS AND BALANCE SHEET*

- 1) *The Balance Sheet and the accounts of the society shall be prepared in such form and in such manner as may be prescribed by the Board of Management.*
- 2) *The Board of Management shall close the books of account of the Society to be closed and balanced as on the last day of March each year.*

19. *AUDIT*

- 1) *The accounts of the Society shall be audited by Auditors duly qualified to act as Auditors of Companies under the Companies Act and the appointment of Auditors and remuneration payable to them shall be subject to approval of the Board of Management and General Body.*
- 2) *Every Auditor in the performance of his duties shall have at all reasonable time access to books of account and other documents of the Society.*
- 3) *The Auditors shall submit their report to the Chairman of the Society.*

20. *REPORTS AND RETURNS*

- I. *Annual Report consisting details of Society activities and a balance sheet shall be prepared financial year-wise and placed for approval before the Annual Meeting of the Board of Management.*
- II. *The annual report of the Society after approval by the Board of Management shall be presented to*

the Government of Punjab duly audited by auditors duly qualified to act as Auditors of Company under the Companies Act

21. *ANNUAL LIST OF BOARD OF MANAGEMENT TO BE SENT TO THE REGISTRAR*

Once in every year, a list of the office bearers and member; of the Governing Body of the Society shall be filed with the Registrar of Societies as required under Section 4 of the Societies Registration Act 1860.

22. *ESTABLISHMENT OF THE COMMITTEE*

i. In pursuance of the bye-laws, the Board may constitute, by passing a resolution through simple majority, Committee / Sub-Committee(s) from amongst its members to deal with such specific issues, or subjects, as may be recommended by the Board. Where necessary, individuals outside the members of the Council or the Board as the case may be, may be associated in the Committee / Subcommittee(s) 'Where, however, the subject/issues requiring attention becomes so urgent and inevitable that it is not possible to wait for the meetings of the Board, then the Chairman may constitute such committees/sub-committee through an appropriate order, subject, however, to obtain ratification of the Board at its next meeting. The resolution of the Board/or the order issued by the Chairman shall indicate the terms of reference, duration and modalities of operations of such committee / Sub Committees.

ii. Meetings of the Committee/Sub-Committee shall normally be held at Registered Office unless decided otherwise by the Chairman of the Committee/Sub-Committee, to hold it elsewhere.

23. *CONSULTANTS/EXPERTS*

a) The Society shall have the authority to engage/employee consultants/experts on contract basis not exceeding 3 years period initially specific

to a particular activity or area on such terms and conditions and through said rules as framed, the Council and approved by the Board of Management.

- b) *The Society, with the approval of its Chairman may engage/employ consultants/experts on such terms and conditions mutually agreed upon for specific emergent activities or areas, however, subject to ratification by the Board of Management at its next meeting.*

24. *OTHER STAFF EMPLOYEES*

i) *Subject to such rules as may be framed/adopted by the Society, the Society may appoint/engage such officers and employees as deemed necessary for efficient performance of the functions in accordance with such rules and regulations.*

ii) *Board of Management shall have the authority to entrust the work to Government functionaries in terms of relevant rules and regulations of the Government of India and sanction honorarium to them.*

25. *SERVICE RULES AND REGULATIONS*

Terms and conditions of Consultants or such functionaries engaged by the Society for specific activities shall be governed by term and conditions fixed by the Board of Management at the time of their engagement honorarium to them.

26. *LEGAL PROCEEDINGS*

The Society may sue OR BE sued in the name of the Chairman / Chief Executive as per the provisions laid down under Section 6 of the Society- Registration Au 1860 as applicable to Punjab.

27. *POWER OF RELAXATION / ADDITIONS AND LTERATIONS*

- i The Board of Management at their discretion may delegate any powers, authority of the Board to its Chairman.*
- ii The Board may alter, extend abridge or amend Memorandum of Association and Bye laws however, subject to such propositions being agreed to by the votes of three fifth of the members of the board at a meeting duly convened for the purpose and finally approved by Society m ITS General Meeting. Any amendment in the Memorandum of association and Bye laws will be carried out in accordance with, the procedure bid down under Sections 12 and 12A of Societies Registration Act 1860 and only in the General Body Meeting of the Society.*

28. *DISSOLUTION AND ADJUSTMENT OF AFFAIRS*

If the Society needs to be dissolved, it shall be dissolved as per the provisions laid down under Sections 13 and 14 of the Societies Registration Act I860 as applicable to Punjab. If on the winding up or dissolution of the council, there shall remain, after settlement of all its debts and liabilities, any property, whatsoever the same shall not be paid or distributed among the members of the Board or to any of them but shall be. disposed of under rules and in such manner as the Government of Punjab may determine.

29. *APPLICATION OF THE ACT*

ALL the provisions under all the Sections of the Societies Registration ACT I860, as APPLICABLE to Punjab shall apply to this Society. For the purpose of any litigation etc. the Society shall come within the jurisdiction of the Court of Patiala.

30. *ESSENTIAL CERTIFICATE*

Certificate that this is the correct copy of the Rules and Regulations of the Society.

115. The first Bye-law has the name of the Assessee society. Bye-law No.2 contains definitions of terms appearing in the Bye-laws.

116. Bye-law No. 3 deals with functions and activities of the Assessee society. It states that in furtherance of the aims and objects of the society indicated in the MOA, the society may undertake itself and / or cause to be undertaken by the concerned Department / agencies / Units one or more of the tasks or activities as contained in Bye-law No.3, in addition to any other task, or activity as may be considered appropriately or necessary. Such tasks or activities are 18 in number.

117. Proceeding further, Bye-law 4 deals with the membership of the Assessee society. As per this Bye-law, in accordance with the requirement of THE rules, the Primary Members of the Assessee society are to be of such Brand-owners/ Producers / Individuals who are desirous of participating in the affairs and business of the society, by fulfilling conditions as may be prescribed from time to time. Then, all organisations / individuals involved in similar business and having interest in the functions of the Society, may be admitted by the Board of Management of the Assessee society, as Associate Members,

subject to the conditions laid down by the Board. Further, the Associate Members shall have the right to attend General Body Meetings of the Assessee society or any other meetings to which they are invited, but shall not be entitled to vote.

118. Bye-law No. 5 provides for admission of Members. It states that the Board of Management shall be the final authority for laying down the criteria for determining the eligibility and conditions for admission of Primary and Associate Members. The ld. CIT(E), by quoting these Bye-laws concluded that this, along with the other Bye-laws makes it clear that the Assessee is meant to be run as a one man show. As to how this is so, has not been elaborated, by the Ld. CIT(E). This Bye-law, rather lays down the process of admission of members to the Assessee society, which is to be governed by the Board of Management by laying down the criteria for determining the eligibility and conditions for admission of the members. We do not find this Bye-law to be indicating anything whatsoever which can be taken to mean that the Assessee society is to be run as a one man show.

119. Item No. 6 of the Bye-laws above Bye-laws requires that the Members shall pay such subscription as may be prescribed by the Board of Management.

120. Bye-law No. 7 provides for Cessation of Membership on not fulfilling the conditions laid down by Board of Management of the

Assessee society or for any reason adjudged by the Board of Management as injurious to the functioning of the society. It has been stated that the violation of section 15 of the Societies Registration Act, 1860 shall also be a disqualification for the members. The Id. CIT(E), remarkably, has not raised any objection with regard to this Bye-law, though this Bye-law also deals with the power of the Assessee's Board of Management, as does Bye-law No.5.

121. Bye-law No. 8 deals with General Body Meeting and provides that the general body of the society shall consist of all the Primary Members and Associate Members of the society. The Council shall hold an Annual General Meeting at least once a year and not more than 18 calendar months shall elapse between two successive Annual General Meetings, and a notice of clear 15 days convening such a meeting shall be given to the members. The business of the Annual General Meeting shall be : (i) to consider and adopt the Annual Report and Audited Accounts of the society together with the Auditor's Report on the accounts; (ii) to amend the memorandum and Bye-laws of the Council, if necessary; and (iii) to transact any other business as may be laid down before it by the Board of Management or brought forward by a member of the General Body with the permission of the Chairman of the meeting. The Chairman of the Board of Management will chair the meeting or in his absence, the members will choose the Chairman

of the meeting from amongst themselves. The Government directors may send their representatives in the meeting, in case they are unable to attend personally.

122. Here again, the ld. CIT(E) has not taken any objection to the Bye-laws despite the role of the Board of Management of the Assessee Society functions delineated clearly therein. The Society having been set up as such, it was obviously; require Annual General Body meetings to be conducted for the pursuance of its aims and objects.

123. Bye law No. 9 provides for Constitution of the Board of Management of the Assessee society.

124. Bye-law 10 is a special provision, as per which, notwithstanding anything contained in Bye-law 9, the Punjab Pollution Control Board may nominate more Directors from the Government and experts from the related field. This Bye-law makes it clear that these directors shall also work to assist the Society in formulation of the policy initiatives and management of multilayered plastic waste. They shall also be members of the governing bodies and shall not be paid employees of the Society. The ld. CIT(E) has taken objection to this Bye-law 10 as being indicative of the Assessee society being run as a one man show wherein, all the powers are exclusively vested in the Punjab Pollution Control Board to be used at its sole discretion. As deliberated upon herein above in detail, the Punjab

Pollution Control Board is the prescribed authority under the rules for carrying out the objective of preservation of the environment as a charitable object. This Bye-law goes to emphasize this very fact, the Punjab Pollution Control Board having been bestowed with the power to nominate more directors than the ones originally constituting the Board of Management of the Assessee society, from the government and experts from the related field. This very recital in the bye-law clearly shows that the directors which may be nominated by the Punjab Pollution Control Board are not private persons or paid employees of the Assessee society, as specifically stated towards the end of the bye-law 10. However, this aspect of the matter has escaped the notice of the ld. CIT(E).

125. Bye-law 11 provides for the term of the office. Clause (i) of the Bye-law 11, as reproduced by the ld. CIT(E), provides that the Punjab Pollution Control Board shall have the final say as far as the term of office is concerned. In view of the power vested under the Punjab Pollution Control Board by the rules themselves, there remains no meaning in the objection of the ld. CIT(E). This, however, has not been taken into consideration by the ld. CIT(E) .

126. Bye-law 11(ii) further emphasize the vast powers really vested in the Punjab Pollution Control Board. As per clause (ii), the nominee Directors of the Punjab Pollution Control Board shall not be liable for

liable for retirement by rotation nor shall be liable to be removed by the Board of Directors and/or General Body. It is clarified that the nominated Director(s) Govt., nominees shall not be responsible for any act of commission or omission of the Society or their own acts done in good faith and shall always be held un-conditionally immune from any suit, proceedings or legal action whatsoever, including civil, pecuniary and criminal or prosecution under any general or special law in respect of the functions and working of the Society and the Society indemnifies and undertakes to keep always indemnified such Nominated Director(s) / Govt. Nominees for and against any loss, claim, actions, costs proceedings, complaint, charges etc. incurred or likely to be incurred by such Nominated Director(s) / Govt. Nominees for any act of commission or omission of the society.

