



File No.: CP-22/31/2024-WM-III-HO-CPCB-HO

September 9, 2024

Waste Management-III Division

NOTICE

Kind Attention: Producers, Manufacture, Recyclers and Refurbishers under E-Waste (Management) Rules, 2022 and amendment thereof.

Subject: Environmental Compensation (EC) Guidelines under E-Waste (Management) Rules, 2022

The Central Pollution Control Board has prepared Environmental Compensation (EC) Guidelines, after consultations with stakeholders.

As required under section 22(1) & 22(2) of the E-Waste (Management) Rules, 2022, the Environmental Compensation (EC) Guidelines were presented and discussed in the 4th Steering Committee meeting held on 08.08.2024 and also in follow up meeting with stakeholder held on 09.08.2024 and accordingly finalized. The Environmental Compensation (EC) Guidelines were further submitted to the Ministry of Environment, Forest and Climate Change (MoEF&CC) vide letter F. No.: CP-22/31/2024-WM-III-HO-CPCB/381 dated 28.08.2024 for approval.

Accordingly, MoEF&CC vide Office Memorandum F. No.: 12/136/2021-HSM dated 09.09.2024 (copy enclosed) has conveyed its approval of the Environmental Compensation (EC) Guidelines. The approved Environmental Compensation (EC) Guidelines are enclosed herewith for ready reference.

Encl.: As above

Anand Kumar
09/09/2024
(Anand Kumar)
Director &
Divisional Head
WM-III Division

F.No. 12/136/2021-HSM
Government of India
Ministry of Environment, Forest and Climate Change
(HSM Division)

Level II, Jal Block,
Indira Paryavaran Bhawan,
Jor Bagh Road, Ali Ganj,
New Delhi-110003

Date: 9th September, 2024

OFFICE MEMORANDUM

Sub: Draft Environmental Compensation (EC) guidelines prepared by CPCB under the provisions of E-Waste (Management) Rules, 2022 as amended time to time-reg.

The undersigned is directed to refer to communication *vide* No. CP-22/31/2024-WM-III-HO-CPCB/381 dated 28th August, 2024 of Central Pollution Control Board on the above mentioned subject matter and to convey the approval of Ministry of Environment, Forest and Climate Change on the said guidelines.

This issue with the approval of the competent authority.



(Ved Prakash Mishra)
Director

To,

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Director & Divisional Head,
WM-III Division,
Central Pollution Control Board,
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Copy to:

The Member Secretary, Central Pollution Control Board, Parivesh Bhawan, East Arjun Nagar, Shahdara, Delhi - 110 032.

Guidelines for Environment Compensation (EC)

Under

E-Waste (Management) Rules, 2022



**Central Pollution Control Board
Parivesh Bhawan, East Arjun Nagar, Delhi – 110032**

August, 2024

Mand Kumar

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1.0 Background

Ministry of Environment, Forest & Climate Change, Government of India, has notified E-Waste (Management) Rules, 2022 and amendments thereof, for the effective management of the E-Waste in the country. The rules are applicable to every manufacturer, producer, refurbisher, dismantler and recycler involved in the manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling and processing of e-waste or electrical and electronic equipment as notified. The objective of the said Rules is to take all steps required to ensure that E-Waste is managed in a manner which shall protect health and environment against any adverse effects, which may result from such E-Waste.

As per the Rule 22 (1) of the E-Waste (Management) Rules, 2022 and amendments thereof, *“The Central Pollution Control Board shall lay down guidelines for imposition and collection of environmental compensation (EC) on any entity in case of violation of any of the provision of these rules and guidelines issued hereunder and the said guidelines shall be in accordance with these rules and shall be approved by the Ministry of Environment, Forest and Climate Change.”*

As per Rule 15 (9) of the E-Waste (Management) Amendment Rules, 2024, *“The Central Pollution Control Board shall fix the highest and lowest price for exchange of extended producer responsibility certificates which shall be equal to hundred per cent and thirty per cent, respectively of the environmental compensation for non-fulfilment of extended producer responsibility obligation under rule 22”.*

This EC Regime has been framed in accordance with the E-Waste (Management) Rules, 2022 and amendments thereof. The document details the EC regime to be levied on the violators in accordance with provision of the above said Rules.

2.0 Introduction

E-Waste (Management) Rules, 2022 and amendments thereof notified under Environment (Protection) Act, 1986 stipulates that CPCB shall impose Environmental Compensation (EC) in-case of non-compliance of these rules by the registered Producers / Manufacturers / Recyclers / Refurbishers. This Environmental Compensation will help in implementation of EPR regime by the Producers / Manufacturers / Recyclers and Refurbishers. Environmental Compensation shall be levied for non-compliances of provisions of E-Waste (Management) Rules, 2022 and amendments thereof. The Environmental Compensation has been derived based on cost incurred for recycling of E-Waste.

