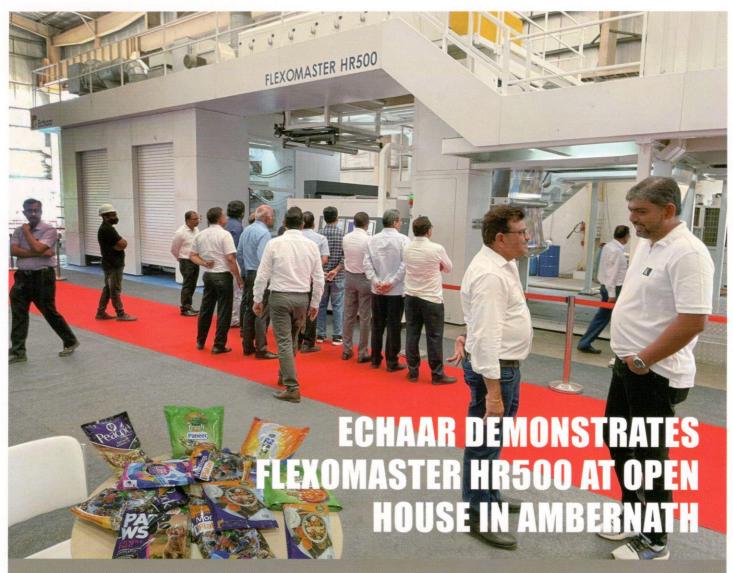
# THEPAGKWAN

India's Premier Magazine for Modern Packaging





Sai Com's seventh Nilpeter press installed at Guwahati plant



UFlex Asepto makes rapid inroads into the global aseptic liquid packaging market



Michelman aims to add positive recycling value to packaging



## UFlex Asepto makes rapid inroads into the global aseptic liquid packaging market

Asepto is now the world's fastest-growing brand in aseptic liquid packaging, with a year-on-year growth rate of more than 100%. With the cutting-edge greenfield project in Sanand, Gujarat, Asepto has cemented its position in India and is now on the rise globally. We discuss the aseptic liquid packaging industry, and how Asepto has been responding to the increasing demand for sustainable and innovative technology in aseptic packaging, in our interview with Ashwani Kumar Sharma, president and CEO, Aseptic Liquid Packaging Business, UFlex.

Mahan Hazarika: What is the current production capacity of Asepto's Sanand plant?

Ashwani Kumar Sharma: We're doubling our annual capacity from 3.5 billion to 7.0 billion packs. The commissioning process is well underway, and we will shortly make an announcement about it. Asepto is now the world's fastest-growing brand in aseptic liquid packaging, with a year-on-year growth rate of more than 100%. It has established itself as the world's leading aseptic liquid packaging manufacturer in less than four years. With the cutting-edge greenfield project in Sanand, Gujarat, Asepto has cemented its position in India and is now on the rise globally.

Mahan Hazarika: What kind of response are you getting from the market?

Ashwani Kumar Sharma: Asepto has been focusing on developing more and more sustainable products to help our customers provide better product experiences to their consumers. After all, it's a retail product, and we all know how important packaging is. On a busy shelf, the product that catches the consumer's eye gets picked up, and the rest is about brand loyalty, which is a big buying criterion as well. Understanding the retail scenario, especially for a packaging like Aseptic liquid cartons, we've spent a lot of time studying the market and gathered that a differentiating factor is aesthetic rejuvenation, which was a gap until Asepto entered.

Customers who previously only had the option of



Ashwani Kumar Sharma, president and CEO, Aseptic Liquid Packaging Business, UFlex

printed packaging will benefit from this advancement in Aseptic packaging. We were able to combine revolutionary holographic and foil stamping techniques in aseptic packaging, thanks to our competence and backward integrated business solution capabilities. Customers can use this strategy to emphasize the key message they want to get through to their consumers in a variety of ways. In a retail shelf where the packaging is a silent salesperson, both the brand and the packaging receive significant visibility. Both domestic and international markets are responding positively to Asepto's value added features of holographic effects and 3D foil stamping innovative impressions. Brands are efficiently utilizing these capabilities to increase their awareness and carve out a niche for the brands.

Mahan Hazarika: What is Asepto's commitment to responsible sourcing? What initiatives are being taken by Asepto in this direction?