127. Bye-law 12 lays down the functions of the Board of Management of the Assessee society, having all such powers as are considered necessary or expedient for the purpose of carrying out its functions. The Board has the power to admit Members and terminate membership of the society; to approve the budget estimates, to hear appeals of the employees of the society or SPV against the orders of the Chairman; to frame regulations for appoint of staff, conduct of business, supervision and management of the society; to determine terms and conditions of collaboration with other institutions and

organisations; to authorize persons to sign on behalf of the Assessee bills, notes, receipts, acceptance, endorsements, cheques, release, contracts and other documents; to appoint such committees / sub-committee's as may be necessary and delegate powers to them or to the other officers of the society; to furnish to the Board periodical information necessary of appraising it to the operators and functions of the society and to perform such other duties and such other powers as may be assigned.

128. As evident, these are functions and necessary powers for the smooth functioning of the society, to carry out the object of plastic waste management as a charitable object for protection of the environment. Likewise, the powers, duties and functions of the functionaries, as contained in Bye-law 12 (B), pertaining to Chairman, Chief Executive, General Secretary and the Joint Secretary are for the purposes subservient to the aforestated objects of the Assessee society. None of these powers has been objected to by the ld. CIT(E).

129. Bye-law 13 deals with the Meetings of the Board of Management. This procedure of meetings of the Board, obviously, is for facilitating the smooth functioning of the Board of Management of the Assessee society and to supervise the functions of the Board.

130. Bye-law 14 provides for the Powers of the Governments with regard to the Assessee society. This Bye-law states that the Punjab

Pollution Control Board may modify, suspend or annul any resolution passed by the society, which is in contravention of its objectives, bye-laws and rules on providing an opportunity to the Assessee to explain its position before passing such orders. This Bye-law has also invited objection by the ld. CIT(E), however, it is reiterated that since the Punjab Pollution Control Board has the overall power of superintendence, there is nothing wrong with this Bye-law 14.

131. The Assessee society may receive gifts, grants, donations and benefactions from the Government or any other source in or outside India, as provided under Bye-law 15. The society shall use such receipts for exercising its functioning and discharge of its responsibilities, subject to the condition that any acceptance from foreign agencies, institutions and Governments will be on such terms as may be prescribed by the Government of India from time to time. This Bye-law facilitates existence of ease of exercise of functions and discharge of responsibilities by the Assessee society. It is superscripted by power of the Government of India to check illegal receipt from abroad. The facilities provided under this Bye-law are not found liable to be questioned.

132. Bye-law 16 provides for a Fund to be maintained by the Assessee society for deposit of all amounts received, to be deposited with any nationalized bank or public finance institution as approved

by the Board of Management of the Assessee society. The fund shall be supplied as provided in the Bye-law. Again, this is a facility for the smooth un-chaotic functioning of the Assessee society.

133. Bye-law 17 provides for Distribution and Disposal of its Profits. Bye-law 18 prescribes for Preparation of Accounts and Balance Sheet. Bye-law 19 states that the Accounts of the Assessee society shall be audited. These Bye-laws, evidently, lay down for transparency in the financial aspects of the functioning of the Assessee society.

134. As per Bye-law 20, Annual Reports containing details and activities of the society and a balance sheet, shall be prepared financial year wise and placed for approval before the annual meeting of the Board of Management. After approval by the Board, such report shall be presented to the Government of Punjab, duly audited by the auditors duly qualified to act as auditors of the company under the Companies Act. This Bye-law, again, ensures correct and proper functioning qua financial matters and transparency therein.

135. Once in every year, so provides Bye-law 21, a list of office bearers and members of the Government body of the Society shall be filed with the Registrar of Societies, as required u/s 4 of the Societies Registration Act, 1860. Nothing wrong is found with this bye-law too. It paves the way for elimination of any hanky-panky.

136. Bye-law 22 provides for establishment of the Committee / Sub-Committees from amongst the members of the society to deal with such specific issues, as may be recommended by the Board. Where the urgency of the matter involved is such that it is not possible to wait for meetings of the Board, then the Chairman may constitute such Committees / Sub-Committees through an appropriate order. This, however, shall be subject to obtaining ratification of the Board in its next meeting. This bye-law facilitates the smooth functioning of the society, qua specific issues, takes care of the action provided for transparency for the formation of the Committee / Sub-committees.

137. Engagement /employment of consultants, experts by the Assessee has been authorised by the Bye-law 23, as provided for therein. This Bye-law meets the requirement of seeking consultation / expertise specific to particular emergent activities or areas. Again, it is subject to the supervision of the Board of Management, in a transparent manner.

138. Bye-law 24 provides for appointment / engaging such officers and employees, as deemed necessary for the Assessee society, subject to rules framed or adopted in this regard, as deemed necessary for the efficient performance of the functions of the Assessee society. The Board of Management has been again given the authority to entrust work to government functionaries in terms of the relevant rules and

regulations of the Govt. of India. This Bye-law facilitates the efficient performance of the functions of the Assessee society, in furtherance of the object of the Preservation of the Environment.

139. The terms and conditions of Consultants or functionaries engaged by the society for specific activities are, as provided by Bye-law 25, to be governed by the terms fixed by the Board of Management. Again, nothing is left to be handled by individual members.

140. Bye-law 26 authorizes the Chairman / Chief Executive of the Society to sue or be sued on behalf of the Assessee. Nothing objectionable here also.

141. Bye-law 27 deals with the powers of the relaxation, additions and alterations by the Board of Management, concerning the powers and authority of the Board.

142. Bye-law 28 lays down for dissolution of the Assessee society, if need be, and the adjustment of its affairs.

143. Bye-law 29 lays down that all the provisions under the Societies Registration Act, 1860, as applicable to Punjab, shall apply to the Assessee society.

144. Even a cursory perusal of the above bye-laws of the Assessee society makes it clear that none of these Bye-laws is inconsistent with the aims and objects of the Assessee society. For reasons not evincible from the order under appeal, the Id. CIT(E) has chosen to refer to only Bye-laws 5, 10, 11(i) and 14 to be objectionable, according to him. He has, however, remained oblivious of the settled position that all the bye-laws have to be taken into consideration holistically. Though the bye-laws picked by the Id. CIT(E) themselves, on a stand-alone basis, also do not indicate anything to enable a conclusion that thereby, the Assessee society can be said to be a Society meant to be run as a one man show, rather than as a public charity. As discussed above, each and every one of these bye-laws has been framed in furtherance of the main objective of plastic waste management, which, undoubtedly, aids the charitable object of the Preservation of the Environment, as a charitable purpose, within the ambit of section 2(15) of the I.T. Act. The same goes for the administrative part of the Memorandum of Association, for which the Id. CIT(E) has, without any basis, observed that it conveys that it makes the Assessee society look more like the private affairs of an entity, rather than a public charity.

THIRD OBJECTION OF THE CIT(E)

145. As per the ld. CIT(E), none of the activities of the Assessee is covered by any of the limbs of “charitable purpose” as envisaged by section 2(15) of the I.T. Act. Let us see.

ACTIVITIES OF THE ASSESSEE SOCIETY

146. The second requirement for grant of registration is the genuineness of the activities of the applicant. As per the Brief Note on the activities of the Assessee society (APB 24 - 25), the Punjab Plastic Waste Management Society is a society registered under the Societies Registration Act. It is a special purpose vehicle / consortium of the FMCG Companies operating in the State of Punjab and with the Punjab Pollution Control Board, formed with the objective of managing Multilayered Plastic (MLP) waste. The society collects MLP waste and sends it to recyclers, waste-to-energy plants, cement units and pyrolysis units to abstract fuel oil from MLP. During the year under consideration, pilot projects were launched at Amritsar and Patiala and around 1378 MT MLP waste was collected and disposed of. The society was incorporated in the immediately preceding Assessment year. However, it started its operations during the year under consideration only. The main activities of the society are:-

1. Collection, Treatment, Disposal of Plastic Material, especially Multi-Layered Plastic Pouches in

environmentally sound and safe
Methods/Technologies.

2. To conduct survey & to undertake Research and Development for the Treatment and Disposal of Multi-Layered Plastic Packaging through use of Innovative Technologies.
3. To work for the common cause of management of multilayered plastic waste management in the State of Punjab through innovative methods, techniques, etc.
4. To take various measures incidental or assistive to the achievement of the above objectives for the improvement of the environment of the State.

147. The society provides a platform to various Stakeholders, i.e., Brand Owners, such as Pepsi Co., HUL, ITC, Nestle, Dabur India, Patanjali, etc., who are engaged in packaging, distribution, generation and collection of multi layered plastic pouches/packaging to fulfill their Extended Producers Responsibility (EPR) as provided in the Plastic Waste Management Rules, 2016 (as amended).

MULTILAYERED PLASTIC WASTE MANAGEMENT

148. The society operates on a No Profit No Loss basis. As noted hereinabove, the chief activity of the Assessee society is management of Post-Consumer Multilayered Plastic Plant Waste, for preservation of the environment. For this, water is collected and sent to the recyclers,

waste-to-energy plants, cement units and pyrolysis units to extract fuel oil from the MLP. Plastic Pyrolysis or devolatilization is a common technique to convert plastic waste into energy, in the form of solid, liquid and gaseous fuels. It is the thermal degradation of solid plastic waste at different temperatures, in the absence of oxygen, to produce pyrolytic oil, or bio-oil. It is one of the most favourable and effective methods of disposing plastic waste, which is environment friendly and efficient. Because no oxygen is present, combustion does not occur, rather the plastic thermally decomposes into bio-oil, bio-char and syngas. The yield of bio-oil is optimized and can be used as boiler fuel or upgraded to renewable transportation fuels. The bio-char is usable on farms as an excellent soil amender that can sequester carbon. It is highly absorbent and, therefore, increases the soil's ability to retain water, nutrients and agricultural chemicals, preventing water contamination and soil erosion. Soil application of bio-char may both enhance soil quality and be an effective means of sequestering large amounts of carbon, thereby helping to mitigate global climate change through carbon sequestration. Use of bio-char as a soil amendment will offset many of the problems associated with removing crop residues from the land.

149. Syngas or synthetic gas is used for producing ammonia, or methanol, diesel fuel, heating application, generating power and a

wide range of fertilizer fuels, solvent and synthetic materials. It has environmental advantages of greenhouse gas reduction, conversion of troublesome wastes to usable fuels and reduction of carbon emission in engines. The productive use of waste material represents a means of alleviating some of the problems of non-biodegradable solid waste management. The reuse of wastes helps save and sustain natural resources that are not replenished. It decreases the pollution of the environment and it also helps to save and recycle energy production processes. Plastic waste is amongst the most prominent non-biodegradable solid waste. Plastic waste disposal has harmful effects on the environment due to their long biodegradation period and therefore, one of the logical methods for reduction of their negative effect is the application of plastic waste in other industries.

150. Concrete plays an important role in the beneficial use of these materials in construction. Some of them can be beneficially incorporated in concrete, both as part of the cementitious binder phase, or as aggregates. The efficiency of reusing waste plastic in the production of concrete is, therefore, beyond the pale of doubt. Reusing waste plastic as a sand substitution aggregate in concrete, hence, gives a good approach to reduce the cost of materials and solve some of the solid waste problems posed by plastics.

The activities of the Assessee have elaborately been discussed in its three Annual Reports mentioned herein above.

