



Customs: compliance  
and licensing under  
Extended Producer  
Responsibility (EPR)

# Extended Producer Responsibility

## Background

The Ministry of Environment, Forest and Climate Change ('MoEF'), notified Rules to regulate the handling and management of

Plastic waste

Battery waste

e-waste

Waste tyres

Used Oil

Extended Producer Responsibility ('EPR') aims to assign the responsibility on a producer for the environmentally sound management of the product until the end of its life. EPR guidelines includes Reuse, Recycling, Use of recycled content, and End of life disposal

## Who is covered under the Rules ?

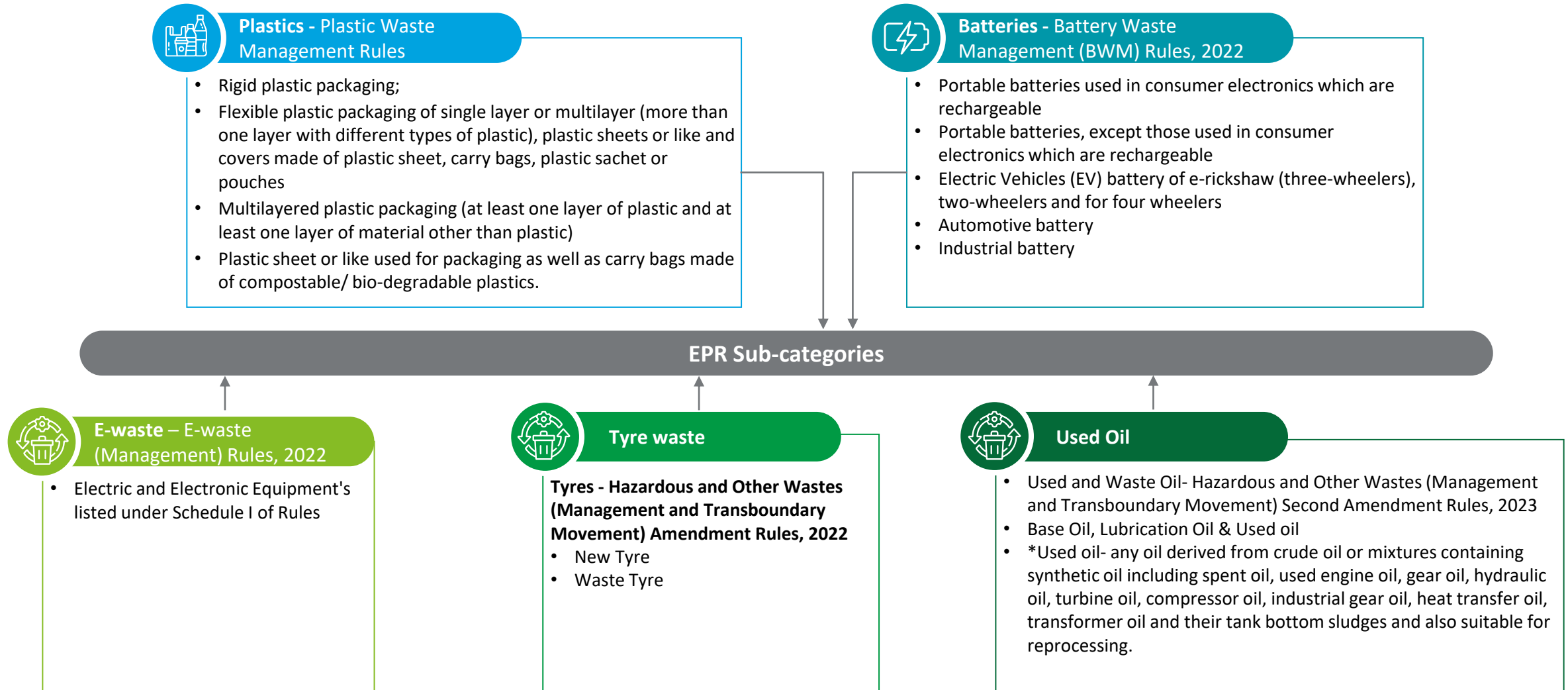


## Upcoming EPR's

EPR for Scrap of Non-Ferrous metals

EPR for End-of-Life Vehicles

# EPR Sub-categories



## Polling question 1



**Are you aware about the CPCB notified EPR guidelines and product coverage under EPR?**

- Yes, I am aware
- Yes, but it's not clear
- No, I am not aware
- Not applicable



