

Alcoholic woman kills self after tiff with spouse

COIMBATORE: A 26-year-old woman committed suicide on Thursday after a row with her husband over a cow-dung cake. She was reprimanded for her drinking habit.

Liquor main cause for liver ailments

Calling alcohol the primary cause of related diseases, doctors said there was a need for more investment in research and developing new tools to treat the ailments.

Delhi NGO complaint against RCB for advertising alcohol brand

New Delhi: Indian Premier League's (IPL) Bangalore team, Royal Challengers is directly advertising an alcohol brand, says a Delhi based NGO which has filed a complaint against the team.

(RCB) prominently displays the name of the liquor brand 'Royal Challenge' at the front and back of the jersey.

I&B ministry surrogate liquor ads soon

NEWS NETWORK
per the code, no surrogate ads of brand extensions of I&B ministry official. He said, however, that the surrogate ads issue is a grey area in the process.

Stress, booze worsen stroke triggers

NEW DELHI: Stress and alcohol are the primary immediate triggers for stroke in Indian men but severe activity could also set cross-threatening life-threatening patients.

Toxic bootleg alcohol kills 42 revellers

More than 40 people in northern India have been killed and a similar number are being treated in hospital after drinking illegally made alcohol during celebrations for a major religious festival. Officials in the state of Uttar Pradesh initially said 32 people had died after drinking the further during the those being.

27% truckers drink and drive

STUDY
NEW DELHI: A recent survey has found that truck and other heavy vehicle drivers working overtime use intoxicants and suffer from health problems including sleeplessness and stress.

Around 27% of the drivers surveyed admitted that they consumed alcohol while driving, another 10% said they chewed tobacco and 26% smoked beedi, the survey in 16 states revealed.

The survey was conducted as part of the team's research on the right arm of the players, says Manish Tewari.



PUBLIC HEALTH FOUNDATION OF INDIA

Alcohol Marketing and Regulatory Policy Environment in India

Alcohol Marketing and Regulatory Policy Environment in India

A Report
November 2013



Public Health Foundation of India
Health Promotion Unit

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FOREWORD

The World Health Assembly (WHA) in 2010 adopted a resolution by consensus that endorses the global strategy to reduce harmful use of alcohol, a leading risk factor for disease and death globally and in India. As per the latest Global Burden of Disease (GBD) study, 4.9 million people are estimated to have died in 2010 from diseases associated with alcohol consumption, a 31% increase since 1990. Alcohol use has been found to be the third leading risk factor for poor health globally and is the number one risk factor causing disease and death for people in the age group 15-49 years. Deaths have been reported, globally and in India, because of consumption of illicit and spurious alcohol being sold in the market.

The harmful use of alcohol is not just a matter affecting the health of the individual user, but is also a social and developmental issue. There are close links between the harmful use of alcohol, domestic violence, mental illness, absenteeism at work places and rash and negligent driving. In poor households, especially in the rural areas, a disproportionate amount of family income is spent on alcohol. The World Bank considers alcohol use as a negative determinant of development and its statements have called for countries to strengthen their alcohol control policies.

In India, as per the National Family Health Survey (NFHS 3, 2005-2006), slightly under 33% of all men and 2 % of women consume alcohol. More disconcerting is the fact that among drinkers in India, per capita consumption of alcohol is among the highest in the world. Age-standardized death rate from liver cirrhosis in India is consequently also very high. While alcohol consumption is declining in many developed nations, alcohol consumption in India has increased in the last decade. The alcohol industry is attracting new customers, especially women and youth, by the aggressive marketing of alcohol products.

Alcohol consumption contributes to 15-20% of all deaths and to about 25% of premature mortality in the age groups of 15-44 years every year in India. About 80% of these deaths and injuries occur in rural areas, where health care is poor. A large fraction, about 20%-30%, of road traffic injuries in India is attributed to alcohol consumption.

The United Nations High Level Meeting on Non-Communicable Diseases (NCDs), held in September 2011, highlighted the importance of developing a concerted response to the escalating global threat posed by NCDs. The mortality target - a 25% reduction in premature mortality from non-communicable diseases by 2025 - has already been adopted by the World Health Assembly in May 2012. In India we need to design and implement effective alcohol control measures including effective taxation systems on alcohol, regulation on marketing of alcohol products, restriction on access and availability of alcohol and the extremely strict deterrent action against drunken driving.