REPORT ON ASSESSEE'S ACTIVITES FROM APRIL 2020 TO MARCH 2021

151. So far as regards the Assessee, as noted herein above, three Reports on its activities, for A.Ys. 2020-21 to 2022-23, as statutorily required by the Plastic Waste Management Rules, to be submitted by the Assessee society, before the Punjab Pollution Control Board, were placed by the Assessee before us. These Reports are in the public domain, as stated. As per the report for the period from April 2020 to March, 2021 (APB 39-56), the Punjab Pollution Control Board and the Assessee Punjab Plastic Waste Management Society launched a five-year program on 2.10.2018, for effectively managing post-Consumer Multi-layered Packaging (MLP) in the State of Punjab, with the following objectives:-

1. To comply with Rule section 9(2) of Plastic Waste Management Rules 2016/18.
2. To create a network of rag-pickers/waste collectors for the collection and segregation of post-consumer MLP waste.
3. To set up dry waste collection center for secondary storage of segregated post-consumer MLP waste.
4. To channelize the collected quantity of post-consumer MLP waste to the authorized and recommended recycling/processing industries for end of life solution.

152. The following are the Brand Owners under the Assessee:

Brand Owners under PPWMS:

S.No.	Company Name
1	Dabur India Ltd.
2	Dharmpal Satyapal Ltd.
3	Future Consumer Ltd.
4	Godrej Consumer Products Ltd.
5	Haldiram Snacks Pvt. Ltd.
6	Hector Beverages Pvt. Ltd.
7	ITC Ltd.
8	Nestle India Ltd.
9	Parle Products Pvt. Ltd.
10	Patanjali Ayurved Ltd.
11	PepsiCo India Holdings Pvt. Ltd.
12	Perfetti Van Melle India Pvt. Ltd.
13	Savencia Fromage Dairy
14	SC Johnsons
15	Tata Consumer Products Ltd.
16	Lotte India Corporation Limited
17	Zydus Wellness Products Limited
18	Hindustan Unilever Ltd.
19	Prataap Snacks Ltd.
20	Hygienic Research Institute Pvt. Ltd.
21	FieldFresh Foods Pvt. Ltd.
22	Cremica Food Industries Ltd
23	Nutricia International Pvt. Ltd (Danone)
24	Britannia Industries Ltd.
25	Chanakya Bakery
26	Milkfoods Limited
27	ROC (Republic of Chicken) Foods Ltd.
28	Bunge India Pvt. Ltd
29	Global Green Company Limited
30	National Soap Mills
31	Ludhiana Beverages Ltd.
32	Victoria Foods (P) Ltd
33	Bajaj Consumer Care Ltd
34	Amrit Soap Company
35	Om Sai Foods Enterprises
36	Kitty Industries Pvt. Ltd.
37	The Ropar Distt. Co-op Milk Producer's Union Ltd. (VERKA) - Mohali

38	The Sangrur Distt. Co-op Milk Producer's Union Ltd. (VERKA)
39	The Patiala Distt. Co-op Milk Producers Union Ltd. (VERKA)
40	Uttam Sugars Mill Ltd.
41	Devdarshan Overseas
42	The Doaba Cooperative Milk Producer Union Ltd. (Verka) , Jalandhar
43	The Ludhiana Cooperative Milk Producers Union Ltd. (Verka) , Ludhiana
44	The Hoshiarpur District Cooperative Milk Producers Union Ltd. (Verka)
45	The Gurdaspur District Cooperative Milk Producers Union Ltd. (Verka)
46	The Bathinda District Cooperative Milk Producers Union Ltd. (Verka)
47	The Amritsar District Co-operative Milk Producers Union Ltd, Amritsar

153. The Assessee appointed Indian Pollution Control Association (IPCA) to strengthen the collection and processing of post-consumer multi-layered packaging (MLP) in the state. For the execution of the EPR project for collection and co-processing of MLP, the methodology employed was that the IPCA prepared an action plan to achieve the given targets, which included networking with the waste pickers communities, setting up of dry waste collection centers in different locations, liaising with Urban Local Bodies (ULBs), dispatch agencies and with plastic waste processing industries (WTE Plants and Pyrolysis Plant) for the collection and co-processing of MLP waste. They conducted network training programs with waste pickers communities to make them educated about MLP collection, segregation and incentives of MLP. They developed a network of approximately 400 waste pickers in project locations. The waste was collected and segregated, baling was done. Plastic bales were transported for processing to WTE plant, cement kiln, pyrolysis plant

and road construction. For the purpose of baling, dry waste collection centers were set up in Mohali, Rupnagar, Bhatinda, Amritsar and Patiala. These dry waste collection centers are well equipped with Vertical Hydraulic Baler, which compacts the low weight high volume plastic waste into compact bales. The details of the Dry Waste Collection Centres are as follows:-

Table 1 : Details of Dry waste collection centre

S.No	City	Address
1	Mohali	Office Address:-Gurdwara Buliding, Phase-2 Mohali Center Address :- Village Toga district Mohali (Punjab)
2	Rupnagar	Basant Nagar, Nangal Chowk, Roopnagar
3	Bhatinda	Kala Singh Colony Bhatinda
4	Amritsar	Plot No:- 1031 Village Bharariwal Chabal Road,Near Ganda Nala Amritsar
5		Plot No:-19 Village Bharariwal, Chabal Road, Near Shah Palace, Amritsar
6		1983 Gali, Dadgran i/s Mohan Singh gate Near Mata Mandir Amritsar
7		Lane No;- 2, Darshan Avenue, G.T Road Near By Pass, Amritsar
8	Patiala	D-313, Focal Point Patiala

154. Total MLP collection, dispatch and processing for six months from October 2020 to March 2021 amounted to 9065.001 MT, as follows:

Table 2: Details of MLP waste collected and processed (FY 2020 – 2021)

S.no.	City	Total MLP Target (MT)	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total Collection (MT)
1	Amritsar	9065.001	357.805	383.595	1081.505	725.335	1015.03	864.811	4428.081
2	Mohali		145.24	408.89	552.23	524.855	497.905	451.905	2581.025
3	Ropar		19.68	9.155	19.915	45.1	83.515	0	177.365
4	Nawa Shahr		0	0	0	0	0	0	0
5	Patiala		130.02	244.145	392.805	337.24	370.325	390.38	1864.915
6	Bhatinda		0	6.405	0	7.21	0	0	13.615
7	Moonak		0	0	0	0	0	0	0
Total		9065.001	652.745	1052.19	2046.455	1639.74	1966.775	1707.096	9065.001

5391.13 MT of post-consumer MLP was collected from Patiala and Amritsar and the 5391.13 MT MLP waste was dispatched to other co-processing units, one in Delhi and the other in Mandi Gobindgarh.

155. The details of co-processing of MLP are as under:-

Table 4: Details of the co-processing of MLP (FY 2020 – 2021)

Months	Amritsar		Mohali	Ropar	Patiala		Bhatinda	Month Total (MT)
	IL&FS	Mahadev	IL&FS	IL&FS	IL&FS	Mahadev	Mahadev	
Oct-20	347.155	10.65	145.24	19.68	23.88	106.14	0	652.745
Nov-20	279.2	104.395	408.89	9.155	64.235	179.91	6.405	1052.19
Dec-20	925.92	155.585	552.23	19.915	54.035	338.77	0	2046.455
Jan-21	547.585	177.75	524.855	45.1	81.175	256.065	7.21	1639.74
Feb-21	839.495	175.535	497.905	83.515	86.54	283.785	0	1966.775
Mar-21	773.141	91.67	451.905	0	30.915	359.465	0	1707.096
Total	3712.5	715.585	2581.03	177.365	340.78	1524.14	13.615	9065.001

REPORT ON ASSESSEE'S ACTIVITIES FROM APRIL 2021 TO MARCH 2022

156. As per the Report for the period from April 2021 to March 2022 (APB 57-96) vide Notification dated 12.8.2021, the Ministry of Environment, Forest and Climate Change notified the Plastic Waste Management (Amendment) Rules 2021, basically aiming to prohibit identified single-use plastic items, having low utility and high littering potential by the year 2022. Subsequently, the Ministry, on 16.2.2022, notified amendment to the PWM Rules, as per which, the Producers, Importers and Brand-owners (PIBOs) shall comply with the Extended Producers Responsibility as per Provisions under the rules. The objectives are:

1. To collect segregated plastic waste from various locations in Punjab as per the annual target allocated by Punjab Plastic Waste Management Society (PPWMS).
2. To ensure engagement or empanelment with Urban Local Bodies (ULBs) of selected locations in Punjab to ensure collection of plastic waste from areas under the jurisdiction of respective ULBs.
3. To promote segregation of plastic waste at source to ensure maximum collection of plastic waste in an efficient manner.
4. To undertake Information, Education and Communication (IEC) activities at various levels of waste collectors, community/ residents, ULBs etc. to ensure mass awareness regarding segregation of plastic waste, and efficient collection of plastic waste.

5. To design, prepare and propagate IEC material on Plastic Waste Management through distribution of material, print media (newspapers, banners, hoardings, pamphlets, etc.), social media (Facebook, Twitter, You tube etc.), and mass media (FM channels).
6. To engage and network with waste collectors/ rag pickers through awareness programmes regarding the significance of their contribution to the environment, identification of various kinds of plastic waste, segregation of post-consumer MLP waste, sanitation and hygiene, utilization of safety kits, etc.
7. To set up dry waste collection centers for secondary storage of segregated post-consumer MLP waste and ensure required infrastructure, records and fire safety measures at the collection centers.
8. To channelize the collected quantity of post-consumer MLP waste to the authorized agencies and recommend recycling/processing industries for end of life solution.
9. To issue certificates of the collected quantity of post-consumer MLP waste to the respective agencies and ULBs.

157. The Assessee and IPCA, as stated, signed an agreement on 14.10.2020 to work together towards the objective of Plastic Waste management under the Swachh Bharat Mission. There were 45 like-minded brand owners associated with the Assessee, working as a consortium in the State of Punjab. The Assessee prepared a common

EPR Action Plan for the collection and co-processing of post-consumer MLP waste, which was approved by the PPCB. The list of the 45 Brand Owners is as follows:-

S. No.	Brand Names associated with under Punjab Plastic Waste Management Society (PPWMS)
1.	Dabur India Ltd.
2.	Dharampal Satyapal Ltd. & SFPL
3.	Godrej Consumer Products Ltd.
4.	Haldiram Snacks Pvt. Ltd.
5.	Hector Beverages Pvt. Ltd.
6.	ITC Ltd.
7.	Nestle India Ltd.
8.	Parle Products Pvt. Ltd.
9.	Patanjali Ayurved Ltd.
10.	PepsiCo India Holdings Pvt. Ltd.
11.	Perfetti Van Melle India Pvt. Ltd)
12.	Savencia Fromage Dairy
13.	Brillon Consumer Products Private Limited (Formerly SC Johnsons)
14.	Tata Consumer Products Ltd.
15.	Lotte India Corporation Limited
16.	Hindustan Unilever Ltd.
17.	Prataap Snacks Ltd.
18.	Hygienic Research Institute Pvt. Ltd.
19.	Del Monte Foods Private Limited (Formerly Field Fresh Foods Pvt. Ltd.)
20.	Cremica Food Industries Ltd
21.	Nutricia International Pvt. Ltd (Danone)
22.	Britannia Industries Ltd.
23.	Chanakya Bakery
24.	Milkfoods Limited
25.	ROC (Republic of Chicken) Foods Ltd.
26.	Bunge India Pvt. Ltd
27.	Global Green Company Limited
28.	National Soap Mills
29.	Bajaj Consumer Care Ltd
30.	Amrit Soap Company

PUNJAB PLASTIC WASTE MANAGEMENT SOCIETY (PPWMS)	
31.	Kitty Industries Pvt. Ltd.
32.	The Ropar Distt. Co-op Milk Producer's Union Ltd. (VERKA) – Mohali
33.	The Sangrur Distt. Co-op Milk Producer's Union Ltd. (VERKA)
34.	The Patiala Distt. Co-op Milk Producers Union Ltd. (VERKA)
35.	Devdarshan Overseas
36.	The Doaba Cooperative Milk Producer Union Ltd. (Verka)
37.	The Ludhiana Cooperative Milk Producers Union Ltd. (Verka)
38.	The Hoshiarpur District Cooperative Milk Producers Union Ltd. (Verka)
39.	The Gurdaspur District Cooperative Milk Producers Union Ltd. (Verka)
40.	The Bathinda District Cooperative Milk Producers Union Ltd. (Verka)
41.	The Amritsar District Co-operative Milk Producers Union Ltd (Verka)
42.	Chatha Foods Pvt. Ltd.
43.	Windsor Industries
44.	Aneja Foods Private Limited
45.	BCL Industries Limited

158. To achieve its objectives, a multi-approach was adopted through empanelment / engagement with Municipal Corporation / Councils, networking with waste collectors / rag pickers implementing large scale IEC activities, collection of MLP waste from various locations and scientific disposal to the WTE facility/ Recycling plant / Pyrolysis Plant.

