

## ‘Cut import duty on alcoholic beverages under Ind-UK FTA’

**NEW DELHI, Jan 19:** The apex body for liquor firms Confederation of Indian Alcoholic Beverage Companies has urged the government to gradually reduce customs duties on British alcoholic beverages under the proposed India-UK free trade agreement, and not in an unfair manner as that could impact domestic players.

Confederation of Indian Alcoholic Beverage Companies (CIABC) Director-General Vinod Giri said that the duties on scotch whiskies should not be reduced in a hurry and unfairly.

India and the UK have launched negotiations for an FTA, under which duties would be reduced or eliminated on several goods traded between the two countries.

"We urge our government

to ensure (in the FTA) that Indian alcoholic beverage industry is permitted a truly level playing field by way of an effective customs duty that is reflective of the higher cost of production driven by the regulatory restrictions and capital cost in India; equal opportunities are created for export of Indian products to the UK, and measures are put in to prevent dumping or predatory price exports to India," Giri said in a letter to the commerce ministry.

The Confederation of Indian Alcoholic Beverage Companies (CIABC) has also suggested the government to ensure that the UK allows the selling of domestic whiskies as 'Indian Whisky', irrespective of whether they are made from malt, grain spirits or molasses-based spirits.

The UK should also remove the condition of a minimum three years maturation period for whisky and rum, the body said.

Giri said that the alcoholic beverages industry contributes Rs 2.5 lakh crore annually in taxes to the states, employs 20 lakh people and supports 50 lakh farmers. Giri informed that the UK has imposed 'non-tariff barriers', related to product recipe and ageing, on Indian alcoholic beverages, which prevents domestic products from accessing the British market.

On January 13 this year, India and the UK formally launched negotiations for the proposed free trade agreement (FTA), which is expected to help double bilateral trade to over USD 100 billion by 2030. (PTI)