

Sri C. Hari Kiran, IAS
Commissioner of Prohibition & Excise
Government of Telangana
Abkari Bhavan, M.J. Road, Nampally
Hyderabad – 500001

Dear Sir,

Sub: Request for extending simplified regulatory mechanism for industrial alcohol on the lines of methanol and permitting recovery/recycling of spent alcohol

Greetings from the Bulk Drug Manufacturers Association of India (BDMAI).

The Bulk Drug and Pharmaceutical industry is one of the important industrial sectors in Telangana and contributes significantly to the State's industrial growth, employment and exports. A number of bulk drugs, intermediates manufactured in the State require different grades of alcohol, as a solvent or process raw material.

Request for simplified Licensing Procedures:

At present alcohol is treated as a scarce raw material in Telangana and the requirement of industrial units is assessed and allotment is made for a period of one year or ad-hoc allotment for a shorter period. In addition, industrial consumers are required to comply with the licensing, transportation, receipt, storage, accounting and utilisation requirements prescribed under the Excise laws and Rules. While these controls are necessary to prevent misuse and diversion of alcohol, the present system requires bona fide manufacturing units to undergo periodic renewal/allotment procedures even when their manufacturing activity, approved products, installed capacity and annual alcohol requirement remain substantially unchanged.

In this context, BDMAI would like to request the Government to consider simplifying the licensing and monitoring mechanism for industrial alcohol by adopting the regulatory approach presently followed for industrial **methanol**, with suitable modifications

- A bona fide bulk drug/pharmaceutical manufacturing unit may be issued one consolidated industrial alcohol licence/permission, after assessment and approval of its genuine requirement, duly indicating annual quantity sanctioned for the unit.
- Whenever the actual requirement increases due to expansion, introduction of new products or increased production, the additional quantity may be considered by the competent authority on the basis of a suitable application and supporting documents
- The industry may be required to submit a monthly statement/return to the concerned Excise authority in the prescribed format. The Excise Department may continue to have full powers to inspect the premises, verify physical stock and records, audit consumption and take appropriate action in case of any discrepancy, unauthorised use or diversion

We believe that above proposal would help the industry as it reduces repetitive licensing procedures, while the Department will continue to have visibility and traceability of every quantity of alcohol received and consumed.

Request for Permission for recovery and recycling of spent alcohol

Another important issue faced by bulk drug manufacturers is the recovery of alcohol from spent solvent streams generated during manufacturing. In several bulk drug processes, alcohol is used as a solvent/process medium. After completion of the process, a significant quantity of alcohol may remain recoverable from the spent solvent. Recovery through appropriate distillation/recovery facilities can substantially reduce fresh alcohol consumption and waste generation.

We, therefore, request the Government to permit bona fide bulk drug manufacturers to send such spent/recoverable alcohol to the same authorised supplier/manufacturer from whom the original alcohol was procured, for recovery/re-distillation, and to receive recovered/fresh alcohol back from the same authorised supplier, duly prescribing safeguards to avoid misuse.

The industry strongly believes that the above requested permission reduce fresh alcohol consumption through recovery and reuse, minimise generation of alcohol-containing waste, promote resource efficiency and environmental sustainability and reduce the cost of manufacturing bulk drugs in Telangana.

We sincerely look forward to your kind consideration and favourable action on the above requests, which would significantly contribute to strengthening the Bulk Drug industry and promoting its sustained growth and competitiveness in Telangana.

With kind regards


M Roja Rani
Executive Director