Empanelment with Municipal Corporation / Council (s)

159. IPCA has approached all the concerned Municipal Corporations and Municipal Councils to strengthen its linkages and networking

with local bodies for Plastic Waste Management. Memorandums of understanding have been signed with Municipal Corporation of Patiala, Municipal Corporation of Amritsar, Municipal Corporation of Mohali and Municipal Council at Rupnagar (APB 90-93). Further, Association with Municipal Corporation of Bathinda is under process due to code of conduct. The association with local bodies will enable scientific and sustainable management of plastic waste in the area under their jurisdiction. MC Patiala, Mohali, Rupnagar and Amritsar have already associated with IPCA for management of Solid Waste in the area under their jurisdiction.

Details of Dry Waste Collection Centre(s) (DWCC)

160. As advised by PPCB and PPWMS, IPCA has developed a mechanism for collection of post-consumer MLP waste in cities of Punjab and developed infrastructure for the segregation, compaction and storage of post-consumer MLP waste. These Dry Waste Collection Centers are well equipped with hydraulic balers and fire safety tools and undergo Annual Audit for inspection of their obligatory requirements and follow all stipulated guidelines. The details of these DWCCs are:

Details of Dry Waste Collection Centre (DWCCs)

S. No.	City	Address
1	Mohali	Phase-2 Mohali Center Address :- Village Toga district Mohali (Punjab) Plot No 1250, Sector 82, JLPL, Mohali, Punjab
2	Rupnagar	Basant Nagar, Nangal Chowk, Roopnagar
3	Bhatinda	Kala Singh Colony Bhatinda
4	Amritsar	Plot No:- 1031 Village Bharariwal Chabbal Road, Near Ganda Nala Amritsar Plot No:-19 Village Bharariwal, Chabbal Road, Near Shah Palace, Amritsar 1983 Gali, Dadgrani/s Mohan Singh gate Near Mata Mandir Amritsar Lane No;- 2, Darshan Avenue, G.T Road Near By Pass, Amritsar
5	Patiala	D-313, Focal Point Patiala

Networking with Waste Picker Communities & Other activities

161. For the execution of EPR project for collection and co-processing of MLP, IPCA prepared an action plan to achieve the given targets, which included networking with the waste pickers communities, setting up of Dry Waste Collection Centers in different locations, liaising with ULBs, dispatch agencies and plastic waste processing industries. All the collected waste is disposed of scientifically to Waste to Energy plants, Recycling Plant and Pyrolysis plant. They have conducted workshop/training programs to make them educated about the MLP collection, segregation and incentives of MLP. They have developed a network of approximately 600 waste collectors at their various project locations during the period of April 2021 to March 2022. IPCA has designed and printed pamphlets in Punjabi, Hindi

and English for mass distribution, specifically to rag pickers and community people. As plastic waste management should be efficient, it should start from the household level segregation. Thus, specific pamphlets have been designed for community persons, while pamphlets for rag pickers provide information about MLP Waste collection and their safety and hygiene aspects to be taken care of while performing their duties.

Workshops/ Awareness Programmes with Waste Collectors

162. Waste workers are having a big stake in waste management and a supply chain of waste commodities and they are engaged in collection of waste material from different source like households, markets, hotels, institutes, corporate offices, road sides, dump yards, etc., and they are also involved in primary and secondary segregation of waste. Therefore, to develop a sustainable supply chain of post-consumer MLP waste, education, awareness, and skill development of waste workers is very essential and considering the need of such programs, IPCA has developed a network of waste workers in seven cities of Punjab and conducted workshop with them. Through these workshops they were made aware about the MLP waste and its value. They were also taught about their personal hygiene and health safety. They were motivated to collect and segregate MLP waste to increase their per capita income. They were told that they can sell their

collected MLP waste to the Dry Waste Collection Centre. In all seven cities, through workshops and one-to-one networking of the IPCA team and its collection partners, approximately 600 waste workers were educated and given awareness on the issues related with plastic waste segregation and management.

Details of the awareness workshops and training programmes conducted for the waste collectors / rag pickers at various locations.

	Date	Place	Number of Waste-Collectors
1	28/08/2021	D-267 Focal Point Patiala (Punjab)	39
2	13/11/2021	D-313 Focal Point Patiala (Punjab)	30
3	04/12/2021	Village Togan, Mohali (Punjab)	30
4	12/12/2021	Rana Flour Mill, Kurali, SAS Nagar, Mohali	30
5	13/12/2021	D-313 Focal Point Patiala (Punjab)	50
4	17/12/2021	Chabal Road Near Ganda Nala Amritsar	25
5	19/12/2021	Village Husanpur ,Nagal Road Rupnagar	35
6	22/12/2021	Kaala Singh Sidhu Colony, Bhatinda, (Punjab)	30
7	15/01/2022	D-313 Focal Point Patiala (Punjab)	41
8	08/02/2022	Village Togan, Mohali (Punjab)	30
9	09/02/2022	Rana Flour Mill, Kurali, SAS Nagar, Mohali	60
10	09/02/2022	Village Husanpur ,Nagal Road Rupnagar	20
11	12/02/2022	PR-4 Road , Village Togan Mohali	23
12	13/02/2022	Basant Nagar, Nangal Chowk, Roopnagar (Punjab)	54
13	19/02/2022	D-313 Focal Point, Patiala (Punjab)	59
14	24/02/2022	Kaala Singh Sidhu Colony, Bhatinda, (Punjab)	28
15	26/02/2022	Chabal Road Near Ganda Nala Amritsar	62
16	04/03/2022	Kaala Singh Sidhu Colony, Bhatinda, (Punjab)	30
17	05/03/2022	Basant Nagar, Nangal Chowk, Roopnagar (Punjab).	43
18	06/03/2022	Chabal Road Near Ganda Nala Amritsar	55
19	12/03/2022	Kaala Singh Sidhu Colony, Bhatinda, (Punjab)	30
20	13/03/2022	Chabal Road Near Ganda Nala Amritsar	35

163. People's behavior towards waste management is a matter of concern and the major issue involved is unconscious littering of waste. People do not segregate and dispose their waste into separate dustbins, and litter at their convenience. This causes a lot of nuisance to our environment and damages the aesthetic appearance of the city.

Therefore, IPCA decided to ply special dedicated vehicles for the collection of littered plastic waste from the road side and open areas in different cities.

164. IPCA celebrated special festive days like Guru Nanak Dev Jayanti and Good Friday while offering plastic waste collection services at the Gurudwara and the Church. The initiative was supported by local community and IPCA got an overwhelming support.

165. IPCA has also been organizing awareness programmes on plastic waste segregation for housing groups and societies, to ensure segregation of plastic waste through them at the household level. Presentation, group discussion, oath taking, quizzes and sacred thread tying for environment protection are some of the activities included in these awareness programmes.

166. Cloth bags have been designed for distribution among masses in exchange of their segregated plastic waste. This initiative helps in discouraging use of plastic bags for daily shopping as well as segregation of plastic waste for exchanging with cloth bags for free, thus instilling a habit among the masses, on a regular basis, towards plastic waste segregation.

167. Information, Education and Awareness are means for infusing attitude and behavioral changes in the masses of all age groups. Thus,

IPCA is implementing many activities at all levels of the community.

IPCA has also designed banners and hoardings to be displayed at strategic locations in various towns and cities, at selected locations.

168. As Radio and FM are also playing an important role in mass awareness and information exchange with people who don't have access to digital/ social media, IPCA has also started sharing information about its major initiatives and activities through FM channel (92.7 Big FM) through interviews and jingles, on plastic waste management to ensure awareness and consciousness amongst the masses, and involve or associate themselves with these activities through segregation of their plastic waste at the household level.

169. Further, since Social media tools like Facebook, Instagram, Twitter, etc., are playing an important role in mass awareness and information exchange, IPCA has started sharing information about its major initiatives and activities through these social media channels also, to ensure awareness and consciousness amongst the masses, and involve or associate themselves with these activities through segregation of their plastic waste at the household level.

170. IPCA developed a network of waste collectors and scrap dealers in the seven Punjab cities through workshops and one-to-one interactions. These waste workers collected waste from different sources and segregated the same as per IPCA's guidelines and

instruction. These waste workers bring the segregated MLP waste to the respective dry waste collection centers, where the operators of the centers further segregate it and make bales to reduce the volume of the waste material.

171. IPCA is in agreement with East Delhi Waste Co-Processing Company Limited, Mahadev Products and JBM Environment for the scientific processing and disposal of post-consumer MLP waste and bales material from each DWCC channelized to these facilities for its end of life solution.

172. IPCA collected 5391.13 MT of post-consumer MLP and the collected 5391.13 MT MLP waste from Amritsar, Mohali, Ropar, Bhatinda and Patiala was dispatched to East Delhi Waste Processing Co., Gazipur and Mahadev Products, Mandi Gobindgarh for further co-processing process.

