

# As summer sets in, beer is back in Bengal

Production of the beverage was stopped after a sharp hike in excise duty

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After nearly a three month gap in beer production and distribution in West Bengal, all the key breweries are now functioning smoothly, according to a State government communiqué.

"In order to cater to the demand for beer in summer, all the three breweries are now functioning in three shifts, optimising their production capacity," the release said.

Beer went scarce after a sharp hike in excise duty. Production was stopped and the drink disappeared from the market. United Breweries and Carlsberg India now produced 30,000 cases a day, while Celebrity Brewery was producing about 12,000



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cases, its full capacity, it said.

## Price to be low

"We have fixed the price in such a way that it is lower than what is prevailing in other States – like Maharash-

tra – where the prices are around ₹155. Here, it will be around ₹140. The producers are satisfied with the settlement and have gone to production," a senior State government official said.

In the main retail outlet in city's central area in Esplanade, the prices of a 650 ml of Tuborg beer have gone up from ₹110 to ₹145.

Beer contributes 10-11% of the total excise revenue collection in the State and 95% of the beer consumed is of 'strong' variety with 8% alcohol content, official estimates noted.

But in many of the retail outlets and the pubs or bars in the city beer is yet to arrive. The reason, according to Smarajit Mitra, Chairman, Banking and Finance, of the

Merchants' Chamber of Commerce and Industry, is that the prices are up in bars or clubs by a whopping 50 to 70%.

## Hike in licence fee

"The [liquor] licence fee has gone up from ₹50,000 to ₹5 lakh a year. In addition to 30-35% direct increase, the cost has to be apportioned through sales pushing the charges up above 50% amount," said Mr. Mitra.

The State Government official said that if the clubs filed an official complaint to reduce the licence fee "it could be considered."

Mr. Mitra, however, said that the hike may "encourage illegal entry of beer" from other States to West Bengal.