



Cerebra Technologies Recognized as the

2021

Company of the Year

Indian E-Waste Management Industry

Excellence in Best Practices

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Cerebra Integrated Technologies excels in many of the criteria in the E-Waste management space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Kabaddiwalas, Environmental Concerns, and the Need for Formal E-Waste Management

The nascent e-waste management industry in India is highly fragmented primarily because of the vast unorganized sector that processes about 95% of the country’s e-waste. Known as *kabaddiwalas*, these companies in the unorganized sector are oblivious to the potential health hazards and damage they

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– Saraswathi Venkatesan, Research Analyst

could cause to the environment with their unsafe extraction processes. The country’s main source of e-waste comprises consumer electronics, which are perceived by consumers to have high value, making it economically unviable for many in the organized sector in terms of logistics and recovery costs. Compliance costs are also higher for companies in the organized sector. Logistical complications, high storage costs relative to the profitability of processed e-waste, and environmental costs have resulted in low penetration in the organized sector. However, rising incomes, the application economy trend, and

the reduced life span of electronic gadgets are expected to continue driving e-waste generation, with e-waste estimated to reach 11.5 million tons by 2025 from about 3 million tons in 2020, growing at a CAGR of 24.5%.

The current e-waste processing capacity of 782,000 tons is just one-fourth of the potential e-waste the organized sector could have processed in 2019. Despite government initiatives, the country has only 312 registered recyclers and 34 producer responsibility organizations operating at current capacities. Digitalization is overwhelming consumers and businesses while identity and data theft is an imminent risk. Organized e-waste management companies process only 5% of potential e-waste in the country, resulting in low recovery potential and illegal and unsafe recovery practices. The need to securely destroy sensitive data, such as strategic plans, sensitive customer data, and intellectual property data, is growing crucial. To this end, information technology (IT) companies are indispensable to the e-waste management industry. One such company is Cerebra, which plays a major role in creating awareness about the benefits of channeling e-waste into the organized sector and optimizing the recovery and reuse of e-waste.

Visionary and Leading Recycler with the Best Practices to Address Industry Needs

Founded in 1992, Cerebra operates a 12-acre fully automated, R2-certified (responsible recycling) e-waste recycling facility in Narasapura. This facility is the largest in India with an annual processing capacity of 96,000 metric tons. Cerebra is also one of the few companies in Asia with five certifications for recycling including R2 and ISMS 27001. The company spearheads campaigns on e-waste awareness and actively promotes the reuse of refurbished equipment as part of its zero landfill commitment. From being a new entrant in a nascent market in 2013–2014 with initial difficulty in bagging extended producer responsibility (EPR) contracts, Cerebra has come a long way. Its current clients include big names in the electronics and technology industry, such as Lenovo, Samsung, LG, Iron Mountain, Tech Mahindra, Infosys, Apple, Concentrix, Walmart, Amazon, Fiserv, and many more. During pre Covid times, the company has achieved 98% utilization of its e-waste processing capacity, a feat that many participants in the industry have yet to demonstrate.

Managed by a team of 150 dedicated professionals, Cerebra's e-waste processing facility is engaged in waste recovery, secure data destruction, refurbishment, and zero landfill recycling of e-waste. Cerebra is at the forefront of awareness initiatives in the industry, partnering with local repair and refurbishment dealers through its innovative Collection Partner Program. The company trains these dealers to set up formal collection centers to bring e-waste from their *kabaddiwala* network into the organized sector, a strategy that bodes well for the industry overall.

Cerebra's best practices include initiatives to discourage cash purchases in its operations and a shift toward 100% goods and services tax (GST)-compliant billing procedures. Its zero landfill policy also encourages more efficient e-waste processing practices to avoid environmental damage. Frost & Sullivan commends Cerebra's commitment to sustainable e-waste management and its growth as the leading partner for e-waste recycling.

Improving Efficiencies with Technology and Enhancing Brand Equity

Cerebra tailored its organization management software to build an online tracking system that monitors every stage of the recycling process. Driving transparency in its processes and in line with the company's EPR compliance, it provides customers with complete visibility over how their products are being recycled. This system is unique in an industry where formal recycling is still nascent and the penetration

of advanced technology is low. This automated, streamlined, and transparent platform is one reason why customers continue to choose Cerebra as their e-waste recycling partner. Cerebra also continuously invests in research and development (R&D) for greener recycling approaches, collaborating with researchers, academics, and the industry.

Cerebra's innovative customer acquisition and retention strategies are in the form of corporate social responsibility (CSR) activities. For instance, in association with the Manufacturers Association of Information and Technology (MAIT), Ministry of Electronics and Information Technology (MEITY), and Ministry of Environment Forests and Climate Change (MOEFCC), Cerebra launched the award-winning India Clean-up Week in 2018 to create e-waste awareness in seven major cities across India. It partners with schools and educational institutions to set up fully functional computer laboratories with refurbished computers and laptops in multiple cities in India. It also conducts awareness programs and collection drives in residential complexes and educational units that eventually collaborate with Cerebra for e-waste recycling. It engages social media influencers to launch awareness campaigns on the importance of preventing e-waste from being landfill waste. These innovative strategies help Cerebra ensure growth, enhance brand visibility, increase market share, and bring in sustainable revenues, allowing the company to retain its contracts and acquire new ones.

India is a leading IT services destination with about 55% share in the global market, and the IT industry contributes around 8.0% to India's GDP¹. The industry's phenomenal growth is expected to multiply opportunities for e-waste recycling, secure data wiping, and refurbishment, all of which form the core of Cerebra's operations.

The UN estimates an average of 7.6 Kg in e-waste generated per capita in 2021, with 57.4 million tons of e-waste generated globally. At current rates and with existing infrastructure, a meager 17.4% of what is generated is estimated to be collected, treated safely, and recycled, reflecting the potential for growth and opportunities for expansion for Cerebra. The company's growing contract base from outside India, expansion strategy to other countries in the region, and the potential influx of new clients place the company in a comfortable position to grow quickly and sustainably to meet industry demands over the next decade. The e-waste recycling business and the refurbished laptop business combined represents about 90% of Cerebra's revenues, amounting to \$12.6 million (INR92.3 million)² in FY2020. Despite the early effects of the COVID-19 pandemic, Cerebra also had a healthy 20% operating margin primarily due to the global shifts to working from home and having online classes. These shifts increased the demand for affordable refurbished computers and laptops in offices, homes, and educational institutions. Frost & Sullivan applauds the exemplary overall performance that Cerebra demonstrates and believes the company has made invaluable contributions to the country's e-waste industry through its commitment to circularity and zero landfill policy and innovative CSR activities.

¹ India Brand Equity Foundation

² 1 USD=73.1 INR, 31 March 2020 (Source: www.xe.com)

Conclusion

Cerebra has achieved a breakthrough in channeling e-waste from the unorganized sector to the organized sector through its Collection Partner Program. It is committed to using the industry's growth opportunities as evidenced by its continuous investment in R&D. Cerebra's automated, streamlined, and transparent recycling process gives customers a compelling reason to renew their business with Cerebra. With domestic and international geographic expansion, Cerebra is all set to take on the huge e-waste management market and expected to have accelerated revenue growth over the next decade. With its strong overall performance, Cerebra earns Frost & Sullivan's 2021 Indian Company of the Year Award in the E-Waste management market.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create on-going growth opportunities and strategies for our clients is fuelled by the Innovation Generator™. [Learn more.](#)

Key Impacts:

- **Growth Pipeline:** Continuous flow of Growth opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

