

Big opportunity

Recycling of e-waste will take off in a big way soon

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The numbers say it all. Currently, only about 5% of 330,000 tonnes of e-waste

generated in the country is processed by professional recyclers. The bulk goes to the informal sector, as there is no law compelling state-owned and private companies to process it through professional recyclers. It's not as if there is a lack of such recyclers. At last count, there were 13 authorised recycling companies in India. Another 10-12 plan to set up shop in India soon.

At Rs 600 apiece, it costs Rs 1,09,800 to collect 183 computers, says Toxic Links. However, the value that is recovered from the recycled machines is Rs 2,88,108. The recyclers are then left with Rs 1,78,308, from which processing costs are deducted. This still leaves them with a significant profit, says Ravi Agarwal of Toxic Links.

SIMS-Trishriya, an Australian-based company, took over a scrap business in Chennai and started operations in December 2007. INAA Enterprises is another Chennai-based e-waste recycler.

In Bangalore, recycler E-Parisara started off with an investment of Rs 1 crore in 2005. That figure is slated to increase to Rs 2.5 crore shortly. The company has about 70 employees, and recycles about a tonne of e-waste per day. It aims to use the additional investment to recycle 10 tonnes per day over the next three years. SIMS-Trishriya has tied up with 10-12 recyclers for regular supply of e-waste. "When we destroy waste, we give destruction certificates to the company," says Prabhu Srinivasan, Country Head, SIMS-Trishriya.

Tesamm, which is setting up a recycling plant near Chennai, is among those set to come in. Attero, the only one to get VC funding thus far, is setting up a unit near Rorkeee and is expected to commence operations in January 2009.

Still, it's not all rosy for e-recyclers. Most of them face hard times because of the steady flow into the informal sector, which offers unbeatable rates.

After working with a recycling plant in Dubai, A Ismail thought he was onto a good thing and moved back to India to set up INAA Enterprises in Chennai. Today, despite being one of five recyclers recognised by the Tamil Nadu Pollution Control Board, he's facing hard times. "In Dubai, companies collected an advanced recycling fee (ARF) of two to three dollars, but such a system is not prevalent in India," he laments. Ismail has invested about Rs 55 lakh in the company, but is finding it hard to procure e-waste, as he cannot match the money offered by the informal sector.

"What needs to be realised by all and sundry is that recovery in the informal sector is only 40% as compared to 90% in the organised sector. The challenge is that producers have to take responsibility and put a take-back policy in place," says Ramapathy Kumar, Toxic Campaigner, Greenpeace.

P Parthasarathy, Director of E-Parisara, says: "Although guidelines have been laid out, there is no legislation or monitoring authority to keep a check on e-waste disposal."

Once a law is in place, there will be a surge in demand for the services of professional recyclers. And, that law is coming—a draft legislation is ready and waiting. A change of



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government notwithstanding, it should be passed and in place by 2009. Clearly, there is a huge opportunity in this space.

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