

BIR AMSTERDAM: India may have vehicle scrappage laws within 2 years

India will have legislation supporting the scrapping of vehicles in 12-24 months, according to Zain Nathani, director of the Metals Recycling Association of India (MRAI).

The MRAI is on the steering committee working alongside the Indian government to advance the policy.

"Right now, it is in the policy stage, KPMG is one of the consulting firms leading the study so there is a lot of positive thought that some sort of overall, overarching recycling policy [will] come to India," Nathani told delegates at the Bureau of International Recycling (BIR) meeting in Amsterdam, the Netherlands, on Tuesday October 25.

"The first step of the policy [is that] the policy become legislation in the next 12-24 months," he added.

Nathani also discussed the Indian government's [plans to create the country's first auto shredder](#), although he did not mention the name of Mahindra Intertrade – which has signed a memorandum of understanding (MoU) with the government regarding the project.

Ranjit Baxi, president of BIR, was encouraged about the progress Indian prime minister Narendra Modi was making on recycling, and identified the creation of 'smart cities' – where collection and recycling are promoted – as an example of this.

"Some 20% of material [classified as] municipal solid waste [MSW] is dry-recyclable and [before] Modi, I don't think they were recycling 4-5% of that. So the potential of recycling in India is vast and I think [the prime minister] has recognised that," Baxi said.

There are signs that waste pickers and rubbish collectors are also being integrated into an institutionalised system, Baxi said.

"A lot of [non-governmental organisations (NGOs)] have come up, under which these [waste] pickers are being associated," he said.

"The NGOs are being paid quite a handsome sum now under the system for them to promote more and more collection through the smart cities," he added.

Ferrous scrap imported into India

Figures compiled by BIR Ferrous Division statistics adviser, Rolf Willeke, showed that India has cemented its place as the world's second-largest importer of ferrous scrap in the past year, importing 3.77 million tonnes of scrap in January-June 2016, compared with 3.17 million tonnes in the same period last year.

India was the second largest buyer of EU material and the third largest buyer of US-origin material over the same period, Willeke said.

After months of static prices, Indian market participants booked several bulk cargoes in September and were more active in the market for imported containerised scrap as prices in the domestic market began to rise.

Metal Bulletin's assessment for HMS 1&2 (80:20) was \$218-220 per tonne cfr Nhava Sheva on September 30, [compared with \\$195-210 at the beginning of the month](#).

"After a gap of many months, [the] domestic steel market showed signs of life, as Indian mills imported 10-12 cargoes," Nathani said.

"We have seen a slight uptick in demand, which has a lot to do with protectionist measures from the Indian government on the minimum import pricing [MIP] which has helped Indian steel industry a little, but there is concern that this optimism [will be] short lived," Nathani added.

Along with help from the MIP regulations, conference attendees told Metal Bulletin on the event sidelines that low global scrap prices last month also enabled India to enter the market to search for deals.

However, since [prices for material imported to Turkey are continuing to rise](#) and demand for ferrous scrap in India has been satisfied by the large volume of bulk cargoes booked to the country in previous weeks, delegates said India would be largely inactive in terms of buying over the next month.

By Lee Allen, October 25