

Liquor firms urge Bihar Govt to end prohibition



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Liquor companies have urged the National Democratic Alliance (NDA) Government in Bihar to end prohibition in the State. It has also suggested several steps to the Chief Minister Nitish Kumar to ensure his avowed goals of helping women is achieved without adverse fallouts of prohibition.

The Confederation of Indian Alcoholic Beverage Companies (CIABC), the apex body of the Indian Alcoholic Beverage Industry, in its letter to the leaders of the NDA constituents—Janata Dal (United), Bharatiya Janata Party, Hindustani Awam Morcha (Secular) and Viskassheel Insaan Party, have pointed out that Bihar is paying a heavy price of the prohibition policy in the form of proliferation of unlawful and spurious liquor, hooch tragedies, rise of crime syndicates and loss of legitimate Government revenues.

“Bihar’s growth and development has been affected as the State is losing out on revenue from the legitimate liquor trade which is pegged at around ₹

10,000 crore per annum,” it said. The CIABC letter comes in the wake of the recent hooch tragedies which claimed over 40 lives in four districts. Since the Nitish Kumar Government imposed a ban on liquor in the State in April 2016, around 150 people have lost their lives in various hooch tragedies. Chief Minister Nitish Kumar has called a high-level meeting on November 16 over liquor ban in the State.

The CIABC has urged Kumar to end prohibition in a manner that the Government is able to get revenues for the State’s development without compromising on the desired goals of the prohibition policy. The CIABC has asked Mr Kumar to direct liquor factories to hire 50% of their workforce as women which will lead to economic self-reliance and empowerment.

The CIABC has also proposed a special cess on sale of liquor to fund alcohol de-addiction & rehabilitation centres. It has suggested penal compounding of existing liquor-related cases in order to cut down the massive backlog as well as to help the State earn additional revenues to the tune

of ₹1,000 crores. The CIABC has also suggested a State-run wholesaling Corporation for close monitoring and control on the liquor trade in the State.

According to CIABC Director General Vinod Giri: “Prohibition has led to creation of liquor mafia. It has also caused major damage to the State’s economy and potential investments, thus hitting job creation. Revenue from liquor sales used to be a major source of revenue for the State exchequer. Bihar is missing out on an annual revenue of around ₹10,000 crore, forcing the State towards debt crisis.”

Giri noted that a recent National Family Health Survey 2019-20 report had clearly stated that Bihar consumes more liquor than Maharashtra, which proves that prohibition has not worked. Report also suggests that 90% of illegal sale of liquor is among poor and backward people. Similarly, liquor-related cases have not only badly affected judicial administration but have also led to overflowing of jails as there are over 4.5 lakh liquor-related cases pending in the State.

“Bihar’s loss has turned out to be its neighbours’ gain as liquor sales in border districts of neighbouring States have gone up. Further, thousands of crores are being lost in addition by Bihar as hotel, entertainment, tourism and other allied businesses have been hit by prohibition. Prohibition is known to have not worked earlier in other States like Haryana, Kerala and Andhra Pradesh. Gujarat, by the way, does not have a complete ban as non-domiciles are permitted alcohol through licensed shops,” he added.