In the E-Waste value chain, there is significant presence of informal collectors, transporters and recyclers who are involved in collection, transportation and recycling of E-Waste. These informal recyclers are recovering useful and valuable materials from E-Waste using unscientific methods causing heavy damage to environment and also loss of significant recoverable material as their methods are crude and inefficient.

Under the E-Waste (Management) Rules, 2022 and amendments thereof, four end products of recycling have been recognized, which are Gold (Au), Copper (Cu), Aluminium (Al) and Iron (Fe). For recovery of Gold (Au), Copper (Cu), Aluminium (Al) significant investments in technology, R&D and health and safety measures are required. Establishing floor price for EPR Certificate is very crucial as it incentivizes investments in collection and transportation networks, making collection and logistics costs economically viable and protects recyclers from the risks of fluctuating commodity prices, ensuring their sustainability and helps legitimate recyclers compete against the informal sector.

3.0 Applicability

These EC guidelines will be applicable to below mentioned entities involved in manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling and processing of e-waste or electrical and electronic

equipment (EEE) listed in Schedule I, including their components, consumables, parts and spares which make the product operational:

I. Producers- 'Producer' means any person or entity who, -

- i. Manufactures and offers to sell electrical and electronic equipment and their components or consumables or parts or spares under its own brand; or
- ii. Offers to sell under its own brand, assembled electrical and electronic equipment and their components or consumables or parts or spares produced by other manufacturers or suppliers; or
- iii. Offers to sell imported electrical and electronic equipment and their components or consumables or parts or spares; or
- iv. Who imports used electrical and electronic equipment;

II. Recyclers- 'Recycler' means any person or entity who is engaged in recycling and reprocessing of waste electrical and electronic equipment or assemblies or their components or their parts for recovery of precious, semi-precious metals including rare earth elements and other useful recoverable materials to strengthened the secondary sourced materials and having facilities as elaborated in the guidelines of the Central Pollution Control Board made in this regard;

III. Refurbishers- 'Refurbisher' means any person or entity repairing or assembling used electrical and electronic equipment as listed in Schedule-I for extending its working life over its originally intended life and for same use as originally intended, and selling the same in the market;

IV. Manufacturers- 'Manufacturer' means a person or an entity or a company as defined in the Companies Act, 2013 (18 of 2013) or a factory as defined in the Factories Act, 1948 (63 of 1948) or Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), which has facilities for manufacture of electrical and electronic equipment as specified in Schedule-I;

V. Any non-registered entities involved in collection, storage, transportation, sale, processing, recycling of E-Waste

4.0 Provisions of E-Waste (Management) Rules, 2022 and amendments thereof for which EC is to be levied and violation

Environmental Compensation is to be levied for the non-compliance of the following provisions of the of E-Waste (Management) Rules, 2022 and amendments thereof as listed in Table 1.

Table 1:

S.N.	Rules	Provisions	Violations	Entities
1	4(2)	In case any entity falls in more than one category under sub-rule 4 (1), then the entity shall register under those categories separately.	Entities falling under more than one category but registered under only one category	Manufacturers, Producers, Refurbishers, Recyclers
2	4(3)	No entity referred in sub-rule 4 (1) shall carry out any business without registration.	Operating without registration	Manufacturers, Producers, Refurbishers, Recyclers
3	4(4)	The entities registered under sub-rule 4 (1) shall not deal with any	Entity dealing with unregistered entities	Manufacturers, Producers,

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S.N.	Rules	Provisions	Violations	Entities
		unregistered manufacturer, producer, recycler and refurbisher.		Refurbishers, Recyclers
4	4(5)	Where any registered entity furnishes false information or wilfully conceals information for registration or for filing returns or report required to be provided under these rules or in case of any irregularity	Submission of false information and/or wilful concealment of information	Manufacturers, Producers, Refurbishers, Recyclers
5	4(5)	Where any registered entity furnishes false information or wilfully conceals information for getting registration or return or report or information required to be provided or furnished under these rules or in case of any irregularity	Submission of wrong sales data and/or wilful concealment of information on actual sales of EEE.	Producers
6	5(3), 6(4), 7(4), 9(6), 12(2)(iii)	File annual and quarterly returns in the laid down form on the portal on or before the end of the month succeeding the quarter or year, as the case may be, to which the return relates;	Failure in filing the annual and quarterly returns	Manufacturers, Producers, Refurbishers, Recyclers
7	6(2)	Provided that the producers having extended producer responsibility plan under the provisions of the erstwhile E-Waste (Management) Rules, 2016 shall migrate under these rules as per the procedures laid down by CPCB with approval of Steering Committee.	Operating without valid registration- Failure in migration from the erstwhile E-Waste (Management) Rules, 2016 to E-Waste (Management) Rules, 2022	Producers
8	7(2)	Collect e-waste generated during the process of refurbishing and hand over the waste to registered recycler and upload information on the portal	Non-channelization of e-waste-Not sending fractions/material not refurbished in its facility to respective authorized recyclers of e-waste	Refurbisher
9	7(3)	Ensure that the refurbished equipment shall be as per Compulsory Registration Scheme of the Ministry of Electronics and Information Technology and Standards of Bureau of Indian Standards framed for this purpose;	Not compliance with industry standards	Refurbisher
10	9(2)	Ensure that the facility and recycling processes are in accordance with the standards with the standards or guidelines laid down by Central Pollution Control Board in this regards from time to time.	Non Compliance with CPCB guidelines	Recycler