Ashwani Kumar Sharma: We take great care to ensure that all raw materials used in the production of the final packaging solutions we offer are sourced from manufacturers who adhere to internationally recognized standards in the areas of environment, health, and safety; decent working conditions; labor welfare; human rights; and business integrity.

This, in turn, cascades into our manufacturing world to ensure alignment with our overarching philosophy of upholding strategies, policies, and procedures that establish a culture of integrity and strong sense of responsibility toward our people and planet, laying the groundwork for long-term success. We place a high emphasis on maintaining visibility across our value chain to guarantee that no deviations from internationally recognized good governance norms occur. Our packaging raw materials, such as paperboard, aluminum, and PE, are sourced from respected international and domestic suppliers.

We follow all necessary regulatory frameworks and maintain the highest standards as part of our commitment to preserve, protect, and promote. Our paperboard, which accounts for 70% of our packaging, meets all international laws, including FSC certification and stringent global manufacturing processes. All of our products are compliant with USFDA guidelines.

#### Food and Beverages



Asepto has been able to combine revolutionary holographic and foil stamping techniques in aseptic packaging

Our facility has also received SEDEX certification. In addition to official Indian requirements, our facility is accredited in accordance with the International ISO 9001:2015, ISO 14001:2015, ISO 22000:2005, and OHSAS 18001:2007 (45000:2018) management systems, as well as the BRC Global Standard for Packaging and Packaging Material.

Mahan Hazarika: Does Asepto have any plans to launch aluminum-free full barrier packaging materials for aseptic carton packs in near future? Please tell us in brief.

Ashwani Kumar Sharma: UFlex is committed to progress and believes that in order to remain competitive; we must evolve in order to create better product experiences for our partners. The acts are ultimately controlled by market forces. If our customers ask for aluminum-free full barrier products, we can accommodate their requests. We also need to recognize that the manufacturing of our aseptic liquid packaging products is very capital intensive, and we have

#### UFlex-Asepto to set up world's fastest and India's first U-shape paper straw line

Flex is setting up India's first U-shaped paper straw manufacturing line for its aseptic liquid packaging business. The manufacturing line is being set up at its existing aseptic liquid packaging plant in Sanand, Gujarat.

UFlex through its aseptic liquid packaging brand Asepto continues its efforts to create a sustainable and clean environment. The paper straw manufacturing line will be powered by fully automated Dutch technology, offering a production capacity of approximately 2.4 billion straws annually.

The food-grade U-shape paper straws that will be attached to and utilized for portion packs for juices and other beverages will be available in 145 mm and 165 mm. UFlex says that the moisture-resistant paper straws will be made from sustainably sourced papers, which are 100% recyclable.

Ashwani Kumar Sharma, president and CEO, Aseptic Liquid Packaging Business, UFlex, said, "In the wake of prohibitions on use of single use plastic coming into force across the world, including Indian

government upholding its decision to not exempt some plastic straws from the impending ban, this move by UFlex is not just significant but also timely. With the launch of U-shaped paper straws, we are ready to change the dynamics of the industry. We are constantly looking for strategic ways to improve the environmental performance of our products and create avenues for superior, convenient, and sustainable packaging.

"After the installation, we aim to attain 100 million straw production in the first month and raise it to 200 million in the next couple of months. We aim to produce 2.4 billion straws annually. The aesthetics and quality of the product are at par with global standards."

UFlex-Asepto is importing the machinery and equipment from Tembo Paper BV, a leading European company and next-generation Dutch Technology, around the globe.

Ashok Chaturvedi, chairman and managing director, UFlex, said, "Sustainability is one of the foundation



pillars at UFlex, and we are witnessing that our aseptic liquid packaging industry is progressively moving towards more environment friendly initiatives. Therefore, our emphasis is strongly on ensuring long-term viability of the entire value chain. The paper straws have created a huge impact in the global markets, and we are expecting the Indian market to mirror similar sentiments."

#### Food and Beverages

a responsibility to our stakeholders as a packaging partner. As a result, if we discover demand for it, we will surely pursue it.

