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Title : Ban on plastic may hike drug prices

Author : Piyush Pandey & Rupali Mukherjee

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Prices of certain drugs meant for children, women and senior citizens are set to rise following a government restriction on use of Polyethylene Terephthalate (PET) containers as primary packaging in liquid oral formulations from FY16.

“There would be estimated 25-30% cost increase per bottle as the alternative for PET is glass,” president of Indian Drug Manufacturers Association (IDMA) S V Veeramani said while confirming the move that will affect paediatric, geriatric and reproductive healthcare products. “Using glass will increase the cost of medicines in the pharma industry .“

The move means 1 lakh metric tonnes of PET used in pharmaceuticals market will have to be replaced by 9 lakh metric tonnes of glass per year. Veeramani said this may lead to shortage of liquid medicines because of scarcity of glass containers. Transportation will also go up by 50% as only 90,000 glass bottles can be transported as against 1.5 lakh PET bottles per container.

“Due to increased demand and short supply , prices of glass bottles will rise. This will lead to medicine shortage as small and medium pharma firms may not be able to purchase glass bottles at increased prices,“ said IDMA in its representation to the health ministry .

Plastic Convertors Manufacturers Association (PCMA), an association of plastics convertors believes the proposed ban is likely to lead to a steep increase in the prices of drugs.

“Direct cost increase on one-to-one basis between glass bottles and plastic bottles will be between 10% and 15%. Further cost of outer packaging and shippers would go up by 20% minimum due to need of thicker cartons to avoid breakages in transit. Other big cost increases would be on account of lesser loadability of heavier glass packaging in trucks and due to increased down time on filling line breakages and these range from 15 % to 30 %, with maximum disadvantages for supplies to remote and hilly areas,“ said Udit Seth, member PCMA and MD of Perl Polymers, the owners of Pearlpet brand told TOI.

All India Plastic Manufacturers Association, the largest apex body of plastic industry in India, strongly opposed the to ban while threatening to take legal recourse. It asked the health ministry to withdraw the rule with immediate effect.

Gujarat State Plastic Manufacturers Association has already challenged the health ministry's notification in the Gujarat high court, which has given time till November 24 to file its objections.0



Manufacturers said the ban on plastic as primary packaging means an estimated increase of 25-30% per bottle as the alternative for PET is glass