City	Name Of Co-Processing Industry	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total Month MT
Amritsar	M/s East Delhi waste Processing Company LTD					260.755	233.855	311.825	69.895					642.475
	M/s Mahadev Products							23.410	60.595	66.010	55.790			205.805
	M/s JBM Environment, Haryana								254.410	366.155	201.855	140.110	15.290	977.820
	M/s IPCA Recycling Unit Greater Noida													244.852
Mohali	M/s East Delhi waste Processing Company LTD	110.333	63.860	56.497	298.450	206.420	274.045	50.050						1059.655
	M/s Mahadev Products													
	M/s JBM Environment, Haryana								319.940	408.615	335.880	299.195	41.880	1405.510
	M/s IPCA Recycling Unit Greater Noida							23.340	34.640	59.310	35.390	11.810	2.950	167.440
Ropar	M/s East Delhi waste Processing Company LTD	8.980	15.130			87.975								112.085
	M/s Mahadev Products									2.355	23.245	12.105		37.705
	M/s JBM Environment, Haryana													
	M/s IPCA Recycling Unit Greater Noida													
Bhatinda	M/s East Delhi waste Processing Company LTD										9.460	19.020	8.380	36.860
	M/s Mahadev Products													
	M/s JBM Environment, Haryana													
	M/s IPCA Recycling Unit Greater Noida													
Patiala	M/s East Delhi waste Processing Company LTD		49.970	50.340	91.935	49.880	51.415	33.865						327.405
	M/s Mahadev Products				182.285	112.310	265.075	256.975	435.245	248.245	367.535	65.320		1932.990
	M/s JBM Environment, Haryana								65.490	51.560				119.050
	M/s IPCA Recycling Unit Greater Noida													
Moanak	M/s East Delhi waste Processing Company LTD													
	M/s Mahadev Products													
	M/s JBM Environment, Haryana													
	M/s IPCA Recycling Unit Greater Noida													
Nawa Shahr	M/s East Delhi waste Processing Company LTD													
	M/s Mahadev Products													
	M/s JBM Environment, Haryana													
	M/s IPCA Recycling Unit Greater Noida													
Total			119.313	128.960	106.837	921.400	368.610	949.110	1080.370	1400.825	942.535	860.915	390.777	7269.652

Table 5. Details of MLP waste processor and process type

S. No.	Name of Processor	Address	Process Type	Type of Plastic
1	East Delhi Waste Processing Company Ltd.	Near Veterinary Hospital, Ghazipur, Delhi, 110096	Waste to Energy (WtE)	MLP
2	Mahadev Products	Mahadev Products, Focal Point- Mandi, Govindgarh	Pyrolysis	MLP
3	M/s JBM Environment	Railway Quarters, Indira Colony, Sonipat, Haryana 131001	Waste to Energy (WtE)	MLP
4	M/s IPCA Recycling Unit Greater Noida	Plot 66, Ecotech 12, Greater Noida, Uttar Pradesh 201009	Re-cycling Plant	MLP

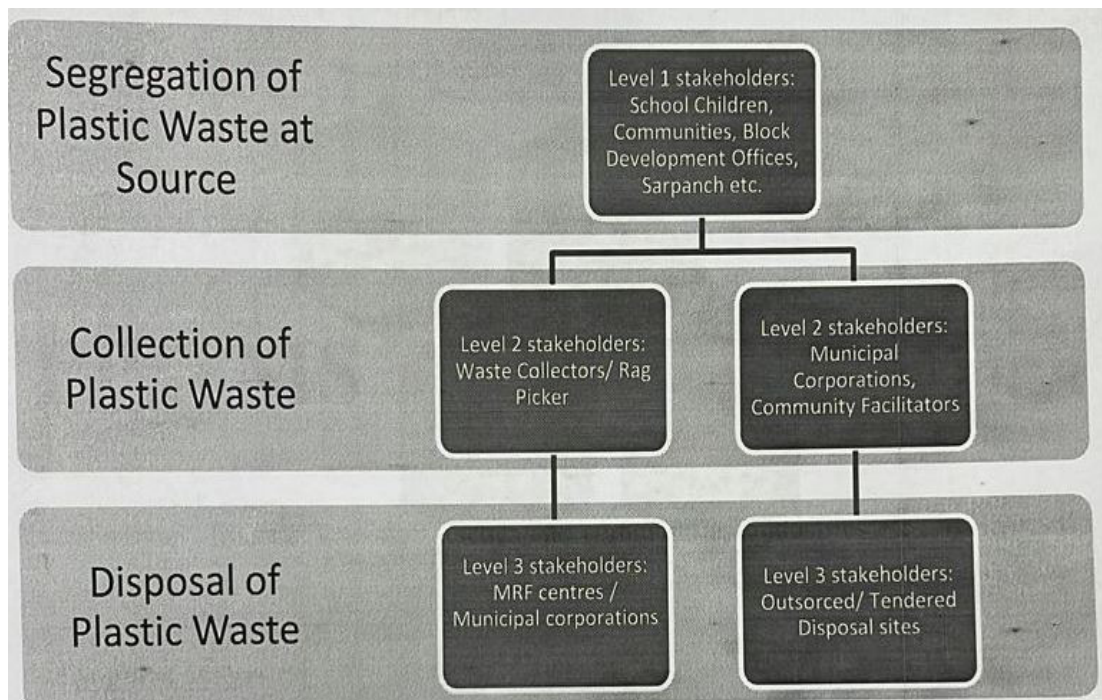
Copies of Memorandums of Understanding between the Assessee society and the Municipal Council / Corporations of Rupnagar (Ropar), SAS Nagar (Mohali), Amritsar and Patiala have been placed at ABP 90 to 93.

REPORT OF ASSESSEE'S ACTIVITIES FROM APRIL 2022 TO MARCH 2023

173. The Report for the period from April 2022 to March 2023 (APB 97-142) summarizes the details of Information, Education and Communication (IEC) Activities implemented under the Action Plan of Punjab Plastic Waste Management Society (PPWMS) in Amritsar, Bhatinda, Rupnagar, Patiala, Mohali, Moonak and Nawanshahr districts of Punjab. It also emphasizes the outputs and benefits of these activities in the overall management of plastic waste in Punjab, through involvement of various stakeholders.

174. IEC activities play a significant role in motivation, involvement, and participation of all stakeholders in plastic waste management, as without the motivation and involvement of all stakeholders, segregation of plastic waste at source is infeasible. The Indian Pollution Control Association (IPCA) has devised different kinds of IEC activities in Punjab.

175. The IEC activities of Punjab Plastic Waste Management Society (PPWMS) and the Indian Pollution Control Association (IPCA) focus on all stakeholders at all levels of the supply chain management, including municipal corporations, community facilitators, waste collectors/ rag pickers, school children, housing societies and communities, industries etc., as depicted below:-



176. The Punjab Plastic Waste Management Society (PPWMS) and The Punjab Pollution Control Board (PPCB) have implemented these programmes through the Indian Pollution Control Association (IPCA) as the implementing agency for all the activities related with Plastic Waste Segregation, Management and Scientific Disposal in Punjab.

177. Different kinds of awareness programmes are organized for different kinds of stakeholders at various platforms, as per the need of the area and stakeholders.

a. Awareness programmes for waste collectors and rag pickers

178. The Awareness programmes organized for waste collectors and rag pickers involve various games, interactive activities and capacity building through guidance and knowledge about various aspects of sanitation, hygiene and collection of different types of plastics during their regular occupational activities.

179. The waste collectors are also distributed safety kits including jackets, sanitizer, soaps, gloves, mask, face-shield, head-cap, etc. The details of the various awareness programmes organised are given below:

Sr. No.	Date	Place	City	Number of Waste-Collector
1	28.08.2022	D-313 Focal Point	Patiala	56
2	04.09.2022	Basant Nagar, Nangal Chowk	Rupnagar	40
3	17.09.2022	Kaala Singh Sidhu Colony	Bathinda	35
4	20.09.2022	Chabal Road Near Ganda Nala	Amritsar	46
5	22.09.2022	Basant Nagar, Nangal Chowk	Rupnagar	52
6	03.10.2022	D-313 Focal Point	Patiala	32
7	07.10.2022	Sector 82	Mohali	27
8	29.10.2022	D-313 Focal Point	Patiala	36
9	04.11.2022	Togan Village, Mohali	Mohali	38
10	09.11.2022	Nagar Panchayat Office	Moonak	46
11	12.11.2022	Morinda Road, Near PSCPL Board Office, Kurali	Mohali	32
12	12.11.2022	Basant Nagar, Nangal Chowk	Rupnagar	40
13	22.11.2022	D-313 Focal Point	Patiala	35
14	26.11.2022	Chabhal Road, Near Ganda Nala	Amritsar	28
15	05-12-2022	- Kaala Singh Sidhu Colony	Bathinda	23

16	07-12-2022	Basant Nagar, Nangal Chowk	Rupnagar	30
17	09-12-2022	D-313 Focal Point	Patiala	35
18	20.12.2022	Togan Village, Mohali	Mohali	38
19	22.12.2022	Chabhal Road, Near Ganda Nala	Amritsar	25
20	03.01.2023	Basant Nagar, Nangal Chowk	Rupnagar	26
21	04.01.2023	Municipal Corporation Office Sector-68 Mohali	Mohali	50
22	19.01.2023	I.T.I Park Nawanshahr	Nawanshahr	40

b. Awareness Programmes for Communities/ Housing Societies/ Communities in Punjab

180. The Awareness Programmes for Communities/ Housing Societies/ Communities in Punjab involve general communities and inhabitants in an area or region, where information and guidance about the impact of plastic waste on the environment and subsequent significance of plastic waste segregation is provided to all the participants. All participants are engaged through different kinds of games, interactive activities, and discussions, to ensure their participation and motivation.

181. The details of the Awareness Programmes organized for housing Societies/ Communities in Punjab are given below:

S. No.	Date	Name of Housing Society/ complex	District	No. of Participants
1.	29/05/2022	Rishi Apartment Welfare Association	Zirakpur	53
2.	05-06-2022	The Sarv Mangal Co-Operative House Building Society	Zirakpur	42
3.	01-12-2022	Block Development Office	Ropar	25
4.	06-12-2022	Block Development Office	Ropar	31
5.	10-12-2022	Phulkian Enclave, Near Mini Secretariat	Patiala	61
6.	06-06-2022	Near Carbon Gym Baltana	Zirakpur Punjab	27
7.	08-10-2022	Stitching Centre Baltana	Zirakpur Punjab	42
8.	09-07-2022	Patiala Chamber of Industries (Regd.) in association with Punjab Pollution Control Board (PCB), Patiala	Patiala	50

c. Awareness programme for underprivileged communities / households.

182. Awareness programme for underprivileged communities /households is also held, on the significance of plastic wastes segregation and management by all the communities.

d. Awareness about initiatives of Punjab Plastic Waste Management Society (PPWMS) through participation in exhibitions and State Level programmes of Punjab Pollution Control Board (PPCB) and Environment Department of Punjab.

e. Awareness programmes for Communities /Industrialists in Patiala Industrial Association on Ban of Single Use Plastic.

183. Such Programmes involved:

- a) Interaction with Member Secretary PPCM and Environment Minister of Punjab.

b) Interaction with Sh. Baba Balbir Singh Seechewaal ji, regarding the initiatives of Punjab Plastic Water Management Society (PPWMS), and

c) Participation in Annual Conference on Implementation of District Environment Plan organised by District Administration Patiala and Punjab Pollution Control Board (PPCB).

184. These programmes involved welfare programmes for the Industrialists Community in Patiala on Ban of Single Use Plastic and a similar programme on Single Use Plastic for the Industrialists of Patiala Chamber of Industries (Regd.), in association with Punjab Pollution Control Board, Patiala. It also involved interaction with Chief Minister of Punjab and Environment Minister of Punjab, in State Level Single Use Plastic Mela in Prince Ville, Sangrur.

f. Distribution of Pamphlets on Plastic Waste Management in communities/ households in various areas through newspaper agency.