This report titled "Alcohol Marketing and Regulatory Policy Environment in India", is a very important piece of research. This is the first time that a comprehensive report has been prepared on the alcohol industry that describes the spread, types of alcohol products in India, rampant growth pattern of alcohol industry and its marketing and advertising practices. The report also talks about existing policies and regulations on alcohol in India. It is an excellent resource comprising facts and strategies for the policy makers, civil society and other stakeholders to understand the alcohol industry and its strategies.

My special thanks to all the partners and collaborators including the Public Health Foundation of India (PHFI), the Swedish National Institute of Public Health (SNIPH) and HRIDAY for their dedication to bring out this significant report. This report underscores the need to work together, to develop comprehensive policies and practices to improve the individual and environmental factors that contribute to harmful use of alcohol and its poor health consequences.

KESHAV DESIRAJU

19 Nov.

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ABBREVIATIONS

ASCI	Advertising Standards Council of India
CSR	Corporate Social Responsibility
CSD	Canteen Stores Department
IMFL	Indian Made Foreign Liquor
DALYs	Disability Adjusted Life Years
GBD	Global Burden of Disease
GST	Goods and Services Tax
HRIDAY	Health Related Information Dissemination among Youth
NFHS	National Family Health Survey
PHFI	Public Health Foundation of India
POS	Point of Sale Advertising
SHS	Second Hand Smoke
SIDA	Swedish International Development Cooperation Agency
SNIPH	Swedish National Institute of Public Health
TASMAC	Tamil Nadu State Marketing Corporation
WHA	World Health Assembly
WHO	World Health Organisation

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INTRODUCTION

Alcohol has increasingly become an important commodity in India's emerging economy with the number of consumers of spirits and imported alcoholic brands growing rapidly. India is the dominant producer of alcohol (65%) in the South East Asia region and contributes to about 7% of total alcohol beverage imports into the region.¹ Alcohol use in India has registered a steady growth rate of 10% to 15% each year during the past decade with greater expansion seen in southern parts of the country. The per capita consumption of alcohol, among adults, (over) 15 years in India, has increased by 106.7% between 1970-72 and 1994-1996.² India is now one of the key markets for the global spirits industry. The alcohol industry includes producers of distilled spirits, beer, wine, network of distributors, wholesalers, and related industries including hotels, restaurants, bars, and advertisers.

The harmful use of alcohol is a global problem which comprises individual, social and economic implications. It is one of the main factors contributing to premature deaths and disability and has a major impact on public health. The harmful use of alcohol includes several aspects of drinking such as the volume of alcohol drunk over time; the pattern of drinking (occasional or regular drinking); the drinking context if it increases the public health risks; and the quality or contamination of alcoholic beverages.³ It not only affects the physical and psychological health of the drinker but also has adverse effects on health and wellbeing of people around the ones who drink. The major individual harms related to alcohol are coronary heart disease, breast cancer, tuberculosis, motor vehicle accidents, liver cirrhosis and suicide.⁴ According to the Global Burden of Disease report (GBD), 2010, the burden of disease attributable to alcohol consumption in 2010 was substantial. It accounted for 4.9 million (95% CI: 4.5 million to 5.2 million) deaths and 5.5% (95% CI: 5.0-5.9) of global DALYs in 2010.⁵ Heavy drinking is associated with more frequent ill-health especially accidents and injuries, chest pain and heart problems followed by high blood pressure and poorer psychological well-being. For people aged 15-49 years, the leading risk factors for global disease burden worldwide are alcohol use, tobacco use including second hand smoke (SHS) and high blood pressure. It has been observed that from 1990 to 2010, alcohol use has escalated from the 6th leading risk factor to the 3rd leading risk factor for global burden of disease - among males from 4th to 3rd and among females from 9th to 8th leading risk factor.⁵

The World Health Organization (WHO) Global Strategy to Reduce the Harmful Use of Alcohol was adopted by the 193 members of the United Nations during the World Health Assembly (WHA) in 2010.⁶ This document contains a proposal for the adoption of the global strategy including a framework for action for its implementation. The plan of action focuses on ten areas for policy action including five strategic objectives. Among other important strategies and interventions, it identifies the importance of reducing the impact of marketing, particularly on young people and adolescents, as an important consideration in reducing harmful use of alcohol.