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S.N.	Rules	Provisions	Violations	Entities
11	9(3), 9(4)	All recycler shall have to, (3) ensure that the fractions or material not recycled in its facility is sent to the respective registered recyclers; (4) ensure that residue generated during recycling process is disposed of in an authorized treatment disposal facility.	Not sending fractions/ material not recycled in its facility to respective authorized recyclers of e-waste	Recycler
12	9(5)	Maintain record of e-waste collected, dismantled, recycled and sent to registered recycler on the portal and make available all records for verification or audit as and when required.	Maintain record and documentation and make available all records for verification or audit as and when required	Recycler
13	11	Procedure for storage of e-waste. - Every manufacturer, producer, refurbisher and recycler may store the e-waste for a period not exceeding one hundred and eighty days and shall maintain a record of sale, transfer and storage of e-wastes and make these records available for inspection and the storage of the e-waste shall be done as per the applicable rules or guidelines for the time being in force: Provided that the Central Pollution Control Board may extend the said period up to three hundred and sixty-five days in case the e-waste needs to be specifically stored for development of a process for its recycling or reuse.	Storing E-waste beyond the prescribed time limit.	Manufacturers, Producers, Refurbishers, Recyclers
14	11	Procedure for storage of e-waste. - Every manufacturer, producer, refurbisher and recycler may store the e-waste for a period not exceeding one hundred and eighty days and shall maintain a record of sale, transfer and storage of e-wastes and make these records available for inspection and the storage of the e-waste shall be done as per the applicable rules or guidelines for the time being in force:	Storing e-waste in an open area or non-designated area	Manufacturer, Producer, Refurbisher And Recycler
15	16(1),16(2), 16(4),16(5), 16(7),16(8)	(1)Every producer of electrical and electronic equipment and their components or consumables or parts or spares listed in Schedule I shall ensure that, new electrical and electronic equipment and their components or consumables or parts or spares do not contain Lead, Mercury, Cadmium, Hexavalent Chromium, polybrominated biphenyls and polybrominated diphenyl ethers	Non-compliance to ROHS provisions	Manufacturers, Producers

S.N.	Rules	Provisions	Violations	Entities
		<p>beyond a maximum concentration value of 0.1 per cent by weight in homogenous materials for lead, mercury, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ethers and of 0.01 per cent by weight in homogenous materials for cadmium.</p> <p>(2) Components or consumables or parts or spares required for the electrical and electronic equipment placed in the market prior to the 1st May, 2014 may be exempted from the provisions.</p> <p>(4) Every producer of applications listed in Schedule-II shall ensure that the limits of hazardous substances as given in Schedule-II are to be complied.</p> <p>(5) Every producer shall provide the detailed information on the constituents of the equipment and their components or consumables or parts or spares along with a declaration of conformance to the reduction of hazardous substances provisions in the product user documentation.</p> <p>(7) Manufacture and supply of electrical and electronic equipment used for defence and other similar strategic applications shall be excluded from provisions of sub- rule (1).</p> <p>(8) Every producer shall provide information on the compliance of the provisions of sub-rule (1) and this information shall be in terms of self-declaration</p>		
16	22(2)	The Central Pollution Control Board shall also lay down guidelines for imposition and collection of environmental compensation on the producer in case of non-fulfilment of obligations set out in these rules and transaction or use of false extended producer responsibility certificate and the said guidelines shall be in accordance with these rules and shall be approved by the Ministry of Environment, Forest and Climate Change.	Transaction or use of false extended producer responsibility certificate	Recyclers And Refurbishers
17	22(2)	The Central Pollution Control Board shall also lay down guidelines for	Non-fulfilment of obligations	Producers