# Extended Producer Responsibility – Illustrative Industry/Sector Covered



## Plastic Waste

- **Fast Moving Consumer Goods (FMCG)** - Milk packets, cooking oil in plastic bottles
- **Pharmaceutical** - Capsules and tablets packed in plastic bottles
- **Automobile Industries** - Car parts, and other vehicle parts in plastic packaging
- **Agriculture and agribusiness** - Plastic packaging for seeds, fertilizers etc .



## Battery Waste

- **Consumer electronics** - Smartphones, laptops, tablets, cameras etc.
- **Automotive** - Electric vehicles
- **Aerospace** - Aircraft, satellites, spacecraft
- **Healthcare** - Medical devices such as pacemakers, hearing aids and other diagnostic equipment
- **Telecommunications** - Cell towers, base stations and network equipment
- **Renewable energy** - Solar power and wind power systems



## E-Waste

- **IT and Telecommunication equipment** – Computers, printer, telephone, router
- **Consumer electronics** – TV, Refrigerator, AC etc.
- **Electronic equipment's** – Freezers, Dish washer, Microwave, etc.
- **Electronic Tools** – Drills, Sewing machine, etc.
- **Toys and sports** – Electric car racing set, Video games, etc.
- **Medical devices** – Cardiology equipment, ventilator, etc.



## Waste Tyres

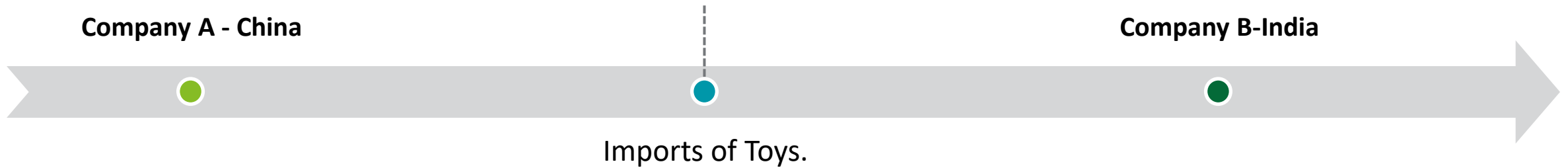
- **Transportation and Logistics** - Tyres of commercial trucks, buses, delivery vehicles
- **Aerospace** - Aircraft, smaller planes having landing gear
- **Automobile Industries** - Car, bike, bicycles, sports utility vehicles , etc.
- **Heavy Machinery and Equipment** - bulldozers, loaders, mining trucks, forklifts etc.
- **Agriculture** - tractors, combine harvester etc.
- **Maritime and boating industries** - boats, shipyard equipment etc.



## Used Oil

- **Automobile Industries**
- **Railway and Défense establishment**
- **Transport Companies**
- **Industries Unit-** Electronic Industries, Paper and Pulp Industries, Leather tanneries, production of Plastics etc
- **Chemical Industries-** Production of asbestos or asbestos containing materials, caustic soda and chlorine, mineral acids etc
- **Textile Industries:** Production of canvas and textiles
- **Hotel or Restaurants**

# Case Study : Import of Toys



## Facts

A company based in India, imports toys from China for sale in India.

## Action

- To check whether there is a requirement of EPR registration, we need to look out whether these toys are being imported with plastic packaging or do they have rechargeable batteries.
- On examining the product, we observed that the imported toys have plastic packaging and have rechargeable batteries within them.

## Result

- We identified that the toys being imported require EPR registration under Plastic Waste Management Rules and Battery Waste Management (BWM) Rules, 2022. Also, the importer needs to accomplish the EPR targets for both plastics and batteries.
- Company B need to promptly apply for the necessary import license from the MoEF/ CPCB before proceeding with the shipment for hassle free imports and avoid potential legal penalties.