Alcohol is the most commonly used intoxicating substance in India. It is a legal product but there is a minimum legal drinking age that varies from state to state (from 18 -25 years). Traditionally, India has been among countries with low alcohol consumption levels, but in recent times, consumption levels of alcohol have increased as a result of expansion in commercial production and marketing

campaigns by the alcohol industry.⁴ Alcohol marketing and promotional strategies focus more on upwardly mobile consumers through innovative and targeted approaches, including various social media forums, which provide a suitable platform for alcohol retailers to connect with consumers.

Alcohol use in India– rules and guidelines about who could drink and when - dates back to the pre-Vedic era. Archaeological findings and references in the Vedas indicate that a) the pre-Vedic Harappan civilization was well-versed in the production of toddy* from palm trees; b) in the Vedic era (1500-700 BCE) the Gods and humans imbibed alcohol freely, with Soma being referred as a drink of Gods and Sura – a form of beer – popular among the general population; c) alcohol was produced from flowers, grains, and fruits; d) women and Brahmins were forbidden from drinking; and e) despite the widespread use of alcohol – even by priests and Gods – the Vedas labelled it as “one of the seven sins.”

The tradition of drinking and the ambivalent attitude towards it prevails even today. Alcohol prohibition is mentioned in the Article 47 of the Directive Principles of State Policy of the Constitution of India– but taxation on sales of alcohol is a major revenue- earner for most states.

This report titled “Alcohol Marketing and Regulatory Policy Environment in India” highlights the various characteristics of the alcohol industry. It draws attention to the key alcohol players in India and the types of alcohol products and brands available in the market. It also discusses the production and distribution of alcohol under different names. The second part of the report reviews policies that regulate alcohol in different states. The third section focuses on the advertising and promotion of alcohol products across India and how the industry circumvents laws regulating and prohibiting alcohol advertising. In conclusion, the report recommends strategies and interventions for policymakers and other key stakeholders to consider as part of a comprehensive alcohol control policy in India.

* Toddy is an alcoholic beverage created from the sap of various species of palm tree such as the palmyra, date palms and coconut palms

SECTION 1 ALCOHOL INDUSTRY IN INDIA

Alcohol Consumption in India

While alcohol consumption is reportedly decreasing in the developed world; it is increasing manifold in developing countries, including India. Although India's consumption of alcohol is still low compared to the rest of the world, the trends are alarming. About 32% of Indians consume alcohol, out of which 4-13% are daily consumers. On average, around 30-35% of adult men and approximately 5% of adult women consume alcohol.¹

According to NFHS-3 (2005-06) data, 27% of men and 0.5% of women in the highest wealth quintile drink alcohol, while 41% of men and 6.2% of women with lowest wealth index drink alcohol.⁷ Urban and rural men consume alcohol almost equally (30.9% and 32.5% respectively) while among females the prevalence is 0.6% and 3.0% respectively.⁷ Alcohol usage is more prevalent among populations with low levels of education (42.8% men and 4.3% women with no education v/s 24.8% men and 0.6% women with highest-level education.⁷

As elsewhere in the world, in India too, alcohol is consumed individually, socially, ritualistically, and mostly to get drunk.⁸ It is consumed to celebrate (at parties, official gatherings, social and even religious events) as well as to commiserate (to overcome stress and sadness, recession, to cope with financial or other losses). This makes the alcohol industry robust, ever in demand, and recession proof.⁹ Yet, this indulgence has serious consequences - alcohol consumption leads to huge public health, social, and economic burden.

In recent years, alcohol has become an increasing cause for concern in India, due to the rapid change in patterns and trends of alcohol use. The most alarming trend is that people initiate drinking at increasingly younger ages. The percentage of the drinking population aged below 21 years has increased from 2% to more than 14% in the past 15 years, according to a study conducted in the Indian state of Kerala by the NGO - Alcohol and Drugs Information Centre India.¹⁰ The study found that the "mean age of initiation" has dropped from 19 to 13 years over the past two decades.¹⁰

The changing social norms and growing acceptability of alcohol have led to heavy and regular alcohol consumption among Indian females. A study conducted in Bangalore, Karnataka's capital city, suggested that during a typical drinking session, there is no difference in the amount of alcohol consumed by men and women.¹

A recent study showed that moderate alcohol consumption might yield benefits for some but certainly not for Indians given their drinking patterns. A study conducted with male employees across 10 industries in India suggested that the chances of having coronary heart disease was higher among alcohol users compared with non-users.¹¹ Despite the fact that per capita alcohol consumption

in India is among the lowest in the world (0.9 litres vs. 4.5 litres global average)⁹ hazardous drinking (binge drinking and solitary consumption to the point of intoxication) has become the hallmark of alcohol consumption in the country and is practiced by more than half of Indian drinkers. Brown spirits (e.g. whisky and rum which have high alcohol content, over 40% v/v) are the most preferred beverages among Indian alcohol users.⁹ However, white spirits, beers, wines, and other ready to drink alcohol products are now gaining popularity among Indian drinkers.⁹