S.N.	Rules	Provisions	Violations	Entities
		imposition and collection of environmental compensation on the producer in case of non-fulfilment of obligations set out in these rules and transaction or use of false extended producer responsibility certificate and the said guidelines shall be in accordance with these rules and shall be approved by the Ministry of Environment, Forest and Climate Change.		
18	22(5)	False information resulting in over generation of extended producer responsibility certificates by recycler shall result in revocation of registration and imposition of environmental compensation which shall not be returnable and repeat offence, violation of these rules for three times or more shall also result in permanent revocation of registration over and above the environmental compensation charges.	Submission of False information resulting in over generation of EPR certificates	Recyclers
19	SOPs of Registration as on E-Waste EPR Portal	The validity of registration will be of five (05) Years from the date of grant of Registration	Renewal of Registration	Producer, Recycler and Refurbisher
20	E-Waste (Management) , Rules, 2022	-	Any other violation of the E-Waste (Management) Rules, 2022 and amendments thereof and not listed above	Manufacturer, Producer, Recycler, Refurbisher and any other stakeholders or entities involved in E-Waste Value Chain.

Assessment of Environmental Compensation to be levied for violation of the any other sub-rules of the E-Waste (M) Rules, 2022 or any other violation other than mentioned in the table above shall be done on case to case basis.

5.0 Environmental Compensation (EC) and Boundary Conditions

As per the E-Waste (Management) Rules, 2022 and amendments thereof, the lowest price of exchange of EPR Certificate shall be equivalent to 30% of Environmental Compensation and highest price of exchange of EPR Certificate will be equal to Environmental Compensation (100%). Cost of EPR certificate will be regulated with the cost of Environmental Compensation.

The basic concepts applied for calculation of Environmental Compensation (EC) is the damage to environment or adverse impact on the environment due to violation or non-compliance of E-Waste (Management) Rules, 2022 and amendments thereof.

The Environmental Compensation is divided into two regimes, EC Regime 1 and EC Regime 2 based on the non-fulfilment of EPR target by the Producers and other non-compliances of E-Waste (Management) Rules, 2022 and amendments thereof by Producers / Manufacturers / Recyclers / Refurbishers.

In EC Regime 1, producers are covered for not meeting their end product wise targets. Short fall in end product wise target has been considered as adverse impact and damage to the environment and this adverse impact and damage to the environment has happened because quantity of E-Waste equivalent to shortfall in target was not collected, transported to recycling facility and recycled in an environmentally sound manner. So, producers have to bear the average cost of collection, transportation and processing as a compensation for damaging the environment. So in EC Regime 1, average cost of collection, transportation of E- Waste and processing cost to recover end product metals are taken as parameters for deciding the EC.

In EC Regime 2, average application fees as applicable for registration of Recyclers / Manufacturers / Refurbishers on the E-Waste EPR Portal is Rs. 15,000/- and under these rules is considered as the parameter in this regime. For Producers, the applicable registration fee varies from Rs. 2,500/- to Rs. 15,00,000/- due to wide variation in volume of sales, a value of Rs. 20,000/- has been considered as a base EC charges, in EC Regime 2

Boundary Condition for Environmental Compensation & Cost of EPR Certificate:

- i. The lowest price for exchange of extended producer responsibility (EPR) certificates for end products metal namely Gold (Au), Copper (Cu), Aluminium (Al) and Iron (Fe) should not be higher than the market value of these metals. This ensures that metals are recovered from the recycling of E-Waste rather than purchasing metals from the market and selling them to generate EPR certificates.
- ii. The Environment Compensation shall not absolve the producers from their extended producer responsibility

6.0 Approach for Determination of Environment Compensation (EC)

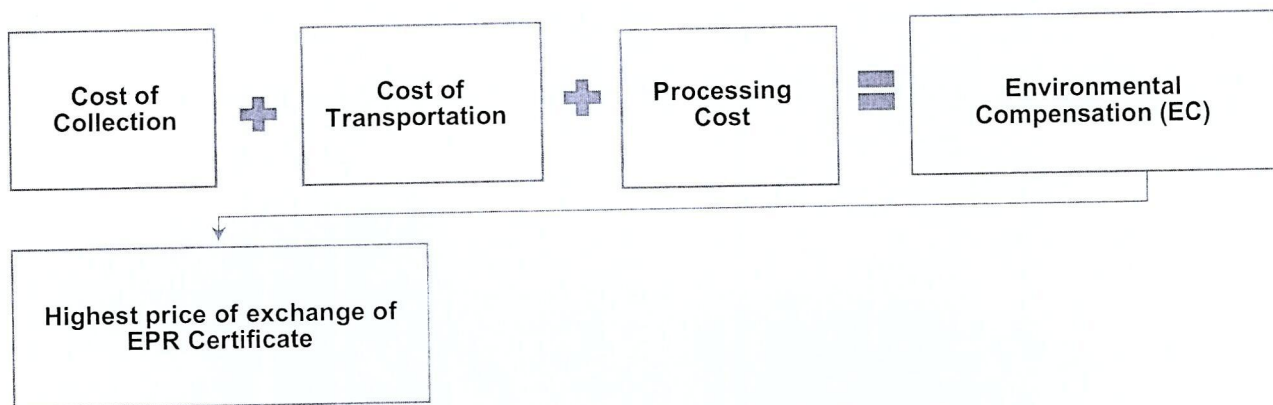
- i. **EC Regime 1** – In this regime, EC will be levied to the Producers for non-fulfilment of EPR target end product wise.
- ii. **EC Regime 2** – In this regime, EC will be levied to any entity for non-compliances of E-Waste (M) Rules, 2022 and amendments thereof (detail of which is mentioned in Section 7.0).

