

“India’s pharma supply chain is crippled with end-to-end complexity”

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Pharmaceutical cold chain management is an important aspect of the supply chain in the healthcare industry. The cold chain logistics services help the pharmaceutical and healthcare industries maintain a continual stock of drugs from suppliers and distributors across varied locations. The life of a life-saving medicine can come to an end without proper preservation. What role medicine plays for human life, the same role is played by proper storage for a medicine. In conversation with J B Chowhan, Founder & Chairman, Vardhman Group, BioSpectrum brings more insights on the cold chain sector.



Edited excerpts-

What are the factors impacting the growth of the cold supply chain sector in India?

India has emerged as one of the world’s fastest growing pharmaceutical markets over the past decade. India’s vaccine, biopharmaceutical and clinical trials market is expected to grow in double digits in the year 2021. Most of the latest innovations in cutting edge medicine, vaccines and biopharmaceuticals as well as clinical trial materials are all heat and humidity sensitive and must be stored at temperatures ranging from negative 45 to positive 25 degrees Celsius.

The biggest challenge in cold chain is to maintain the temperature at 2°C – 8°C range throughout the delivery cycle, which is the common range for pharma. Cold storage for pharmaceuticals requires high-tech equipment to meet the needs of different drugs. Even drugs that are safe at room temperature may need protocols to avoid the risks associated with \ transportation at ambient temperatures. Logistics providers are beginning to receive more requests for controlled room temperatures (CRT)

which include the use of insulated containers, refrigerants, thermal blanketing and temperature-monitoring electronics.

The major factors impacting the growth of cold storage supply chain management are: quality and regulatory issues, product proliferation, supply chain fragmentation and infrastructure gaps. India's pharma supply chain is crippled with end-to-end complexity. Reducing this complexity can unleash an array of benefits. Lack of awareness about handling temperature sensitive goods by all stakeholders involved, derisory transport facilities, deficit in refrigeration equipment, warehouse & infrastructure, are few areas that needs focus, which in turn is impacting the growth of the cold supply chain sector in India.

The pandemic has presented new and expanded opportunities & challenges for pharma and healthcare companies. What has been your experience in the last year and what are the opportunities you see in the future?

The Indian pharmaceutical industry and the healthcare sector are preparing for a second year of outrageous pressure. Apart from dealing with the pandemic, pharmaceutical and healthcare face several other challenges. In the first place, there is the undertaking of vaccinating a vast population for COVID-19. The cost and logistics of this would be challenging. Healthcare procedures not related to COVID-19 were delayed and there would be pent-up demand in these areas which the pharma companies also have to ramp up. This being said it is also equally important for pharmaceutical and healthcare industry to create awareness about adult vaccination. Unfortunately, most people assume that vaccination is important only for children and are unaware that it is essential for adults too. Post pandemic there has been a rise in adult vaccinations as recommended by various preventative health care diagnostic programmes. This increase in awareness has bolstered the opportunity for tie ups with corporates and other organisations to have their employees and members vaccinated.

Being a pioneer and industry leader in cold storage supply chain management, Vardhman Health Specialities (VHS Group) has begun preparing capacities for storing vaccines at the required temperature set by the manufacturing companies. The role of the supply chain is to ensure effective vaccine storage, handling, and stock management; rigorous temperature control in the cold chain; and maintenance of adequate logistics management information systems. VHS Group's primary focus is to have a robust connectivity and network system PAN India. If the logistics programme is well-managed, it can help save on costs in ensuring efficient implementation, without sacrificing the quality of service delivery. Vardhman Health Specialities (VHS Group) would see as an opportunity in the near future.

What is the future of cold storage supply chain management in India?

The global cold chain logistics market size was valued at \$159,988.1 million in 2018 and is projected to reach \$585,105.6 million by 2026, registering a CAGR of 17.9 per cent from 2019 to 2026. Asia-Pacific accounted for the highest share in 2019 and is anticipated to maintain its lead throughout the forecast period. Pharmaceutical manufacturers have an increased and major focus on quality and product sensitivity. Increase in development of more complex biological based medicines, shipments of hormone treatments, vaccines and complex proteins that need to be transported in a controlled temperature, can be achieved by cold chain logistics. Transportation and delivery of temperature- controlled pharmaceutical products and medical devices is witnessing considerable growth. In addition, the entire cold supply chain and logistics for the pharmaceutical industry is becoming more strategic and reliable.

There's no doubt that the pharmaceutical cold chain logistics industry is gaining global importance. Every day it delivers millions of pharmaceuticals around the world, helping to cure illnesses and prevent diseases. Industry representatives also highlight the logistics sector's critical role in keeping the nation up and running all this while. More so during the pandemic, there has been a greater appreciation of the critical role logistics has played to move essentials and medical shipments on priority. These high-value pharmaceutical products are mostly shipped via the cold chain across the entire distribution network worldwide. Thus, growth in pharmaceuticals is anticipated to propel the cold chain logistics market size.