India is the third largest global spirits market by volume in the world, just behind China and Russia. It is also one of the fastest growing markets in the world.¹⁰ The domestic alcohol industry recognizes young people and women as key target population and assertively focuses on these vulnerable groups through their marketing campaigns. Not surprisingly, the international alcohol lobby too has observed the untapped market in India and has joined hands with the domestic lobby to reach them.

The industry is consistently launching new products, such as flavoured alcoholic drinks, to attract non-drinkers.¹⁰ The availability of alcohol is increasing in India; with outlets in shopping malls and popular marketplaces, making it easily accessible.² In some states, certain alcoholic beverages like wine and beer can also be sold in supermarkets. Increase in easy availability of alcohol leads to increase in alcohol consumption and alcohol related harms. Intensive engagement of the alcohol industry in social initiatives and policy related activities as part of corporate social responsibility (CSR) is designed to further the industry's political and economic interests.

The Indian Government's Alcohol Policy

Although the Constitution of India includes prohibition of alcohol in Article 47 of the Directive Principles of State Policy, over 60 years since independence, there is no national policy for alcohol control. Alcohol is a state subject and the aim of most state policies is to earn revenue from sale of alcohol products. Most states derive around one-fifth of their revenue from alcohol taxation, which is their second largest source of income after sales tax.¹ Each state and union territory has full control of its alcohol legislation and state excise rates, as well as organizing production, distribution, and sale of alcohol. There are different policies that govern different aspects of alcohol in each state. However, there is need for a comprehensive national policy that, at a minimum, would set standards for how states regulate alcohol production, distribution, and consumption.

One of the major problems in framing such a policy is the lack of research undertaken on enforcement and impact of existing state excise policies in India. Moreover, over 60% of the alcohol consumed in the country is unrecorded as it is either illicit or home-brewed liquor,¹⁰ which needs to be considered in research studies. This deficit in data is the biggest barrier for policymakers and experts lobbying for a national alcohol control policy.

India's Alcohol Industry

The Indian alcohol industry focuses mainly on four types of alcoholic products: Indian Made Foreign Liquor (IMFL); Indian Made Indian Liquor (IMIL or country liquor); beer; and imported liquor (Table 1). The two most preferred forms of alcohol in India are country liquor and IMFL.

The per capita consumption is 2 liters/adult/year (calculated from official 2003 sales and population figures) and rises to over 4 liters/adult/year taking into account undocumented consumption.¹ Licit and illicit spirits i.e. government licensed country liquor and illicitly distilled spirits, constitute more than 95% of the beverages consumed by both men and women.¹²

The following factors make this a favourable time for the alcohol industry in India:⁹

Urbanization: More people are migrating to bigger cities, where they are exposed to a wider variety of alcoholic products, including IMFL.

Favourable demographics: India is a young country, with more than 60% of Indians in the age group of 15-45 years. About 485 million Indians are currently of drinking age and another 150 million will be added to this group in the next five years. As per some of the state excise policies the minimum legal drinking age is as low as 18 years of age.

Changing social norms: Over the years, there has been a change in attitudes, making consumption of alcohol more socially acceptable. This acceptability extends to drinking in family environments, at social events, and by females/youngsters.

Rise in disposable income: More Indians are now moving towards the upper/middle-income group. Per capita income has witnessed a continuous growth, from just over Rs. 27,000 in 2006 to over Rs. 54,000 in 2011 (projected: over Rs. 100,000 in 2015).

Increased alcohol accessibility and availability: There has been an increase in the variety of alcohol brands and types of products and all of them are easily available in government-licensed outlets, government shops (monopolies), private licensed retail chains (permitted since the past couple of years), restaurants, and bars.

Weak enforcement of state excise policies and no national policy: The state excise policies are not implemented effectively and alcohol control is not the key goal of most of these policies. The state excise policies do not have uniform provisions on important aspects like ban on all kinds of advertising, minimum legal drinking age, point of sale advertising, prescription of health warning. Alcohol is consumed across India and has major health implications on the country and there is still no national level policy on alcohol control. There is rampant advertising of different alcohol brands, alcohol is available in supermarkets, and there are no health warnings on alcohol bottles in some states. All these provisions favour growth of alcohol market in India.