6.1 EC Regime 1

The EC to producers for not meeting the EPR Targets end products wise is the average expense on e-waste collection, transportation and recycling of e waste.

The concept for arriving EC charges as per the above scenario is given below:

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The cost components for EC calculation is given below:

- i. Cost of Collection and Transportation of E-Waste = Rs. 25 per kg of E-Waste
- ii. Processing cost to recover end products is summarized in table below:

PROCESSING COST End Product wise*			
Gold(Au)	Copper(Cu)	Iron (Fe)	Aluminum (Al)
Rs. per gm	Rs. per kg		
2550	1850	76	431

* Source: Based on information from Recycler's Associations (MRAI and REIA)

Assuming that the E-waste contains equal quantity of all four end products the (i) Cost of Collection and Transportation for each of the end products will be Rs. 25. Hence, the end product wise EC is calculated by adding the cost of collection and transportation for each end product and processing of cost of each end product. The environmental compensation for each end product is given below in the Table 1.

Table 1:
Environmental Compensation in Rupees- End Product Wise

	Au (Rs/gm)	Cu (Rs/kg)	Fe (Rs/kg)	Al (Rs/kg)
EC	2575	1875	101	456

The lowest price of exchange of Extended Producer Responsibility (EPR) Certificate Cost is given in the Table 2 below.

Table 2:

Au (Rs/gm)	Cu (Rs/kg)	Fe (Rs/kg)	Al (Rs/kg)
772	562	30	136

EC in terms of EEE items category

In the E-Waste EPR regime, it has been observed that producers are giving purchase orders for procurement of EPR Certificate in term of EEE item codes. Since highest and lowest price of exchange of EPR certificate is linked with EC, EC in terms of category of EEE item has also been calculated. The calculation of EC in terms EEE category has been done using EC value of end products and average percentage composition of end products in that EEE category.

The EC in term of EEE item category and the corresponding lowest price of exchange of EPR Certificate is given in the Table 3 below.

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Table 3:

	Categories of electrical and electronic equipment	EEE Items Category	EC in terms of EEE item category	Lowest Price for Exchange of EPR Certificate (Item Code Wise) = 0.3xEC (Rs. per Kg)
(i)	Information technology and telecommunication equipment:	ITEW	112	34
(ii)	Consumer Electrical and Electronics and Photovoltaic Panels	CEEW	74	22
(iii)	Large and Small Electrical and Electronic Equipment	LSEEW	76	23
(iv)	Electrical and Electronic Tools (With the exception of large- Scale Stationary Industrial Tools)	EETW	82	25
(v)	Toys, Leisure and Sports Equipment	TLSEW	34	10
(vi)	Medical Devices (With the Exception of All Implanted and Infected Products)	MDW	135	41
(vii)	Laboratory Instruments	LIW	136	41

6.2 EC Regime 2: EC based on Registration Fee

A. **EC Regime 2** will be applicable to the entities as per section 3 above for violations under provisions of E-Waste (M) Rules, 2022 and amendments thereof except EPR obligation violation by producers. The violations are listed in table 1 of the section 3. Under the EC Regime 2, the basis for calculation of EC shall be registration fee.

i. **For Producers** the registration fee for registration on the EPR Portal is based on the quantum of recycling targets and varies from Rs. 2500 to Rs. 15,00,000 In view of this variation and in order to have uniform penalty for similar violation by producers Rs. 20,000 has been taken as the fee for levying Environmental Compensation Charges to Producers. The EC to Producers are as below:

For 1st Default – Rs. 20,000.

For 2nd Default – Two times of first default i.e. Rs. 20,000 x 2 = Rs. 40,000.

For 3rd Default – Two times of second default i.e. Rs. 40,000 x 2 = Rs. 80,000.

ii. **For providing false sales data resulting in EPR obligation less than the actual EPR obligation then EC = Rs. 20,000 + quantity of false sales data x Rs 93 per Kg of false sales data ****

** - Average EC in terms of EEE item category

iii. **For Recyclers, Refurbishers and Manufacturers** the registration fee on the EPR Portal is Rs. 15000. The EC to Recyclers, Refurbishers and Manufacturers are as below

For 1st Default – Rs. 15,000.