## Polling question 2



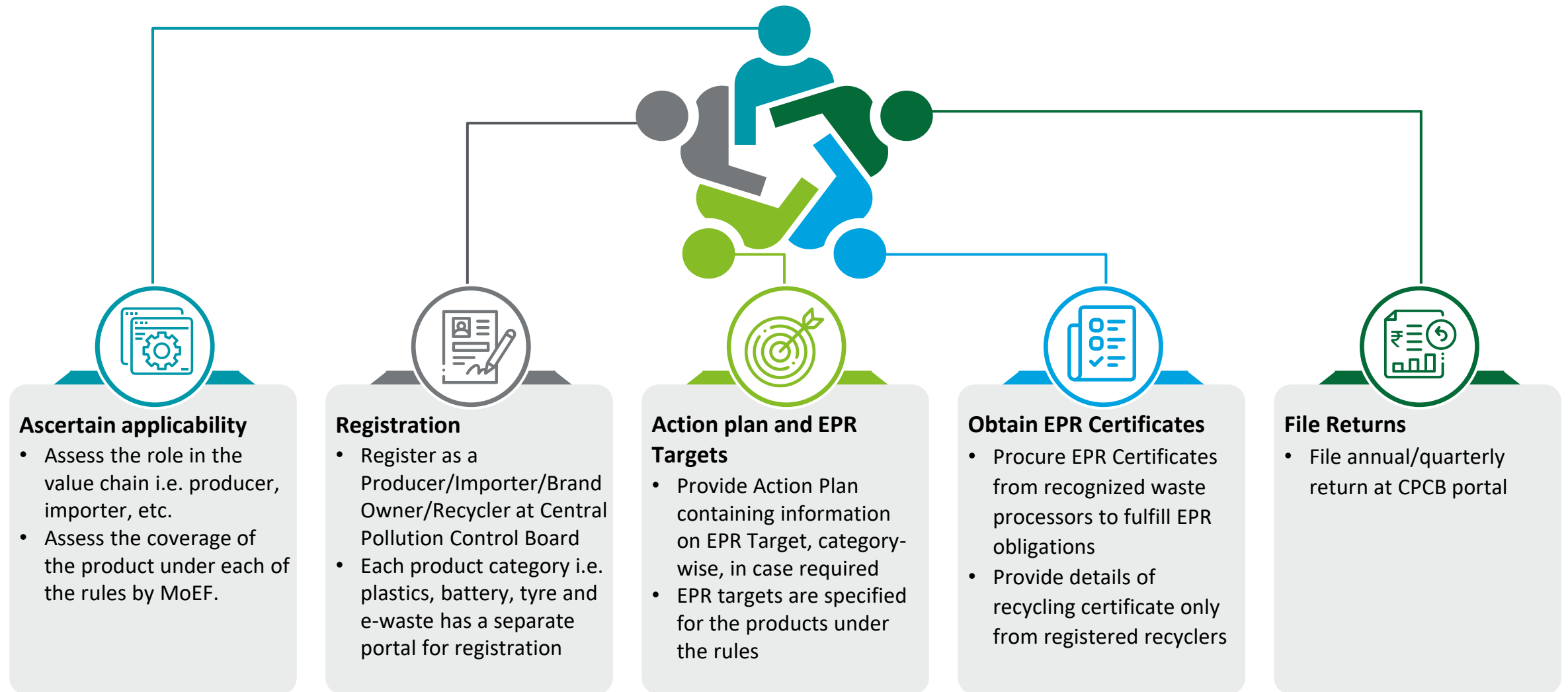
**How would you rate the clarity on the EPR license applicability, application process, and post registration compliances on a scale of 1 to 3, with 1 being very unclear and 3 being very clear?**

- 1- Very unclear
- 2 – Clear with some gaps
- 3 – Very clear



# Extended Producer Responsibility – What you need to do?

This is a general process for EPR, specific processes are defined in the SOPs issued by the MoEF under each of the waste management Rules.