Alcohol in Supermarkets: The retailing regulation for alcoholic drinks was loosened up a couple of years ago with some state governments like Maharashtra and West Bengal allowing sale of alcohol like wine and beer in supermarkets. Chandigarh also introduced excise policy changes to allow retailing of wine through supermarkets. Diageo tied up with retail giant Reliance Retail for the distribution of wine in 2007.

Other factors conducive to the industry include relaxed overseas trade rules, availability of alternatives, alcohol use in films and television, innovative and targeted marketing and promotion, and propagation of beliefs such as health benefits of alcohol consumption. The influence of these factors is visible in increased alcohol consumption.

Table 1. Structure of Alcohol Industry in India

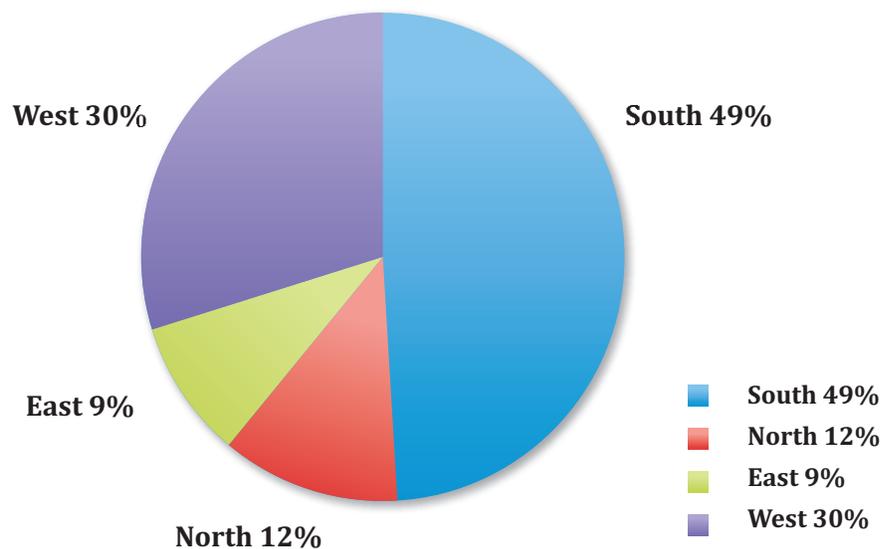
Type of Industry	Market Share ⁹	Pricing	Geographical Consumption	Target Audience
IMFL	36%	Affordable and competitive	Mostly south India	Above 35 years
Country liquor	48%	Cheap prices, (driving factor)	All over/ large scale in tribal belt	Above 35 years
Beer	13%	Expensive	Urban cities, Andhra Pradesh	18 - 40 years
Illicit Liquor	NA	Extremely cheap/no duty levy	Small towns and villages	NA
Imported Liquor (BIO* + Wine)	3%	Luxury	Metropolitan cities	Women/35 and above

* BIO-Foreign liquor bottled in place of origin

Indian Made Foreign Liquor

IMFL comprises brown spirits like whisky, rum, and brandy; and white spirits like gin, vodka, and white rum. Indians traditionally prefer brown spirits (95 percent consumption by volume) over white spirits (5 percent consumption by volume).⁹ Whisky is the most popular drink among spirits, accounting for about 60% of the IMFL market.⁹ Whisky consumption is reportedly expected to grow 8-8.5% annually.⁹ The overall IMFL market is increasing at the rate of 9-10% annually.⁹ IMFL spirits are made under government license and the maximum permissible limit for alcohol content in spirits is 42.8 percent v/v (volume to volume). The IMFL industry saw a growth of 11.9% in the financial year 2011-2012.¹³ Figure 1 shows the regional distribution of IMFL in India.

Figure 1. Regional Distribution of IMFL in India in 2011



One notable factor in the IMFL segment is the tremendous growth in the vodka market. It is the fastest growing among all types of liquors. Although it accounts for only about 4% of the IMFL market, its consumption has been growing at the rate of about 44% over the past few years.⁹ The major drivers for this growing demand seem to be its increasing popularity among young drinkers who prefer white spirits over brown spirits; aggressive marketing with the introduction of new flavours; increasing overseas travel among Indians, making them develop a taste for imported white spirits; and preference for white spirits among women.