For 2nd Default – Two times of first default i.e. Rs. 15,000 x 2 = Rs. 30,000.

For 3rd Default – Two times of second default i.e. Rs. 30,000 x 2 = Rs. 60,000.

- B. For Informal/illegal Sale/Storage/Transportation/ Dismantling/ Recycling/Processing of E-Waste by any non-registered entity/ person/shop/entity, **EC Regime 2** will be applicable and the EC will be as below:

$$\text{EC} = \text{Rs. } 15,000 + \text{Quantity of E-Waste Seized} \times \text{Rs } 93 \text{ per Kg of seized E-Waste}^{**}$$

**** - Average EC in terms of EEE item category**

- C. Submission of false information resulting in over generation of EPR certificates /refurbishing certificate, **EC Regime 2** will be applicable and the EC will be as below:

$$\text{EC} = \text{Rs. } 15,000 + \text{Quantity of false EPR/ Refurbishing certificate generated} \times \text{Rs } 93 \text{ per Kg of false EPR/ Refurbishing certificate generated}^{**}$$

**** - Average EC in terms of EEE item category**

7.0 Details of EC to be levied & Penal action for non-compliance.

Details of Environmental Compensation to be levied and the penal action to be taken for non-compliance of E-Waste (Management) Rules, 2022 and amendments thereof, along with the nature of violation and the violator (concerned person/organization), is given in the table below:

PRODUCERS and MANUFACTURERS

S.No.	Violation	Environmental Compensation
Registration on E-waste Portal		
1	Operating without Registration	i. EC Regime 2 as below: <ol style="list-style-type: none"> 1st default regime till 15 days. 2nd default regime from 16th day till 30th Day and 3rd default regime from 31st day till grant of registration ii. The applicant has to register on the E-waste EPR Portal and the EC will be levied. iii. Action as per Environment (Protection) Act, 1986 iv. Penalty as per Section 15 of Environment (Protection) Act 1986
2	Operating without valid registration-Failure in migration from the erstwhile E-Waste (Management) Rules, 2016 to E-Waste (Management) Rules, 2022- For Producers	i. EC Regime 2 as below: <ol style="list-style-type: none"> 1st default regime till 15 days. 2nd default regime from 16th day till 30th Day and 3rd default regime from 31st day till grant of registration ii. The applicant has to register on the E-waste EPR Portal. iii. Action as per Environment (Protection) Act, 1986 iv. Penalty as per Section 15 of Environment (Protection) Act 1986
3	Operating without valid registration-Failure in renewal of Registration in time as prescribed under the rules. -	i. EC Regime 2 as below: <ol style="list-style-type: none"> 1st default regime till 15 days.

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S.No.	Violation	Environmental Compensation
	For Producers	<ul style="list-style-type: none"> b) 2nd default regime from 16th day till 30th Day and c) 3rd default regime from 31st day till grant of registration ii. The applicant has to register on the E-waste EPR Portal. iii. Action as per Environment (Protection) Act, 1986 iv. Penalty as per Section 15 of Environment (Protection) Act 1986
4	Entity dealing with unregistered entities	EC Regime 2
Submission of false information or wilfully concealing information		
5	Submission of wrong sales data or manufacturing data and/or wilful concealment of information on actual sales /manufacturing of EEE and components/spare/consumables etc.	<ul style="list-style-type: none"> i. EC Regime 2 - [A (i) + A (ii)] ii. Beyond third default cancellation of registration issued by CPCB up to three years as decided by the Competent Authority CPCB. iii. Action as per Environment (Protection) Act, 1986 iv. Penalty as per Section 15 of Environment (Protection) Act 1986
6	Submission of false information and/or wilful concealment of information	<ul style="list-style-type: none"> i. EC Regime 2 ii. Beyond third default cancellation of registration issued by CPCB up to three years as decided by the Competent Authority CPCB. iii. Action as per Environment (Protection) Act, 1986 iv. Penalty as per Section 15 of Environment (Protection) Act 1986
Non-fulfilment of obligations (for Producers only)		
7	In case of non-fulfilment of EPR obligations set out in these rules	EC Regime 2
EPR Certificates (for Producers only)		
8	Transaction or use of false extended producer responsibility certificate or any unethical practice for transaction of certificate	<ul style="list-style-type: none"> i. EC Regime 2 and suspension of registration issued by CPCB for a period of minimum six months up to three years as decided by the competent Authority CPCB.
Annual and Quarterly returns Filings		
9	Failure in filing the annual and quarterly return	<ul style="list-style-type: none"> i. Notice will be issued for 10 days after the last date of return filings. ii. Thereafter Respective EC Regime 2 as below: iii. 1st default regime if filed within 15 days after the