185. The Indian Pollution Control Association (IPCA), on behalf of Punjab Plastic Waste Management Society (PPWMS), is also distributing pamphlets to spread awareness on Plastic waste segregation and management, to ensure community participation and involvement.

g. Dedicated Plastic Waste Collection Drives

186. Dedicated plastic waste collection drives have been conducted at various strategic locations of Mohali, Amritsar, Patiala and Rupnagar. Further, these drives are being conducted in other areas of Bhatinda, Moonak and Nawanshahr, to ensure collection of plastic waste and mitigation of impacts of pollution.

187. IPCA has designed many plastic waste collection and awareness activities for ensuring a visible change on plastic waste management to the stakeholders of the society. The dedicated plastic waste collection drives are a component of the same.

h. Activities under Dedicated Plastic Waste Collection Vehicle Drives

188. A dedicated vehicle collects plastic waste from identified locations in the district through tie up with local community facilitators and MC workers. The trained staff of plastic waste collectors collects plastic waste from unattended Plastic waste dump sites. The collected Plastic waste is segregated and baled according to the SOP of Indian Pollution Control Association (IPCA), as per CPCB guidelines, to ensure scientific disposal. All stakeholders witnessing the activity are provided awareness about the initiatives of the Punjab Plastic Waste Management Society (PPWMS).

189. Dedicated Plastic Waste Collection Drive has also been conducted to cover the Government Smart High School, Dasgrain, Block Sri Anandpur Sahib, Distt Rupnagar, who have segregated 35 kgs of plastic waste from their locality through efforts of their students to ensure its recycling, and stop burning by the shopkeepers/ community people. The school team was motivated to take this as a science project for their "Children's Science Congress", to be held on 19th Dec. 2022, after PPWMS organized an awareness programme in their school.

190. Through their efforts, the school has enabled 48.3 kg of reduction of CO₂eq emissions in the environment and contributed in environment protection through environment responsible behavior of their students and teachers.

i. Installation of Canopies/ stalls for awareness on plastic waste segregation and management, exchange of plastic waste for cloth bags and distribution of pamphlets

191. Indian Pollution Control Association (IPCA) installed canopies and stalls at many strategic locations throughout Punjab, for public awareness on plastic waste segregation and management. Such awareness campaigns, on a regular basis, ensure continuous and repetitive awareness on the critical issue of waste management. Through these stalls, the Assessee distributes cloth bags and pamphlets to the general public and masses. It provides larger and

wider accessibility to different strata of stakeholders of a variety of income groups.

j. Awareness Programmes for school children in Punjab

192. Punjab State Council for Science and Technology (PSCST), supported the initiatives of IPCA, by identifying the "Best Schools" under "Eco Club activities" for implementing the awareness programmes and directing them towards further initiatives in "Zero plastic waste school campaign" on a continuous and sustainable basis.

193. The District coordinators of Punjab State Council for Science and Technology (PSCST) helped in coordination with two best "Eco Club" schools with active ECO Club member students in the districts of Amritsar, Rupnagar and Patiala. Indian Pollution Control Association (IPCA) further helped in overall coordination and organization of the programme at school level.

194. IPCA has designed many interactive and engaging, activities for a completely involving and entertaining experience for the staff and school children. The activities covered under these awareness programmes included the following:

- Audio visual presentation on significance of environment, reasons for plastic waste as source of pollution, health hazards of plastic waste on flora/

fauna, cur role in environment protection and plastic waste management etc., difference in unscientific and scientific disposal of plastic waste, entrepreneurship in plastic waste management, skill enhancement for waste recycling, taking up science projects on plastic waste management under ECO Club activities.

- Activity on need of segregation of waste in dry and wet categories.
- Oath Taking Activity/ Ceremony.
- Movie on "Journey of a Toothbrush" to appreciate need of segregation of plastic waste.
- Music and Dance Activity on "Plastic Anthem" sung by eminent singers of India, i.e., Shaan, Shaimak Davar, Sonu Nigam, Sunidhi Chauhan, Ayushmann Khurana, Kanika Kapoor, Shankar Mahadevan, Armaan Malik, Shekhar Ravjiani and Neeti Mohan.
- Games and prizes (Cloth Bags) on identification of seven types of plastic as classified by Central Pollution Control Board (CPCB).
- Story Telling on Importance of "Environment Resources" in our lives.
- Exchange of plastic waste (in polybags), plastic bricks (Used Plastic bottles filled with MLP waste) in lieu of Cloth Bags.
- More than 650 school children and 80 teachers of 10 schools participated in these programmes in the month of September 2022, and more than 6500 friends, family members will be indirectly impacted through them.
- All school children wholeheartedly pledged to segregate their kitchen waste and dry waste to ensure efficient scientific disposal of their household waste.

- All members of Eco Club of schools brought segregated plastic/ MLP waste to get a cloth bag in exchange of waste segregated by them,
- All the teachers/ staff and children are motivated to work towards resolving the issue of plastic waste as "Ambassadors of Environment".
- All the children at these schools pledged to segregate all their MLP packaging waste generated in the canteen.
- Every child pledged to spread the message to 10 more family members/ friends to ensure spreading awareness in the society.

Details of all the awareness programmes held in Schools in Sept. 2022

S. No.	Date	Name of School/ college	City	No. of Students
1	20/09/2022	Govt. Girls Sen. Sec. School, Mall Road,	Amritsar	111
2	20/09/2022	Govt. Girls Sen. Sec. School, MS Gate	Amritsar	85
3	22/09/2022	Govt. High School, Dasgrain	Rupnagar	65
4	22/09/2022	Govt. Adarsh Sen. Sec. School, Lodhipur, Anandpur Sahib	Rupnagar	47
5	24/09/2022	Govt. Sen. Sec. Smart School, Kalyan	Patiala	86
6	24/09/2022	Govt. Sen. Sec. School, Pheel Khana	Patiala	102
7	18/10/2022	Major Ajaib Singh Convent School	Faridkot	65
8	27/10/2022	Govt. Sen. Sec. School, Kotfatta, Bhatinda	Bathinda	67
9	27/10/2022	Govt. Sen. Sec. School, Pacca Kalan, Bhatinda	Bathinda	59
10	10-11-2022	Baby Convent School, Banur,	Mohali	58
11	27/02/2022	Punjabi university	Patiala	394
12	22/03/2023	Universal Group of Institutions, Lalru	Mohali	90
13	24/03/2023	DAV University	Jalandhar	800
14	29/03/2023	Chandigarh University, Gharuan,	Mohali	2000
			Total	4029

195. Thus, as per the above details, the Assessee's Awareness Programmes have directly impacted 4029 university/ college/ school children and 150 teachers, while they have taken an oath to further spread the awareness regarding the issues to at least 10 other family members and friends in their circle. Hence, indirectly, more than

40,290 stakeholders have been impacted through these Awareness Programmes.

k. Awareness Programme at Chandigarh University, Gharuan, Mohali (Punjab)

Mass Awareness through Vehicle Drives Playing Plastic Waste Jingle

196. Vehicle Drives are being conducted in all the areas covered under Action Plan of Punjab Plastic Waste Management Society (PPWMS) with continuous audio playing on Plastic Waste Management.

l. Social Media Releases of activities of Punjab Plastic Waste Management Society (PPWMS) and Indian Pollution Control Association (IPCA)

Mass Awareness through Social Media Platforms

197. As Social media tools like Facebook, Instagram, Twitter, etc., are playing an important role in mass awareness and information exchange, IPCA has started sharing information about its major initiatives and activities through these social media channels, to ensure awareness and consciousness amongst all the masses, and involve or associate themselves with these activities through segregation of their plastic waste at household level.

Mass Awareness through FM Channels

198. As Radio and FM are also playing an important role in mass awareness and information exchange to people who don't have access

to digital / social media, IPCA has also started sharing information about its major initiatives and activities through FM channel (92.7 Big FM), through interviews and jingles on plastic waste management, to ensure awareness and consciousness amongst all the masses, and involve or associate themselves with these activities through segregation of their plastic waste at household level. All stakeholders, including the Chairman, Punjab Pollution Control Board (PPCB), Punjab Municipal Infrastructure Development Corporation (PMIDC), and the Brand Owners have interacted through interviews, to provide their practical insights and knowledge to deal with the serious issue of Plastic Waste Management (PWM). These jingles and interviews are repeatedly and regularly played during various programmes in Punjabi and Hindi.

m. Installation of Hoardings at strategic locations for "spreading awareness on issues of plastic waste management" amongst masses and communities

199. Hoardings were installed at various locations of highways, malls, connecting roads in Mohali, Punjab with maximum footfall and connectivity with Punjab, Chandigarh and Delhi/ NCR, to spread awareness on issues of plastic waste management amongst the masses and communities.

n. Conference on "Extended Producer Responsibility (EPR) model of Plastic Waste Management in Punjab" on 24th February 2023

200. A Conference on "Extended Producer Responsibility (EPR) model of Plastic Waste Management in Punjab" was organised on 24th February 2023 in Patiala. All stakeholders and representatives of various departments involved in plastic waste management in Punjab participated in the Conference. Senior officials from Punjab Pollution Control Board (PPCB), Punjab Plastic Waste Management Society (PPWMS), Punjab Municipal Infrastructure Development Corporation (PMIDC), Producers, Importers and Brand Owners participated in the event, to provide their feedback, inputs and recommendations for plastic waste management in Punjab.

201. More than 180 participants graced the Conference with their active participation. The highlights of the conference included the keynote address by Sh. Adarsh Pal Vij, Chairman, Punjab Pollution Control Board (PPCB) and Panel discussion with participation of Sh. J. S. Majithia, Member Secretary, Punjab Pollution Control Board (PPCB) and other dignitaries from Dabur, HUL, Pepsico, Perfetti, DS Group, etc.

202. Evidences in the shape of photographs, diagrams and newspaper reports have been made part of all the three Reports, showing the activities carried out by the Assessee.

ACTIVITIES UNDER THE BYE LAWS

203. There are certain activities covered under Bye-law No. 3 of the Bye-laws of the Assessee society. These activities, for ready reference are being reproduced, herein under, again:

3. FUNCTIONS & ACTIVITIES

In furtherance of the Aims & Objects of the Society indicated in the memorandum of Association, the Society may undertake itself and for cause to be undertaken by the concerned Departments/Agencies/Units one or more of the following tasks or activities in addition to any other tasks or activities as may be considered to be appropriate and necessary

- 1 to invite consultants with suitable technology for installation of proper assessment, collection, boiling & processing plant*
- 2. to fix contractor for setting up of operation & maintenance of the plant as found necessary*
- 3 to maintain suitable land and to construct buildings thereon for establishing/storage/ treatment/processing plants and for any other purpose connected therewith.*
- 4 to purchase or take on lease any buildings, or other Immovable or movable property and to improve manage, develop and or exchange the buildings or their immovable' movable property which was purchased or taken on lease by the company*
- 8 to, let out on rent, hire, sublet or otherwise deal with all or any part of the properties and assets of the company*
- 9 to enter into agreement with any Government or Government undertakings or any other authorities supreme, municipal, local, foreign or otherwise which may*

seem conducive to the company's objective' any of them either for joint collaboration or for obtaining from any of them any grants concession rates, privileges, quotas, lease and license

10 To promote status and research, both scientific and technical, investigation and invention by providing subsidizing, endowing laboratories, workshops libraries, lectures, meetings and conferences and providing grants and subsidies to the persons undertaking such work, as found convenient

8 to establish sub-offices, research laboratories and other information offices for the plant for the benefit of the user brand owners/producers of plastic waste