Country Liquor

Country liquor is the largest consumed alcohol type in India (about 48% of the market), growing at a rate of 6-8% per year with faster growth in some states of north and east India.⁹ The average alcohol content in country liquor is 33% v/v.⁹ It is produced in local licensed distilleries and is made of cheap raw material, primarily rectified spirits of grains or molasses. The raw materials used in the production of country liquor vary from state to state. In the northern states, the availability of molasses is in abundance due to large sugarcane plantations, while in the southern states, coconut and other palms are used as raw materials to produce local liquor.¹⁴ Each state may have a different name for country liquor, but it is mostly known as arrack (Karnataka, Kerala), desi sharaab, daru (North India), tharra (Bihar, Uttar Pradesh, Punjab, Haryana), toddy/tari (Andhra Pradesh, Tamil Nadu, Karnataka), and fenny (Goa).¹⁵ As the production cost for country liquor is low, the excise duties are also lower than for other liquors. Illicit production of country liquor is still fairly common in India. Some alcoholic drinks that are low in alcohol content are also made in homes in some tribal areas.¹⁵

Beer

Although India got its first brewery in 1830 (in Kasauli, later shifted to Solan) and there has been steady beer drinking through centuries, beer has become a popular beverage in the country only over the last two decades. This could perhaps be linked to the entry of foreign companies which began acquiring Indian breweries around the late 1990s.

The market for beer is growing rapidly now, at about 17% per year.⁹ Per capita consumption of beer is 1.5 litres of beer annually; the global average is 27 litres.⁹ In India, beer is manufactured in licensed breweries and more than 60 beer brands are available in the market.¹⁴ Over the years, strong beers (which contain 5.1-8 percent of alcohol v/v) have been gaining popularity over standard and premium categories, which have lower alcohol content.⁹ The growth in the beer market appears to be driven by young consumers and professionals who consider beer a trendy drink, as compared with traditional spirits. There is also a small demand for foreign beer in the upmarket urban areas. The highest levels of beer consumption in India are observed in the southern states.

Wine

Wine was not produced or consumed on a large scale in India until recently. Urbanization and globalization have led to a radical increase in the sale of wine, mainly in the bigger cities like Mumbai, New Delhi, and Bangalore. Wine companies are especially targeting urban women.¹⁵ The annual growth rates have been recorded at 20-25 percent and are expected to increase.¹⁶ Though champagne and other sparkling wines are gaining popularity, they are far behind in comparison with red and white wines.¹⁶ The major reasons for this upswing in wine consumption are: increase in the levels of disposable income, lifestyle changes, and exposure to international experiences.¹⁶ India imports wine from many countries, with France being the leading exporter, followed by Australia, the United States, and Italy.¹⁶ India has a small, but growing, production segment in wines. Between 2000-2008, the number of wineries in India has grown over tenfold from 6 to 65. Majority of the wineries are located on the Pune-Nashik belt. The major domestic players are Chateau Indage, Sula, and Grover Vineyards.¹⁶

Foreign Liquor Bottled in Origin (BIO)

Imported liquor forms a very small part of alcohol consumption in India. It is usually imbibed by the rich and upper middle class in metropolitan cities and is popular among young professionals and entrepreneurs who migrate from local brands to international brands. International exposure to imported liquor, like during travel, has also led to its increasing popularity.⁹ Apart from excise duties, it is also subjected to customs duty.¹⁵ The imported spirits market in India is growing 25% yearly and it is estimated that Indian spirit imports will soar to five million cases (a case contains 12 bottles) by 2015.¹⁷

Illicit Alcohol

There are a number of distilleries that produce alcohol illegally. They do not follow any set standards and thus have no quality control. The alcohol produced from these units is usually adulterated and may contain a highly fatal substance called methylated spirit or methanol, which can lead to death or blindness. Most of the illicit production occurs in set-ups akin to cottage industries. In addition to commercial production, it is fairly common to produce illicit liquor in homes for personal use.¹⁴ Apart from being adulterated and harmful, illicit alcohol also evades all national and state-level taxes and duties, thus making it very cheap and affordable.