# Extended Producer Responsibility – Implications of Non-compliance



Levy of Environmental compensation by CPCB



Reputational damage since environmental responsibilities are a priority



Detention of goods by Customs leading to delays in clearances and high demurrage cost



Create legal liabilities and penalties under Section 15 of the Environment (Protection) Act, 1986 \*

\*Imprisonment of up to five years or a fine of up to one lakh rupees, or both, may be imposed, with an additional fine of up to five thousand rupees per day if the violation continues after the first conviction. If the violation persists for more than a year after conviction, the offender may face imprisonment of up to seven years.

# Extended Producer Responsibility – Environmental Compensation

## Illustrative example of Battery

As per the recent draft guidelines issued by the CPCB, in July 2024, the Environmental Compensation to be levied to the Producers is divided into two regimes:



### EC Regime 1

#### EC or non-fulfilment of metal-wise EPR Targets

- **For Lead-Acid batteries** – INR 18 per Kg including the handling, collection and transportation cost
- **For Lithium-ion batteries** – EC is calculated basis the chemical composition of the battery as below:

Sno.	Metal	Total EC Cost (INR/kg of metal)*
1	Lithium (Li)	1570
2	Cobalt (Co)	570
3	Nickel (Ni)	370
4	Manganese (Mn)	370
5	Copper (Cu)	270
6	Aluminium (Al)	120
7	Iron (Fe)	105

\*Average Cost of Collection Storage and Transportation + Average Processing



### EC Regime 2

#### EC for non-compliances of BWM Rules, 2022 (Other than EPR target shortfall)

- **For 1<sup>st</sup> default** – EC equivalent to application fees under Battery Waste Management Rules, 2022, i.e., **Rs. 20,000**
- **For 2<sup>nd</sup> default** – Two times of first default i.e. **Rs. 40,000/-**.
- **For 3<sup>rd</sup> default** – Two times of second default i.e. **Rs. 80,000/-**.

#### Types of defaults covered :

1. Non-submission of Annual Returns
2. Not following labelling requirements
3. Engaging with entities not registered on the portal
4. Noncompliance found in third party audit
5. False reporting / not registered on the Portal / improper handling of battery waste

## Polling question 3



**Are you aware about your EPR targets and obligations ?**

- Yes, I am aware
- Yes, but it's not clear
- No, I am not aware
- Not applicable