S.No.	Violation	Environmental Compensation
		<p>last day of return filing</p> <p>iv. 2nd default regime if filed within 30 days after the last day of return filing</p> <p>v. 3rd default regime if filed within 60 days after the last day of return filing</p> <p>Thereafter AR to be auto filled on the EPR Portal and EC will be levied on shortfall in recycling target if any, in addition to EC charges calculated above in points 9(iii) to 9(v).</p> <p>If due to force majeure conditions, if the Producers /Manufactures are not able to file the returns, within the period of 60 days after the last day of filing, then the final decision regarding levying of EC will be taken by CPCB for the purpose.</p>
Storage of E-Waste		
10	Storing E-Waste beyond the prescribed time limit.	EC Regime 2
11	Storing e-waste in an open area or non-designated area	
	Not having designated area for storage of e-waste in the premises	
ROHS Compliance		
12	Non-compliance to ROHS provisions	EC Regime 2
Audit		
13	Non Compliance Found in Audit	EC Regime 2 and action as per Environment (Protection) Act, 1986 and Penalty as per Section 15 of Environment (Protection) Act 1986
Non-disposal of E-Waste in environmentally sound manner		
14	Not maintaining record of e-waste	EC Regime 2
15	Non-disposal of e-waste generated during the manufacturing of EEE	
Any other violation		
16	Any other violation and not listed above	EC Regime 2

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RECYCLERS and REFURBISHERS

S.No.	Violation	Environmental Compensation
Registration on E-waste portal		
1	Operating without registration	<ul style="list-style-type: none"> i. EC Regime 2 as below: <ul style="list-style-type: none"> a) 1st default regime till 15 days. b) 2nd default regime from 16th day till 30th day and c) 3rd default regime from 31st day till grant of registration ii. The applicant has to register on the E-waste EPR Portal and the EC will be levied. iii. For continued violation, (increase in EC amount, Closure of unit/ Cancellation of CTO and Authorization under Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 etc.,) as deemed necessary by the Competent Authority, CPCB. iv. Action as per Environment (Protection) Act, 1986 v. Penalty as per Section 15 of Environment (Protection) Act 1986
2	Operating without valid registration-Failure in renewal of authorization in time as prescribed under the rules.	<ul style="list-style-type: none"> i. EC Regime 2 as below: <ul style="list-style-type: none"> a) 1st default regime till 15 days. b) 2nd default regime from 16th day till 30th day and c) 3rd default regime from 31st day till grant of registration ii. The applicant has to register on the E-waste EPR Portal and the EC will be levied. iii. For continued violation, (increase in EC amount, Closure of unit/ Cancellation of CTO and Authorization under Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 etc.,) as deemed necessary by the Competent Authority, CPCB iv. Action as per Environment (Protection) Act, 1986 v. Penalty as per Section 15 of Environment (Protection) Act 1986
3	Entity dealing with unregistered entities	<ul style="list-style-type: none"> i. EC Regime 2 ii. The applicant has to register on the E-waste EPR Portal and the EC will be levied iii. For continued violation, (increase in EC amount, Closure of unit/ Cancellation of CTO and Authorization under Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 etc.,) as deemed necessary by the Competent Authority, CPCB iv. Action as per Environment (Protection) Act, 1986 v. Penalty as per Section 15 of Environment

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S.No.	Violation	Environmental Compensation
		(Protection) Act ,1986
	Submission of false information or wilfully concealing information	
4	Submission of false information or wilfully concealing information	EC Regime 2
	Annual and quarterly returns Filings	
5	Failure in filing the annual and quarterly returns	<p>i. Notice will be issued for 10 days after the last date of return filings.</p> <p>ii. Thereafter Respective EC Regime 2 as below:</p> <p>iii. 1st default regime if filed within 15 days after the last day of return filing</p> <p>iv. 2nd default regime if filed within 30 days after the last day of return filing</p> <p>v. 3rd default regime if filed within 60 days after the last day of return filing</p> <p>Thereafter AR to be auto filled on the EPR Portal, in addition to EC charges calculated above in points 5(ii) to 5(v).</p> <p>vi. If due to force majeure conditions, if the recyclers/refurbishers are not able to file the returns, within the period of 60 days after the last day of filing, then the final decision regarding levying of EC will be taken by CPCB for the purpose.</p>
	Storage of E-Waste	
6	Storing E-waste beyond the prescribed time limit.	EC Regime 2
7	Storing e-waste in an open area or non-designated area	
	EPR Certificates / Refurbishing Certificates	
8	Transaction or use of false extended producer responsibility certificate/refurbishing certificates	i. EC Regime 2 - [A(iii) + C] and Suspension of registration issued by CPCB for a period of six months to three years as decided by the Competent Authority CPCB
9	Submission of False information resulting in over generation of EPR certificates /refurbishing	
	Improper Recycling of E-Waste	
10	Not sending fractions/ material not recycled in its facility to respective registered recyclers of e-waste/ Not sending parts/spare e-waste generated during refurbishing	EC Regime 2