The Liquor Market in India

Southern parts of India dominate the alcohol market in India, with the region accounting for about 60% of total IMFL sales and 45% of total beer sales.¹⁵

Globally, most spirits are derived from grains and other raw materials may include potatoes, sugarcane, and fruit spirit.¹⁵ However, in India, the most common raw material is molasses, a derivative of sugarcane. Some Indian alcohol industries are gradually introducing grain-based spirits.¹⁵

Consumption of spirits and hard liquor accounts for the majority of alcohol consumption in India. However, the scenario is gradually changing. In fact, most countries are experiencing changing trends, with people switching over to white spirits like vodka and gin and drinks with lower alcoholic content like beer and wine.¹⁵ In India, the IMFL (notably vodka) market is increasing at a higher rate as compared with country liquor categories and is likely to see tremendous growth in the distant future.⁹

Though there is a huge market for country liquor and illicit alcohol in India, the most prominently visible markets are for IMFL and beer. This can be attributed to the latter having multiple production units, wide distribution networks, and strategic marketing plans.¹⁴ These industries have established infrastructure and constantly monitor their growth, market share, and other competitors. On the other hand, the country liquor industry is more localized.¹⁸ It does not have nationwide known brands; the producers are regional or local and make local brands.¹⁸ This industry does not even engage in much advertising or promotion of its brands, partly because there is less competition and the market is local.

The illicit industry is also locally run by local criminals directly or sometimes indirectly when they provide protection to owners of the illicit distilleries.¹⁸ The price of the product is very low and no marketing activities are undertaken as the industry cannot be legally visible.¹⁹

Profile of Alcohol Companies and Brands in India

Country Liquor and IMFL have the highest consumption levels in India. The major players in the IMFL sector are highlighted below in Table 2 and their popular products are shown in Table 3.

Table No. 2—Profile of Indian Alcohol Companies^{9,18}

Company	Geographical Presence	Type of Liquor	Market Share	Business Model	CSR
Globus Spirits	Rural India, Rajasthan, Haryana, Delhi	IMIL, IMFL ¹⁷	Big player in IMIL (Country Liquor)	Big presence in rural India, expanding in Europe and Africa.	Education
Radico Khaitan	Widely distributed	IMFL, IMIL and industrial alcohol	IMFL- 12%	Largest distribution network	Health sector
Empee	South- Tamil Nadu	Brandy and rum	NA	Grain-based production in south India	Education, environment
Mohan Meakins	North and east	IMFL, beer	IMFL- 9% Beer- 6%	Biggest selling- Old Monk, expanding in other sectors	NA
United Breweries	Wide network for beer	Beer	Beer- 48%	Presence in most Indian states; International partnerships and premiumization	Environment
United Spirits Ltd.	World leader in IMFL	IMFL	IMFL-53%	Premiumization of brands (high brand recall); Rising per capita consumption	Environment

- Jagatjit Industries has 9% market share and Tilaknagar Industries has 4% market share in the IMFL segment¹⁸
- Sab Miller has the second largest market share of 31% in the beer segment after United Breweries⁹

Top brands²⁰ ---The seven Indian brands that have made it to the list of 20 best-selling spirits in the world are *Officer's Choice, McDowell's No.1, Bagpiper, Royal Stag, McDowell's No.1, Old Tavern, and Original Choice.*

Table No. 3—Popular Alcohol Brands in India^{9,18}

Company	Whisky	Vodka	Rum	Brandy	Gin	Beer
Globus Spirits	<i>County Club</i>		<i>Hannibal</i>		<i>White Lace</i>	
United Spirits Ltd*.	<i>McDowell's No. 1, Black Dog, Whyte & Mackay, Bagpiper, Royal Challenge, Vat 69, Royal Stag.</i>	<i>White Mischief, Red Romanov</i>	<i>McDowell Celebrations</i>	<i>McDowell's No. 1, Honeybee</i>	<i>Blue Riband</i>	
United Breweries*						<i>Kingfisher, Zingaro, Black Label, London Pilsner, Heineken, Sandpiper</i>
Empee Distilleries			<i>Old Secret</i>	<i>Napolean</i>		
Tilaknagar Industries	<i>Mansion House</i>	<i>Castle Club</i>	<i>Madira XXX Rum</i>	<i>Mansion House</i>	<i>Savoy Club</i>	
Radico Khaitan	<i>After Dark, 8 PM</i>	<i>Magic Moments</i>	<i>Contessa</i>	<i>Old Admiral, Morpheus Imperial</i>		
Imperial Spirits	<i>Glen Special, Gold Coast Malt</i>	<i>Black Magic, Imperial Iceberg</i>	<i>Black Magic</i>		<i>Seagull London Dry</i>	
Sab Miller						<i>Haywards, Knock Out, Fosters, Royal Challenge, Peroni Nastro</i>
Som Distilleries			<i>Black Fort</i>			<i>Hunter, Woodpecker</i>

