



HAASAN BATS FOR SOUTH POLITICAL COMBINE UNDER 'DRAVIDIAN' UMBRELLA 15

KFA CASE: COURT ORDERS ARREST WARRANT AGAINST MALLYA ON SFIO PLAINT II



BARCA LOSE FIRST GAME OF SEASON AS MESSI MISSES A PENALTY AGAINST ESPANYOL 21

LIQUOR & FMCG COMPANIES HIT THE MOST

Canteen Stores Sales Halve as Lockdowns, Curbs Continue

Ratna.Bhushan
@timesgroup.com

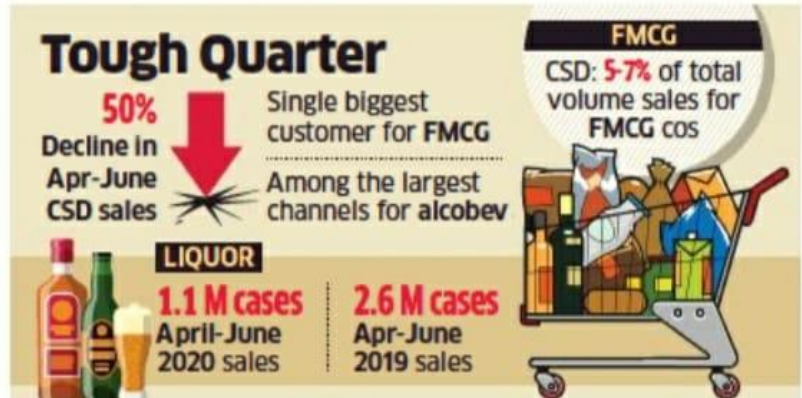
New Delhi: Sales through the Canteen Stores Department (CSD) fell about 50% in the four months from April due to localised lockdowns and restrictions on the operations of the retail platform for defence personnel, executives from large packaged consumer goods and the alcobev industries said.

CSD stores sell goods to active and retired armed forces personnel and their families, and form the single biggest customer for FMCG companies and a bigger market than several states for the liquor industry.

In the April-June quarter, CSD liquor sales declined by 56% from a year earlier to 1.1 million cases, the Confederation of Indian Alcoholic Beverage Companies (CIABC) said.

"We do not see a rationale behind continuing with restrictions, especially when most parts of the country are freely permitting alcohol retailing," CIABC director-general Vinod Giri said.

Giri said closures and undue restrictions on the sale of liqu-



or have implications not only on the industry, but also on long-established traditions in the forces.

In 2019-20, CSD liquor sales were 10.6 million cases, according to estimates by CIABC, whose members include Allied Blenders and Radico Khaitan.

According to estimates by executives from India's Rs 4.2 lakh crore fast-moving consumer goods sector, 35% of CSD stores remain shut even as lockdown curbs have been eased nationwide. An email sent to the Indian Army spokesperson seeking comment remained unanswered at press time Sunday.

Packaged consumer goods maker Dabur's chief executive, Mo-

hit Malhotra, said in an investors call: "The CSD business reported a decline of around 50% in Q1 of 2020-21. We did not see any positive movement in the month of July." The maker of Real juice and Vatika shampoo, however, said it is expecting a recovery going forward as the government releases funds.

Marico MD Saugata Gupta said in an investor call that CSD business for the Saffola edible oil maker for the quarter had reduced to half, which had a meaningful impact on the volume growth of its India business. "The CSD business was down nearly 50%; being about 7% of the business, it translates to about 3% volume growth being shaved off."