# Upcoming Extended Producer Responsibility

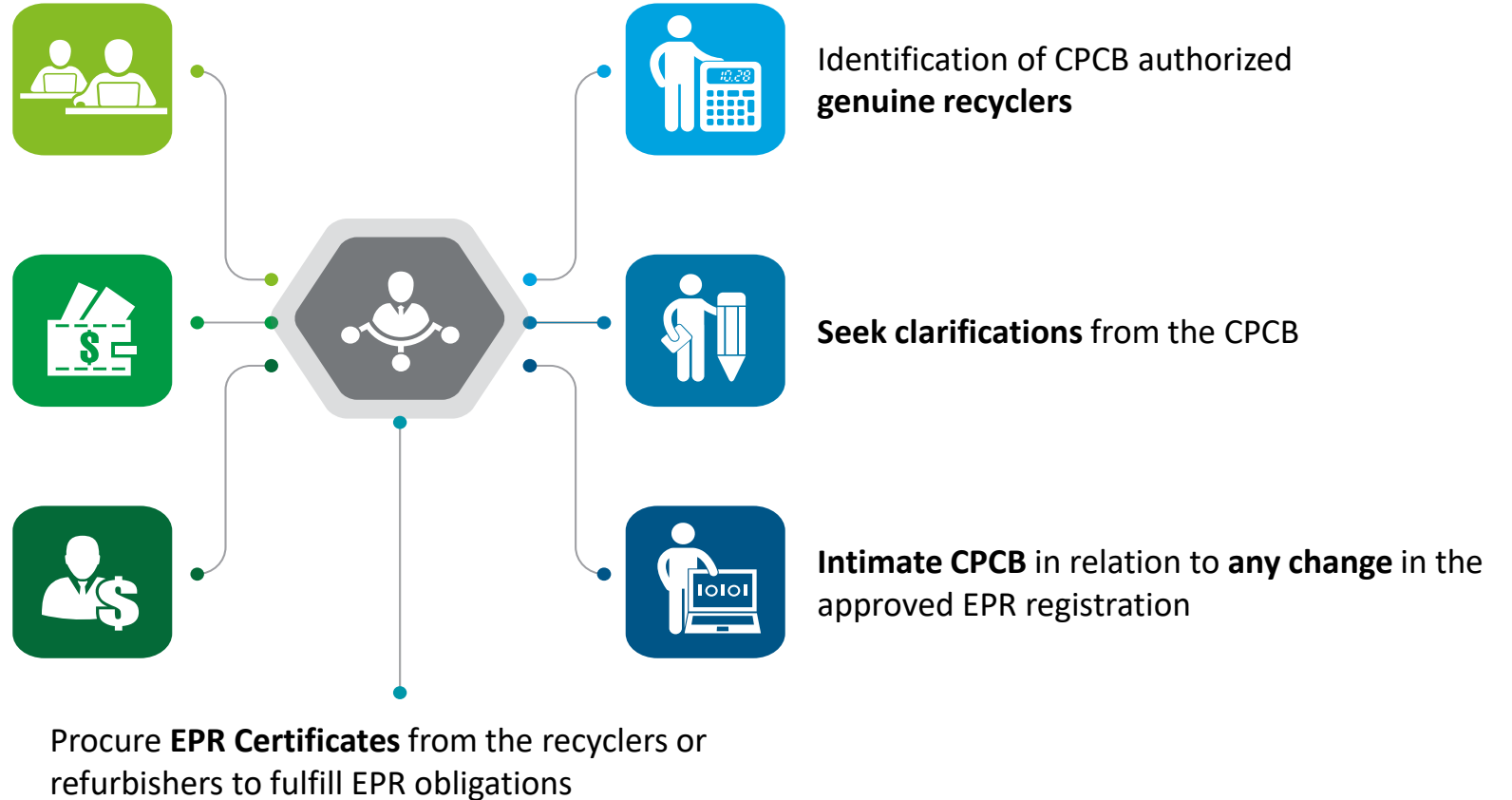
Parameters	EPR for Scrap of Non-Ferrous metals	EPR for End-of-Life Vehicles
Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Second Amendment Rules, 2024.	Draft End-of-Life Vehicles (Management) Rules, 2024.
Effective Date	1 <sup>st</sup> Day of April 2025.	To be notified soon.
Product Coverage	Non-ferrous Metals- Aluminum or Copper or Zinc or their alloys.	Steel used in all types of vehicles (electric, battery-operated, e-rickshaws, and e-carts).
Applicability	<p>A "Producer" refers to any individual or entity involved in:</p> <ol style="list-style-type: none"> <li>1. Manufacturing and selling products made of non-ferrous metals under its brand.</li> <li>2. Selling assembled products made of non-ferrous metals produced by others under its brand.</li> <li>3. Selling imported products made of non-ferrous metals under its or the original brand.</li> <li>4. Importing used devices, products, or scrap of non-ferrous metals.</li> <li>5. Recycling non-ferrous metals.</li> </ol>	<p>A "Producer" refers to an entity involved in the domestic market for:</p> <ol style="list-style-type: none"> <li>1. Manufacturing, assembling, and selling vehicles under its brand.</li> <li>2. Selling vehicles produced by other manufacturers under its brand.</li> <li>3. Importing vehicles.</li> <li>4. Manufacturing or assembling vehicles for other producers.</li> <li>5. Recycling or dismantling vehicles.</li> </ol>
Post Registration Compliances	Quarterly & Annually	Quarterly & Annually
Illustrative Examples	<b>Any product or item containing non-ferrous metals:</b> Cans for Beverages, aerosols, Packaging Foils, Doors, windows, shutters, Utensils, Furniture, hardware's, Conductor cables & Wires, strips, Sanitary ware & fittings ,Electrical fittings, toys etc.	Including all types of vehicles (electric, battery-operated, e-rickshaws, and e-carts).

# What you need to do?

**Assessment of EPR applicability** under different categories

Filing and obtaining **EPR registration**

**Post registration compliances** like sales procurement data upload, filing annual/quarterly returns





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