In the current composition of our six-layer aseptic packaging, a very thin coating of aluminum is used acting as a strong light and oxygen barrier, eliminating the need for refrigeration and preventing spoilage of the product without the need of preservatives. In aseptic filling machines, the metal (aluminum) is also used as an induction sealing agent. To completely eliminate aluminum from the system, a technological overhaul involving the paperboard supplier and the present filling technology of the production process is required, which should be accomplished in due time.

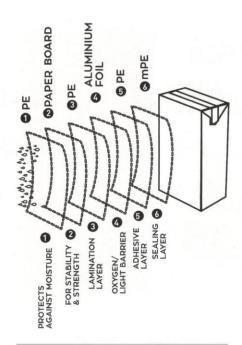
### Mahan Hazarika: Do you have any plans in the pipeline for new investments and capacity-building?

Ashwani Kumar Sharma: We are expanding our capacity at Sanand plant to 7 billion packs and we will be commissioning that plant very soon. In addition, the aseptic liquid packaging industry in India is growing at a CAGR of 12-15% per year, currently it's around 12-13 billion packs per year. Rising demand for food products with a long shelf life, no preservatives, and packaging that is safe and hygienic is propelling the sector forward. We are already witnessing a strong demand in our domestic as well as international order books, and with so much potential on both the domestic and global markets, we will definitely expand our footprint in new geographies.

#### Mahan Hazarika: What are the key advancements and significant trends in the aseptic packaging market in the last 5 years?

Ashwani Kumar Sharma: Several key trends, in my opinion, are driving the dynamics of the sector. People are migrating from loose to packaged items and choosing healthier and safer food and beverage options, evident via major changes in end-user purchase habits, especially during this pandemic. Brands are increasingly using sustainable and efficient packaging solutions and manufacturing processes to appeal to customers of all demographics.

Consumers are more conscious of the importance of utilizing a quality packaged product that is both safe and hygienic. They are conscious and make intelligent choices in favor of products that come in packaging that ensures quality, safety, and hygiene. Tamper-proof



In the current composition of Asepto's six-layer aseptic packaging, a very thin coating of aluminum is used acting as a strong light and oxygen barrier, eliminating the need for refrigeration and preventing spoilage of the product without the need for preservatives

packaging has emerged as a critical differentiator that connects powerfully with shifting customer buying habits. They desire nutritional value propositions among consumers and demand thoughtful choices that fit their lifestyle while also being beneficial for their palate and health. Packaging and techniques that are more natural and offer natural benefits of the product inside are given a lot of attention. Thus, new-age aseptic packaging greatly aids firms in providing their products with the highest nutritional content while preserving the integrity of the product.

Environmental Protection, people are becoming more aware of their responsibilities to preserve their immediate surroundings and environment. In this light, individuals are eating wisely, and their purchasing patterns have been influenced as well. They're curious about packaging, its environmental impact, and so on. Being conscious of our carbon footprint is no longer only a business practice; it is also becoming a way of thinking for individuals. As a result, packaging made from safe and sustainable materials has a direct impact on the mindset of end users.

These trends are paving the way for plenty of new product categories to emerge in aseptic packaging, to name a few. In the fruit beverage industry, new products such as energy drinks, ready-to-drink ORS, and plant-based beverages, to name a few, have emerged. They've carved out a niche for themselves across the country and are making a substantial contribution to the growth of the aseptic liquid packaging business.

Beverages containing alcohol base only on the fact that the product in aseptic packaging cannot be duplicated and are tamper-evident; this category has already begun to create a major favorable impression not only on the business but also in the minds of consumers. End-users are more aware of the benefits of aseptic packs versus glass/PET bottles, which will undoubtedly have a spilling effect on other categories too.

The other is the dairy category, which has many by-products like ghee, buttermilk, lassi, drinking yoghurt, milkshakes, and flavored milk, among other white milk and milk products, have huge potential. Aseptic processing and packaging, which do not utilize preservatives, provide considerable benefits in terms of increased shelf life and product freshness, which is critical for a perishable commodity like milk. The milk or milk product is as good as new and contamination-free for 6-9 months. With a milk output of around 200 million tonnes (MT) in FY21, we are the world's largest milk producer. When it comes to aseptic packaging, however, the dairy category has a dismal share.

"Asepto has been focusing on developing more and more sustainable products to help our customers provide better product experiences to their consumers. After all, it's a retail product, and we all know how important packaging is."