

# Microbreweries set for a comeback after 9 months

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**NEW DELHI:** After a pause of over nine months, microbreweries in Delhi are once more ready to welcome beer lovers; the city is likely to have seven such establishments soon, said excise department in the know of the matter.

The department has recently awarded a licence to open a microbrewery in Saket and it is currently considering four more such applications, the officials said. These are apart from the two operational microbreweries, both in Connaught Place, which are currently gearing up to serve beer.

The owners of these establishments said the demand for craft beer -- generally made with traditional ingredients such as malted barley -- produced by microbreweries is quite high in Delhi.

"In its endeavour to encourage more people to move towards soft liquor like draught beer and wine, the Delhi government is encouraging the opening of wine/beer parlours and microbreweries. One microbrewery has been approved (in Saket) and four more are in the pipeline," said an excise department official, asking not to be named.

A Delhi government official said under the now scrapped excise policy of 2021-22, microbreweries were allowed but they could not start operations as the revised terms and conditions could not be notified in time. As a result, the two microbreweries in CP stopped serving beer around nine months ago.

The old excise policy, which was reintroduced in Delhi on September 1 after lieutenant governor VK Saxena recommended a probe by the Central Bureau of Investigation (CBI) into the excise policy 2021-22, permits the setting up of microbreweries and on-site consumption of craft beer. Permits were once more issued to the two microbreweries in CP and they are all set to start functioning again, officials said.

Naveen Sachdeva, who opened the capital's first microbrewery in 2019, said, "I opened the microbrewery in CP and it



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was operational till the excise policy 2021-22 was implemented and permits became unavailable due to some technical issues with the excise portal. The old excise regime was re-implemented on September 1, 2022, and we have received the necessary permits on the payment of an extension fee to the excise department."

He, however, added that no date has been set for the reopening as of now.

The microbreweries offer craft beer or locally made beer on tap. It is quite popular among the youth in Delhi-NCR and elsewhere.

Rahul Singh, former president of National Restaurants Association of India, said craft beer sales are consistently growing for past several years on the basis of sustained demand among the youth. "It is welcome that Delhi excise department is serious about allowing more microbreweries. It will give people more options," said Singh.

To be sure, the Delhi government in 2015 permitted the setting up of microbreweries by making necessary changes in its excise policy. The excise department received the first licence application in 2015 itself but there were hurdles in setting up microbreweries as these were not allowed under the Master Plan 2021, said a liquor trader, asking not to be named.

In 2018, the LG approved a proposal to exclude microbreweries from the prohibited list of the Master Plan and thus paved the way for opening microbreweries.

According to the excise documents seen by HT, a microbrewery can produce and serve

draught beer to customers for consumption only on its premises and its installed capacity should not be more than 500 litres per day. It, however, needs a clearance from the Delhi Pollution Control Committee (DPCC) and it should be located in a pucca (brick and mortar) building. Microbreweries are also allowed in hotels, restaurants and at the airport, the documents said.

Such establishments may remain open from 11am to 1am or till the time the restaurant, hotels or airport is allowed to serve liquor. The licence fee for setting up a microbrewery with an installed capacity of up to 500 litres per day is ₹2.5 lakh, said excise officials. The licensee is required to arrange to check the quality of raw materials used for producing beer by a chemist holding a degree in science, with chemistry as one of the subjects (preferably organic chemistry or bio chemistry) or a specialization in alcohol technology.

The beer produced can be released for sale only after the chemist certifies that it is fit for human consumption on a daily basis.

The licensee also has to arrange to draw beer samples once a month and forward the same to a laboratory for analysis. The report should be displayed on the premises, the rules state.

The excise duty on the beer at the manufacturing stage is currently fixed at ₹40 per bulk litre. The owners of the microbreweries are also required to install on-site waste treatment plant.

The alcohol content of the craft beer should not exceed 8% and serving of beer is not allowed to persons under the age of 25 years. Only on-site (within the premises) consumption of beer is allowed.

Vinod Giri, director general, Confederation of Indian Alcoholic Beverage Companies (CIABC), said microbreweries represent not only a product, but a culture of easy, responsible and social consumption of alcohol. "The government must ensure that the rules related to taxation on beer, its production, storage, drainage and sales are kept simple and are not punitive in nature," said Giri.