9. to obtain any order enabling the society to carry out its objectives in effect or for effecting any modification of the society's constitution or for any other purpose by lawful means and to oppose any proceedings or application which may seem calculated direct./ or indirectly to prejudice the society's interest

10 to take suitable steps to enable the society to carry out any of its objects into effect or for effecting any modification of the society's constitution or any other purpose which may seem expedient,

11 to receive grants, loans, advances or other moneys or deposits or other kinds of financial assistance from the Central Government or State Government, Banks, Firms, Companies, Trusts or individuals, with or without allowances of interest there on

12 to open and operate bank accounts, to 'draw, make accept, endorse, discount, issue and negotiate assign and otherwise deal with cheques, drafts, promotes, bills of landing, railway receipts, warrants and all other negotiable or transferable instruments

13 *To acquire by subscription, purchase or otherwise and to accept and take hold and sell, shares, or stocks, in any company society or to undertake the objects which shall either in whole, or part, be "similar to those of this company*

14 *To undertake and execute any contracts for works involving the supply, application or use of any machinery, materials or processes and to carry on any ancillary or other works comprising of and identical to the manufacturing line for which the company has been established*

15 *To draw, make, accept, endorse, discount and execute negotiable instruments*

16 *to meet the energy requirements of the company subject to and under compliance with law in force time to time*

17 *The income and property of the company' shall be applied solely for the promotion of these objects as set forth in the memorandum*

18 *No portion of the income or property aforesaid shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to persons who at any time or having members of the society or to anyone or more of them or to any person claiming through anyone or more of them.*

204. According to the Id. CIT(E), prima facie, none of the activities get covered by any of the limbs of 'charitable purpose' as envisaged in section 2(15) of the Income Tax Act, 1961. Item 1 of the tasks or activities is to invite consultants with suitable technology for installation of proper assessment, collection, boiling & processing plant. This activity undisputedly is in pursuance of the primary object of plastic waste management. Unless the plastic waste is collected

and processed, it would adversely affect our environment and it is for the management of the plastic waste, that the plants are required to be installed, for which, consultants with suitable technology are required to be invited.

205. Activity 2 requires the Assessee to fix contractor for setting up of operation and maintenance of the plant, as found necessary. This obviously, is directly connected with the activity at Item No.1. It is the operation and maintenance of the plant which will enable the management of the plastic waste, as discussed herein above.

206. Activity No. 3 requires the Assessee to maintain suitable land and to construct buildings thereon for establishing /storage / treatment / processing plants and for any other purpose connected therewith. Again, it goes without saying that suitable land meant for the plant and other connected purposes is required to be maintained. The plants would be installed in buildings constructed on such land.

207. Activity No. 4 requires the Assessee society to purchase or take on lease any buildings, or other immovable or movable property and to improve manage, develop and / or exchange the buildings or other immovable / movable property which was purchased or taken on lease by the company. This activity too enables the smooth working for carrying out the object of plastic waste management.

208. Activity 5 further facilitates the carrying out of the Protection of Environment Purpose by management of plastic waste management by enabling the Assessee society to let out on rent, hire, sublet or otherwise deal with all or any part of the properties and assets of the company.

209. The Assessee society is entitled by virtue of activity No. 6, to enter into agreement with any Government or Government undertakings or any other authorities, i.e., municipal authorities, local authorities, foreign authorities or other authorities, as may seem conducive to the Assessee's objective for joint collaboration, or for obtaining any grants concessions, privileges, quotas, leases and licenses from any of them. This is entirely in keeping with the rules, which provide for close interaction between the stakeholders, brand owners, producers and generators, etc., for the common objective of plastic waste management.

210. Activity No. 7 states that the Assessee society may promote status and research, both scientific and technical, investigation and invention by providing subsidizing, endowing laboratories, workshops libraries, lectures, meetings and conferences and providing grants and subsidies to the persons undertaking such work, as found convenient. This activity also facilitates the furtherance of the rules by plastic

waste management and thereby carrying out charitable purposes of protection of the environment.

211. Likewise, establishing sub-offices, research laboratories and other information offices for the plant for the benefit of the user brand owners /producers of plastic waste further facilitates the objective of plastic waste management, as provided by the activity No. 8.

212. The Assessee society can obtain, under activity No. 9, in order to enable the society to carry out its objectives in effect or for effecting any modification of the society's constitution or for any other purpose by lawful means and to oppose any proceedings or application which may seem calculated directly or indirectly to prejudice the society's interest. There may be a situation where carrying out of the objects of the Assessee society might require enforcement thereof by lawful means, i.e, through orders of the competent authority. Similarly, the modification of the society's constitution or any other purpose to eschew prejudice to the society's interest might require obtaining of orders from the competent authority.

213. Activity No. 10 enables the Assessee society to obtain such orders, for carrying out its objectives in furtherance of the rules and the Act.

214. Activity No.11 enables the Assessee society to receive grants, loans, advances or other moneys or deposits or other kinds of financial assistance from the Central Government or the State Government, Banks, Firms, Companies, Trusts or individuals, with or without allowances of interest thereon. This activity provides for the smooth flow of financial assistance for carrying out the objectives of the Assessee society, in furtherance of the rules and the Act, for the charitable purpose of Preservation of Environment.

215. As per activity No.12, the Assessee society may open and operate bank accounts, to draw, make, accept, endorse, discount, issue and negotiate assign and otherwise deal with cheques, drafts, pronotes, bills of lading, railway receipts, warrants and all other negotiable or transferable instruments. This activity, again, further facilitates the flow of finance for carrying out the objects of the Assessee society.

216. In activity No.13, the Assessee society may acquire by subscription, purchase or otherwise, and to accept and take hold of and sell, shares, or stocks, in any company / society or to undertake the objects which shall either in whole, or part, be similar to those of this company. This clause facilitates acquisition of disposal of shares or stocks in other similar companies / societies. It also enables the

Assessee society to undertake objects which are similar to those of the Assessee society.

217. By activity No. 14, the Assessee is empowered to undertake and execute any contracts for works involving the supply, application or use of any machinery, materials or processes and to carry on any ancillary or other works comprising of and identical to the manufacturing line for which the company has been established. This is also in furtherance of all the objects of the plastic waste management, for carrying out which objects, execution of contracts might be necessary.

218. Activity No.15 deals with negotiable instruments. The Assessee society may draw, make, accept, endorse, discount and execute negotiable instrument for its purposes and objects.

219. Activity No. 16 enables meeting of energy requirements subject to and under compliance with the law in force time to time. Fulfillment of the energy requirements is a *sine qua non* for the smooth functioning of the plastic waste management process so essential for the preservation of the environment, as discussed.

220. Activity No.17 makes it abundantly clear that the income and property of the company shall be applied solely for the promotion of

these objects, as set out in the Memorandum of Association. This obviates the misuse of the income and property of the Assessee.

221. Activity No. 18 further obviates the misuse of the income of property of the society, by stating that no portion of the income or property aforesaid shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to persons who at any time are members of the society, or to any one or more of them or to any person claiming through any one or more of them.

222. Evidently, therefore, the ld. CIT(E) has totally missed the point that segregation of plastic waste, i.e., plastic waste management is an activity which enures for the public at large and it is not only for the 'interested parties' acting in tandem with the Assessee society.

223. It is, therefore, seen that all the above activities are enabled by clause 3 of the Bye-laws of the Assessee society. Further, in the preceding paras, we have, in extenso, dealt with the Annual Reports to be tendered by the Assessee society to the Punjab Pollution Control Board, as per requirements of the Plastic Waste Management Rules.

224. Having gone through the above details of the activities carried out by the Assessee society, we find that the objection of the ld. CIT(E), that none of the activities is covered by any of the limbs of "charitable purpose" envisaged in section 2(15) of the I.T.

Act is wholly incorrect. These activities of the Assessee society make it amply clear that they are entirely in accordance with the avowed purpose of the very inception of the Assessee society, i.e., plastic waste management, which is perfectly in accordance with the Plastic Waste Management Rules, 2016, as amended from time to time, which rules have been framed under the Environment (Protection) Act, 1986. The protection to the environment stands embodied in the Constitution of India, as a duty of every citizen of India, as noted herein above. These activities definitely form part of the charitable purpose of the protection of environment, as envisaged by Section 2(15) of the I.T. Act and we hold so.

FOURTH OBJECTION OF THE CIT(E)

225. Another objection raised by the ld. CIT(E) is that other than the expenses on MLP collection and disposal charges for members only, no other major expenditure that could be attributed to the stated objects of the Assessee society, has been claimed by the Assessee society which as per ld. CIT(E), leads to the conclusion that the Assessee is not perusing any charitable objects for the public at large but is restricted to a specific group

of companies, which are members of the society and that the stated charitable objects are merely ostensible.

226. As seen herein above, collection of disposal of multi-layered plastic waste is the only activity for which the Assessee society was established. It is a no profit no loss organisation. Its members are as per the requirements of the Plastic Waste Management Rules, its Memorandum of Association and its Board of Management. The aims and objects of the Assessee society make it more than clear that the Assessee society is to provide facility for collection of MLP waste to the Brand owners / Producers and other stakeholders as defined under the Plastic Waste Management Rules. In this manner, the Assessee has rightly not claimed any major expense in its financial statement for the last year, other than the expenses on MLP collection and disposal charges for its members only. This objection of the Id. CIT(E), therefore, also does not have any legs to stand on. This objection is accordingly rejected too.

FIFTH OBJECTION OF THE CIT(E)

227. The Id. CIT(E) has further dubbed the other objects of the society to be mere ostensible charitable objects. This, however, in

view of the elaborate discussion made hereinabove, with regard to the objects of the Assessee society, is also not found to be with any basis. This objection is also rejected.

SIXTH OBJECTION OF THE CIT(E)

228. Lastly, the Id. CIT(E) has concluded that in the absence of the activities of the Assessee society ensuring for the public at large, the genuineness of the activities of the Assessee cannot be corroborated with the stated aims and objects, as per documents submitted.

229. This conclusion of the Id. CIT(E) as gone into at length hereinabove, is without any basis or reasoning whatsoever. The activity of plastic waste management, it cannot to be overemphasized, does enure for the public at large. It makes our environment healthier, being less polluted, rid of plastic waste to that extent. The Assessee society is, therefore, without doubt, carrying on the charitable purpose of protection of environment, squarely attracting the provisions of section 2(15) of the I.T. Act entitling the Assessee society for grant of registration u/s 12A of the I.T. Act.

CASE LAWS:

230. Having gone into all the objections raised by the ld. CIT(E), we will now discuss some case laws on the dispute.

231. In 'CIT Vs. ILLM Foundation Academy', 389 ITR 148 (P&H), it was held that where there was nothing on record to show that the company was indulging in any activity which was not in the nature of charity and further there was also nothing on record to show that the company did not meet any conditions prescribed in the I.T. Act, for grant of registration to make it eligible for grant of exemption u/s 11, the order of the Commissioner refusing registration to the company was held to have been rightly set aside by the Tribunal.

232. In the case at hand, likewise, as discussed, there is nothing on record to show that the Assessee society is indulging in any activity which is not in the nature of charity. The Assessee society also meets, as per the material placed on record, the conditions prescribed under the Act for grant of registration to make it eligible for grant of exemption u/s 11. 'IILM Foundation Academy', (supra), therefore, is squarely attracted.

