

POPULAR BRANDS MISSING AT VENDS, BARS AMID HIGH DEMAND

Grin and beer it: Scorching heat, restricted supply create shortfall

Atul Mathur & Amin Ali | TNN

New Delhi: Early onset of summer, scorching heat, increased demand and “restricted” supply has led to a massive shortage of beer with most popular brands now out of stock at liquor vends in the city.

One of the most preferred alcoholic beverages, beer has disappeared from resto-bars too. Industry insiders said the situation was likely to continue till July and beer guzzlers would have to look for other options.

Though Delhi witnesses increased demand and limited supply of beer every year, liquor vendors confirm this is the first time all prominent brands and variants — cans, pint and bottles — of lager and strong beer have disappeared from the shelf this time.

While newer brands have also registered huge sales, there have been reports of some vendors charging a premium from customers. Most brands are selling at maximum retail price and vendors are not offering discounts on beer.

Vinod Giri, director general, Confederation of Indian Alcoholic Beverage Companies (CIABC), said there was an increase of at least 30% in



BEER GUZZLERS RUNNING OUT OF OPTIONS

demand for beer this year compared with earlier years. “The demand has suddenly jumped this time due to the early onset of summer in March,” he added.

“States where distilleries are located tell manufacturers to first cater to domestic demand before exporting beer to other states. Delhi doesn’t have any distillery and it gets its supplies from Rajasthan, Haryana, Punjab, Uttar Pradesh and Jammu. Due to restricted supply, the availability is less,” said Giri.

According to an estimate, Delhi sells 315-320 million cases of beer every year and more than 40% is consumed du-

ring the peak summer season of April-July. Riding on increased demand this summer, the overall consumption is also likely to go up.

Some vendors have blamed Delhi government’s excise policy for shortage of supply this year. “The discount policy has left vendors with less liquidity and they didn’t invest much on stocking up on beer when the season started,” said a vendor.

Vendors confirmed they had a tough time explaining to customers that there was no supply of beer from distilleries. “We have to apply on the excise department’s portal for buying liquor and the

details of stock available with dealers is shown on that. This time, there is no stock of beer available with stockists,” said Pawan Singh, who runs a store at INA.

Since restaurants also procure from retail vends now, the supply is not able to meet high demand. Rahul Singh of Beer Cafe said after a two year hiatus due to lockdowns, this was the first summer for “on-premise” establishments and they were looking forward to good business.

“Summer came earlier by a month, which has resulted in an exponential demand for both on-premises (resto-bars) and off-trade (liquor vends) of beer. Brewers didn’t make any significant capital investment for capacity enhancement due to the pandemic. There is a brewing timeline that cannot be reduced. This has resulted in under supply and over demand,” said Singh, adding that under the existing policy no draught beer was registered in Delhi.

Unlike spirits, 50% of beer is consumed on-premise (in bars) and this sector was closed for the last two summers. Now, there is double the demand, but brewing companies did not plan for it.