

From 263% to -14%: Massive dip in liquor sales recorded over last yr

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RIGHT AFTER it recorded an exponential growth rate of 263% in the first quarter (April to June) of 2022, liquor sales rose by only 28% in the second quarter (July to September) in the capital last year, according to a report by the representative body of alcohol beverage companies in India.

The companies attributed the sharp difference to the controversial liquor policy that was in place in the first quarter of 2022 and was scrapped the next quarter. According to the report shared by the Confederation of Indian Alcoholic Beverage Companies (India), the growth rate between October and December 2022 was 19% positive but came down to a negative rate – at -14% – in the last quarter of the financial year, i.e January-March 2023.

Pointing out that there was a positive annual growth of 36%,

NUMBER CRUNCHING

₹6,821 crore

Overall revenue collection in capital in 2022-23

GROWTH RATE

Quarter 1, **+263%**
2022-23 (April-June)

Q2 (July-Sept) **+28%**

Q3 (Oct-Dec) **+19%**

Q4 (Jan-Mar) **-14%**

Financial Year **+36%**

(as per CIABC)

the confederation said it was due to the policy in wake of which discounts like “one plus one” and “buy one, get two free” were offered to boost sales.”

A closer analysis shows that much of this growth is attributed to the first quarter of 2022-23 when various trade schemes and promotions were run to liquidate the stock in view of the impend-

ing changes in the excise policy. Thereafter, sales growth has been trending down, reaching negative range,” said the CIABC.

Following allegations of corruption in its formulation and implementation, the Delhi Excise Policy-2021 was scrapped in July 2022 and the old excise regime was brought back in September as an interim measure until a new policy is prepared. However, the policy that was supposed to be ready in six months is still under preparation due to which the old excise regime has been extended.

“Annual Growth is misleading as it's driven by the first quarter when retailers were running wild schemes to clear stocks before policy change,” said Vinod Giri, president of CIABC.

However, a senior official from the Delhi Excise department said, “Sales are fine and the revenue growth is also good in Delhi. We will have go through our data before we make further comment.”