233. In 'CIT Vs. Shri Shirdi Sai Darbar Charitable Trust (Dharamshala)', 395 ITR 567 (P&H), it was held that while granting registration u/s 12AA of the I.T. Act, two conditions to be fulfilled are that the objects of the Assessee are charitable in nature and, thus, the activities are genuine. It was also held that where no remarks were recorded by the Commissioner (Exemptions) with regard to the objects contained in the Memorandum of Assessee trust to come to the conclusion that its activities were not genuine, the order of the Commissioner (Exemptions) denying registration was not justified.

234. In the present case, objects of the Assessee have been found to be charitable in nature, as above. The activities of the Assessee society are genuine. The adverse remarks recorded by the Id. CIT(E) with regard to the objects and activities of the Assessee society have been found to be baseless. As such, as in 'Shri Shirdi Sai Darbar Charitable Trust (Dharamshala)', (supra), denial of registration is not justified.

235. In 'Central Pollution Control Board Vs. State of Andaman & Nicobar & Ors.', in Execution Application No. 13/2019 in Original Application No. 247/2017 vide order dated 8.01.2021,

the National Green Tribunal (Principal Bench), New Delhi took into consideration a Report dated 2.1.2021 of the Oversight Committee, constituted by the Tribunal for oversight of environmental issues in the State of UP. Therein, inter alia, the following recommendations had been made:-

“7. The Local Bodies may be directed to ensure proper development and setting up of infrastructure for segregation, collection, storage, transportation, processing and disposal of the plastic waste either on its own or by engaging agencies or producers.

Further, the Local Bodies may also be directed to frame byelaws incorporating the provisions of the Plastic Waste Management Rules, 2016.

8. Every Gram Panchayat may be directed to set up, operationalize and co-ordinate for waste management in rural area under their control either on its own or by engaging an agency. Further the Gram Panchayat may also be directed to perform functions such as ensuring segregation, collection, storage, transportation, plastic waste and channelization of recyclable plastic waste fraction to recyclers having valid registration, creating awareness among all stakeholders about their responsibilities, and ensuring that open burning of plastic waste does not take place.

9. *The Waste Generator may be directed to take steps to minimize generation of plastic waste and segregate plastic waste at source in accordance with the Solid Waste Management Rules.*
10. *CPCB may also be directed to conduct regular meeting with SPCBs to monitor implementation status and compliance with PWM Rules, 2016.*
11. *To ensure proper plastic waste management, industries may be directed to explore the possibilities of use of such wastes in construction of roads. Further industries may also be directed to collaborate with different research institutes to explore such alternatives.*
12. *The use of plastic bottles in construction of houses and bricks is being exploited in Uganda. Such approaches not only reuse plastic but also saves the environment. Similar researches may also be promoted in India.*
13. *The studies such as "Plastic Footprinting" and "Life Cycle Assessment" may also be promoted in India. Such studies provide a clear picture of the impact of and opportunities related to plastic usage and evaluation of the inputs, outputs and potential environmental impact of a product system throughout its lifecycle. The producers/industries may be directed to undertake such approaches in future.*
14. *The schemes such as "Deposit refund scheme" or "Buyback depository mechanism" may be promoted*

in which customers will get back a deposit paid to a retailer on handling PET bottles or milk pouches back to the store.

15. *The technique of conversion of plastic waste into variety of fuels such as petrol, kerosene and diesel based on Boston model may be explored and promoted in India.*
 16. *The technique of "Plasma Pyrolysis" may be undertaken to dispose all sorts of plastic waste. The industries may be directed to install such pyrolyzers for plastic waste management.*
 17. *Researches may be promoted to develop an eco-friendly plastic waste management approach i.e. Bioremediation using either plastic degrading bacteria or enzyme extracted from bacteria based on the model adopted by researchers in Germany.*
 18. *Manufacture of non-recyclable single-use polyethylene bags should be banned or research should be initiated to develop biodegradable bags.*
 19. *Educational institutions must be encouraged to take up waste management in their curriculum and create student projects for waste recycling."*
236. It was, inter alia, ordered by the Tribunal, as follows:

"The CPCB may continue to coordinate with the State Level Monitoring Committees, the State PCBs/PCCs or any other authorities with reference to the steps taken by the State Level Monitoring Committees in coordinating

with the concerned Local Bodies, Gram Panchayats, Waste Generators, Producers, Importers, Brand Owners, Recyclers, Manufactures, Retailers and Street Vendors in accordance with the rules. Whenever necessary, CPCB may issue further directions from time to time in the light of experiences gained considering different suggestions and viewpoints, including the suggestions of the Oversight Committee for State of UP, quoted above.”

237. It is seen that the above recommendations made by the Oversight Committee constituted by the Tribunal, as taken into consideration by the Tribunal in the aforesaid order, are equally relevant to the case at hand. In these recommendations, stress has been laid, inter alia, on directing the State Pollution Control Board to keep a regular check on the enforcement status for the setting up of collection, source segregation and disposal system for plastic waste; directing the Local Bodies to ensure proper development and setting up of infrastructure for segregation, collection, storage, transportation, processing and disposal of plastic waste and framing of Bye-laws incorporating the provisions of the Plastic Waste Management Rules, 2016; directing every Gram Panchayat to set up, operationalize and coordinate for waste management in the rural area under their control, to perform functions such as ensuring segregation, collection, storage, transportation of plastic waste and

channelization of recyclable plastic waste, creating awareness amongst all stakeholders about their responsibilities and ensuring that open burning of plastic waste does not take place; directing waste generators to take steps to minimize generation of plastic waste and segregation of plastic waste at source, in accordance with the Solid Waste Management Rules; directing the Central Pollution Control Board to conduct meetings with the State Pollution Control Board to monitor the implementation status and compliance with the Plastic Waste Management Rules, 2016; directing industries in order to ensure proper plastic waste management, to explore possibilities of the use of such waste in construction of roads and to collaborate with different research institutions to explore such alternatives; promotion of research like use of plastic bottles in construction of houses and bricks, promoting reuse of plastic and thereby saving the environment, as being done in Uganda; directing producers / industries to adopt approaches pointed out by the studies such as “Plastic Footprinting”, and “Life Cycle Assessment”, whereby a clear picture of the impact of and opportunities related to plastic usage and evaluation of inputs, outputs and potential environment impact of a product system throughout its lifecycle, is provided;

promoting systems such as “Deposit Refund Scheme” or “Buyback Depository Mechanism” whereunder customers would get back a deposit paid to a retailer on handling PET bottles or milk pouches back to the store; exploration and promotion of techniques of conversion of plastic waste into a variety of fuels such as petrol, kerosene and diesel based on the Boston Model (as discussed in detail herein above); to undertake the technique of "Plasma Pyrolysis" to dispose all sorts of plastic waste (again, as discussed in detail herein above); directing the industries to install such Pyrolyzers for plastic waste management (discussed above); and encouraging the educational institutions to take up waste management in their curriculum and create student projects for waste recycling.

238. Evidently, therefore, the above recommendations are steps in the proceedings of waste management, in accordance with the Environment (Protection) Act, 1986 and the Plastic Waste Management Rules, 2016 as amended from time to time, including the amendment of 2022, which gives Guidelines as discussed in detail herein above. This decision, as such, is also squarely applicable to the case at hand, stressing the need for plastic waste management for preservation of the environment.

239. No decision to the contrary has been cited before us.

CONCLUSIONS SUMMARISED

240. We would like to summarise the conclusions arrived at as under:-

1. The Punjab Pollution Control Board is a creature of Legislation in the form of the Plastic Waste Management Rules, 2016, particularly Rule 12 and Schedule-II, containing the Guidelines with regard to the plastic waste management under the Extended Producer's Responsibility for Plastic Packaging and duties and functions of the State Pollution Control Boards.
2. In view of the above, there is nothing wrong in the factum of all the powers having been vested with the Punjab Pollution Control Board. Rather, this is in furtherance of the requirement of the Plastic Waste Management Rules, 2016.
3. The Bye-laws of the Assessee society are entirely in keeping with its Memorandum of Association which, in turn, is well within the four corners of the Plastic Waste Management Rules, 2016.
4. The aims and objects of the Assessee society are not restrictive in nature. Rather, as per requirement of the Plastic Waste Management

Rules, they are centered towards the implementation of the preservation of the environment purpose of plastic waste management under the aegis of the Punjab Pollution Control Board. It is out of sheer ignorance of the law that the Id. CIT(E) has held that the Assessee society, as per its bye-laws, is meant to be run as a one man show and not as a public charity.

5. Apropos the finding of the Id. CIT(E) that none of the activities of the Assessee society is covered by any limb of 'charitable purpose', as envisaged by section 2(15) of the I.T. Act, we find that not only one, but all the objectives of the Assessee society are directly covered by the limb of preservation of the environment as a 'Charitable Purpose' under the provisions of section 2(15) of the I.T. Act.
6. Expenditure of multi-layered plastic collection and disposal charges for members are the only major expenses incurred by the Assessee society. Considering its sole object of plastic waste management, obviously, there cannot be any other major expenditure attributable to the objects of the Assessee society. The factum of this major expenditure does not take away from the prevailing fact that the objects of the Assessee society are charitable objects and its activities are with regard to the Members of the society only, strictly as per

the requirements of the scheme of plastic waste management under the Plastic Waste Management Rules, 2016, as amended from time to time.

7. The Id. CIT (E) is again wrong in observing the objects of the Assessee society to be merely ostensible charitable objects. All the objects of the Assessee society, taken either individually, or collectively, are directed towards the Assessee's charitable object of preservation of the environment.
8. The Id. CIT(E) has also erred in holding that the activity of the Assessee society does not enure for the public at large. It cannot be over stressed that the object of plastic waste management under the Plastic Waste Management Rules, 2016 is nothing other than an activity substantially and wholly enuring for one and all, so that the basic purpose of preservation of the environment is fulfilled so far as regards the pollution caused by plastic.
9. The National Green Tribunal as well as the Hon'ble Supreme Court, besides the High Courts of the country are repeatedly laying down law favouring plastic waste management as a measure for the preservation of the environment, enuring for the public at large.

RESULT

241. In view of the above, we are satisfied that the objects of the Assessee society are charitable and the activities of the Assessee society are genuine, as provided u/s 12AA of the I.T. Act. Accordingly, finding that the order under appeal rejecting the Assessee's application dated 19.5.2019, filed in Form No. 10A for registration, is erroneous and not sustainable in the eye of law, we hereby set aside and reverse the said order dated 19.9.2019 passed by the Id. CIT(E), Chandigarh.

242. The grievance raised by the Assessee in this regard is found to be justified and as accepted as such.

243. The Id. CIT (E), is therefore, directed to grant registration to the Assessee society forthwith.

244. In the result, the appeal is allowed.

Order pronounced on 14.07.2023.

Sd/-

Sd/-

(VIKRAM SINGH YADAV)
Accountant Member

(A.D. JAIN)
Vice President

Dated : 14.07.2023

“आर.के.”

आदेशकीप्रतिलिपिअग्रेषित / Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकरआयुक्त/ CIT
4. विभागीयप्रतिनिधि, आयकरअपीलीयआधिकरण, चण्डीगढ़/ DR, ITAT,
CHANDIGARH
5. गार्डफाईल/ Guard File

आदेशानुसार/ By order,
सहायकपंजीकार/ Assistant Registrar