

# Prices of Alcohols used in manufacturing hand sanitizers capped under the Essential Commodities Act, 1955.

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In view of the ongoing outbreak of COVID-19 (Corona Virus) and concern of the logistics for COVID 19 management particularly during last couple of weeks and that prices of the alcohol used in manufacturing the hand sanitizers have been exorbitantly increased by the producers of such alcohol, Government has notified an Order under the Essential Commodities Act to declare price cap prevailing as on 05.03.2020 on the above alcohols up to 30<sup>th</sup> June, 2020. It has also notified that the raw materials used in manufacture of essential commodities are also essential commodities under the E.C Act. States can now ask the manufacturers of these alcohols not to increase the prices of their produce without concurrence of the Central Government.

On these items, the States may now notify the Central order in their official Gazette, also issue their own orders under the EC Act to that effect and take necessary actions as per the situation prevailing in the respective States. Under the EC Act, powers of the Central Government have already been delegated to the States by way of orders during 1972 to 1978. The States/UTs, therefore may take action against the offenders under the EC Act and PBMMSEC Act.

The decision would empower the Central Government and States/UTs to regulate prices, production, sale, distribution, transport, movement, storage, information etc. of alcohols used in manufacturing the hand sanitizer as preventive measure to avoid infection from COVID-19, and to smoothen the sale and availability of these items and carry out operations against hoarders, speculators, profiteers, blackmarketeers etc. and those involved in contravention of the orders of Central Government and States/UTs in respect of the above alcohols. This will help the manufacturers of hand sanitizers to keep prices of their product at reasonable and within the reach of the common people.

The Central Government has requested the States/UTs to advise the manufacturers of deodorants to manufacture alcohol based hand sanitizer spray with ethyl alcohol as main content on mass scale in the same plant which may manufacture this alcohol based sanitizer at very low cost and make it available in the market at the earliest. The States/manufacturers of deodorants may contact drugs controller, Daman & Diu to resolve the issues related to technology. The States have also been advised to ensure licences and approvals for the same on top priority basis as this item would be an additional product in the production line, it may be endorsed on the drugs and cosmetics licence of such Deodorant manufacturers. The States are also advised that manufacturer of this product may also be given excise permit for use of Ethanol Alcohol as raw material.

The States have also been advised that the existing manufacturing units of alcohol based sanitizer be encouraged to increase their capacity. Ministry of Environment has allowed increase in capacity by 50% without further environment clearances.

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