

Case Study | May 2021

BUILDING WORLD-CLASS OPERATIONS

Scaling upcycling capabilities
with Srichakra Polyplast



With capital and support from the Circulate Capital Ocean Fund (CCOF), Srichakra Polyplast (Srichakra) is pioneering plastic recycling in India as one of the first companies to develop food-grade, bottle-to-bottle recycling capabilities. The company is expanding its capacity to transform post-consumer plastic waste into high-quality flakes, while optimizing its operations to ensure success in global markets for post-consumer packaging.

Srichakra's advancements to upcycle more types of plastic waste sees the development of high value applications, such as food-grade, from higher purity recycled plastic, representing a significant advancement for India's waste management and recycling industry.

INDIA'S NEED FOR MORE CIRCULAR END MARKETS FOR PLASTIC

Although 90% of India's post-consumer plastic packaging waste (such as polyethylene terephthalate (PET) plastic bottles) gets recycled, the vast majority of that material is downcycled, used by the textile industry for low-value applications that cannot be recycled again. Bottle-grade material must be imported because domestic infrastructure cannot produce the high-quality feedstock needed to go back into bottles and other food-grade applications. Having successfully built a business in recycled PET (rPET) flakes, Srichakra has set an ambitious goal of becoming one of India's first bottle-to-bottle recyclers, expanding its capacity to process rPET, as well as introducing new processing lines to handle other types of plastic, such as Polyethylene (PE) flexible plastic, like plastic bags, and Polypropylene (PP) rigid plastics used for packaging like boxes and containers. With investment from Circulate Capital, the company is set to be at the forefront of the circular plastics value chain in India in the coming years.

CCOF'S INVESTMENT ENABLED HYDERABAD-BASED SRICHAKRA TO COMMISSION NEW MACHINERY THAT WILL ADD UP TO 48,000 TONNES OF ANNUAL PROCESSING CAPACITY TO INDIA'S PLASTICS RECYCLING INFRASTRUCTURE. THAT IS 12 TIMES SRICHAKRA'S CAPACITY IN 2019.



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The team at Srichakra brings deep knowledge of recycling and technical expertise to designing and building machinery for washing and flaking post-consumer recycled resins. With support from CCOF, Srichakra can now focus on scaling its production of high-quality, higher-value recycled products, building on its track record as an innovator in the recycled plastics industry in India.

CCOF's investment in Srichakra also exemplifies ways our capital supports portfolio companies to build world-class operations, one of our key areas of intended impact. While improving its operations, Srichakra has also worked on refining and enhancing internal processes and operating procedures with the goal of achieving greater efficiencies, ensuring compliance with international product standards and business operations practices, as well as differentiating itself from competitors.

To that end, the company has implemented a new enterprise resource planning system, which provides visibility and data sharing across all facets of the business including human resources, payroll, finance, manufacturing, marketing and sales. Srichakra also developed an Environmental, Social and Corporate Governance framework, in line with international standards and best practices.

Srichakra co-founder and CEO Ravindra Venkata credits Circulate Capital for providing the business with a global perspective on the recycling industry, as well as best practices for sustainable business operations.

“Srichakra has pioneered the recycling process for high-quality recycled plastics in India. We saw an opportunity to both prevent plastic waste from entering the environment and advance the circular economy by recycling plastic waste into high grade recycled material and realizing its value.

With the support of Circulate Capital we aim to transform our business to offer recycled plastic materials in larger quantities, with new product applications and higher specifications.”

Ravindra Paruchuri
Director, Srichakra Polyplast

