

## **Plastic ban may leave bitter taste for food delivery**

India's food services delivery business, the fastest growing segment of the ₹4-lakh-crore food and beverages industry, faces higher operating costs and the likelihood of disruption as the country considers banning single-use plastic materials from next month.

The industry believes Prime Minister Narendra Modi could announce a ban on single-use plastic materials. The curbs will likely cover all packaging materials, including bags, cups, containers and straws. While 18 states have already banned plastic carry bags, Maharashtra, Tamil Nadu and Madhya Pradesh have also banned single-use plastic cutlery, plates, cups and straws.

Restaurant chains said the lack of affordable alternatives for delivering gravy-based or non-dry foods (such as curries or dairy) could raise delivery costs three or four times. The alternatives being considered are earthen pots and cups, or containers made from thick paper or permissible and reusable expensive plastic. Packaging costs will double for deliveries. In the current environment, restaurants can't pass on additional packaging costs to consumers. About 20,000 units closed last fiscal year after the industry failed to secure input tax credits, even as competition from discounted delivery platforms became more intense.

Swiggy and Zomato said that while the onus is on the restaurant chains to switch to environment-friendly packaging, the aggregators are helping find viable alternatives for their partner-kitchens. Zomato said that it has been working with research-based startups and firms to introduce quality, ecofriendly packaging for restaurant partners. A Swiggy spokesperson said it has found viable alternatives, including bags, straws and cutlery, which the aggregator has made available to restaurants through its Packaging Assist venture.