S.No.	Violation	Environmental Compensation
	Record and Documentation	
11	Maintain record and documentation and make available all records for verification or audit as and when required	EC Regime 2.
	CPCB Guidelines	
12	Non Compliance with CPCB guidelines	EC Regime 2.
	Audit	
13	Non Compliance Found in Audit	i. EC Regime 2 ii. For continued violation, (increase in EC amount, Closure of unit/ Cancellation of CTO and Authorization under Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 etc.) as deemed necessary by the Competent Authority, CPCB iii. Action as per Environment (Protection) Act, 1986 iv. Penalty as per Section 15 of Environment (Protection) Act 1986
	Any Other Violation	
14	Any other violation and not listed above	EC Regime 2

Informal Activities/handling of E-Waste

S.No.	Violation	Environmental Compensation
1	Informal/illegal Sale/Storage/Transportation/ Dismantling/ Recycling/Processing of E-Waste by any person/shop/entity	EC Regime 2 -[B] i.e. Rs. 15,000 + Quantity of E-Waste Seized x Rs 93 per Kg of seized E-Waste** ** -Average EC in terms of EEE item category

Note:

- The Environmental compensation shall be effective from the date of issue of this Environmental Compensation (EC).*
- As per the rules 22 (5) of the E-Waste (Management) Rules, 2022 and amendments thereof, false generation of EPR certificates by recyclers, for three times or more shall result in permanent revocation of their registration over and above the environmental compensation charges.*
- The Environment Compensation shall not absolve the producers from their extended producer responsibility and the unfulfilled extended producer responsibility for a particular year shall be carried forward to the next year and so on up to three years as per the sub rule 22 (4) (i) of the E-Waste (Management) Rules, 2022 and amendments thereof.*

8.0 EC Charges for Delay in EC deposition

The Environmental Compensation Charges and Financial Penalty shall be deposited by the producers / manufacturers / recyclers / refurbishers / any other violators / violating facility within the stipulated time

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period specified under directions issued by CPCB/SPCBs/PCCs. In case, such facility does not submit the same within the stipulated time frame the amount will be exponentially increased as per details given below:

S.N.	Delay in EC Deposition	Penalty
1	Within one month after the stipulated time as per the directions by CPCB/SPCB/PCCs.	Original amount with interest @ 12% per annum for the number of days delayed after the stipulated time.
2.	After one month and within three months after the stipulated time as per the directions by CPCB/SPCB/PCCs.	Original amount with interest @ 24 % per annum for the number of days delayed after the stipulated time.
3.	After three months of the stipulated time as per the directions by CPCB/SPCB/PCCs.	a) Issue of show cause notice to the facility b) Closure of unit/facility c) Action as per section 15 (1) of the Environment (Protection) Act, 1986

9.0 Actions to be taken after submission of EC levied against shortfall of EPR obligation

Payment of environmental compensation shall not absolve the producer from the extended producer responsibility as specified in rules and the unfulfilled extended producer responsibility for a particular year shall be carried forward to the next year and so on and up to three years.

1. In case, the shortfall of extended producer responsibility obligation is addressed after one year, 85 per cent of the environmental compensation levied shall be returned to the producer.
2. In case, the shortfall of extended producer responsibility obligation is addressed after two years, 60 per cent of the environmental compensation levied shall be returned to the producer.
3. In case, the shortfall of extended producer responsibility obligation is addressed after three years, 30 per cent of the environmental compensation levied shall be returned to the producer, thereafter no environmental compensation shall be returned to the producer.

10.0 Modalities for Expenditure of EC Funds

As per the rule 22(6) of the E-waste (Management) Rules, 2022 and amendments thereof "The funds collected under environmental compensation shall be kept in a separate Escrow Account by the Central Pollution Control Board and the funds collected shall be utilized in collection and recycling or end of life disposal of uncollected, historical, orphaned e-waste and non-recycled or non-end of life disposal of e-waste on which the environment compensation is levied, research and development, incentivising recyclers, financial assistance to local bodies for managing waste management projects and on other heads as decided by the committee. The modalities and heads for utilisation of the funds shall be decided by the Steering Committee with the approval of the Ministry of Environment, Forest and Climate Change".

11.0 Revision of Guidelines

As per the rule 25 (3) of the E-Waste (Management) Rules, 2022 and amendments thereof, "The steering committee shall review and revise the guidelines or extended producer responsibility target or addition of new Electrical and Electronic Equipment in Schedule I, in view of the technological advancements and other factors with the approval of the Central Government". In view of the said provision, the guidelines may be reviewed from time to time as per the need.

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