

CREATING VALUE-ADDED END MARKETS

Srichakra spearheads food contact-grade recycling in India

While significant effort is being made to tackle India's plastic pollution issue, the country has faced barriers in accelerating the development of a circular economy. Almost 90% of the PET collected in India ends up being recycled, but the recycled material is generally downgraded, resulting in low levels of circularity. Food contact-grade recycled plastic is close to virgin plastic in quality, however the use of recycled PET (rPET) in such packaging has been, until very recently, heavily restricted in India.

Srichakra saw an opportunity to capture greater economic value from the plastic it recycles and, in 2021, invested \$10 million in strengthening its capabilities, installing world-leading bottle-to-bottle technology to become the first premium food contact-grade plastic recycling facility in India.

The recycling technology is US Food and Drug Administration-approved and enables Srichakra to produce food-grade quality rPET, which meets international standards for food and beverage packaging including water bottles and takeaway containers.

Initially, Srichakra saw an opportunity to supply the highest grade of recycled plastic to customers in global markets such as Europe and the United States where rPET food contact applications are widely used and encouraged by regulators. It would also allow Srichakra to encourage adoption and acceptance of high quality rPET in the domestic market, by setting a benchmark for the recycling and waste management industry in India.

More recently, Srichakra became the first Indian recycling company to receive a positive safety assessment from the European Food Safety Authority (EFSA), extending its leadership in accelerating plastics circularity in India.

At the same time, the Government of India's Food Safety and Standards Authority (FSSAI) has recently released new guidelines that will enable rPET for food packaging applications in India and Srichakra is the first and only company as of March 31st 2022 in India to have been authorised by FSSAI to manufacture recycled PET for food contact applications, positioning the company at the forefront of new circular supply chains as the policy shift takes place.

Such developments are supported by multi stakeholder efforts such as the [India Plastics Pact](#) of which Srichakra is a member, along with The Coca-Cola Company, Mondelēz International and Unilever, as well as Dalmia, Lucro and Recykal.