* *United Spirits Ltd. and United Breweries Ltd. are both wholly owned subsidiaries of the UB group*

Globus Spirits

Production and Distribution - Globus Spirits has a big presence in the rural market, especially Rajasthan, Haryana, and Delhi.¹⁸ The prices of liquor are affordable to lure a larger section of the population. It produces IMFL along with country liquor. Globus has manufacturing plants in Rajasthan and Haryana and produces over 120 million bulk litres annually with a bottling capacity of more than 18 million cases per annum.²¹ Globus is one of the few organized companies in the country liquor market which helps it gain market share.¹⁸

The distribution network of the company is mostly based in north India although it is slowly expanding to the south. The network spreads over Himachal Pradesh, Haryana, Punjab, Rajasthan, Andhra Pradesh (AP), and Kerala.²¹

Products and Quality - The company is amongst the few to use coarse grain and molasses. Raw materials like rectified spirit are used for manufacturing country liquor and Extra Neutral Alcohol (ENA) for IMFL.²¹

The company partners with other alcohol companies to manufacture products. It works with Jagatjit Industries Ltd. to manufacture the popular whisky brand Aristocrat and with ABD India to produce Officer's Choice Whisky.²¹

Business Expansion- In 2011-12, Globus ventured into exports and in a very short time has built a strong client base in Western Europe, Western Africa, and Southern Africa. Unlike other companies, Globus has access to supply sources for grain-based and molasses-based neutral spirits²¹ while most companies have access only to molasses-based spirits. Apart from expanding globally, Globus is also creating a large marketing and distribution network to enter new states in India where alcohol consumption is relatively lower.²²

Unique Selling Point - Globus has a huge presence in north India for IMIL and IMFL. A large part of its revenue comes from the sale of country liquor as it does not face much competition in the market.¹⁸ In the financial year 2010-11, the company recorded sales of 9 million IMIL/country liquor cases and had a combined market share of 22% across Haryana, Rajasthan, and Delhi. In the first few months of 2011-12, the company had crossed sales of 8mn cases and was expecting a growth rate of 30-40% the same year.²¹

Corporate Social Responsibility (CSR) -Globus Spirits promotes education through its GRAS Academy, seeking to empower unemployed youth with vocational skills.²³ GRAS Academy, established in 2006, currently has 18 centres located in Uttar Pradesh, Punjab, Delhi, and Haryana.²³

Radico Khaitan

Production and Distribution - A longstanding alcohol company which has a strong distribution network in India, Radico Khaitan was one of the first companies to register with the Canteen Stores Department (CSD) of the defence forces across India. Radico Khaitan has grown tremendously in the past few years. It uses strategic advertising and promotion techniques, including high-profile celebrities endorsing its products and invests in point-of-sale promotions.^{9,18}

Radico has the second - largest distribution network in India, after United Spirits. It sells through 41,000 retail outlets and 5,000 on-premise outlets that cater to almost 80% of India's liquor-consuming areas.¹⁸ Its distribution network runs through the CSD.¹⁸ Eighteen of Radico's products are registered with the CSD, all of which have lifetime validity.⁹ It is one of the few alcohol companies that has a strong presence in IMFL (whisky, rum, and vodka), in addition to country liquor and industrial alcohol. Running brands are 8 PM Whisky, Old Admiral and Morpheus Brandy, Contessa Rum, and Magic Moments Vodka.

Business Expansion - Like other alcohol companies, Radico is also aggressively forming its base in international markets by collaborating with international brands to increase the sales of its own premium brands. According to Radico's Annual Report 2011-12, the company was expected to increase its sales by 12-15% in 2012.¹⁸ The market observed a 15.27% increase in the net sales of Radico products in the second quarter of 2012 which amounts to Rs. 375.9 crores, compared to Rs. 326.1 crores in the previous year.²⁴ Radico is investing in a US\$10 billion fully owned subsidiary that it plans to set up in Mauritius.¹³

Unique Selling Point - Radico differs from other alcohol companies with regard to frequent product launches and product packaging and labelling. Over the past 15 years, Radico has launched various products while increasing its distribution network.¹³ The company is promoting its products through attractive and innovative packaging, to overcome advertising restrictions.

Corporate Social Responsibility - The CSR department of the company organizes eye camps and health camps and runs two primary schools in rural areas.

Empee Group

Empee Distilleries focuses on the south Indian market. Its two big alcohol brands are Napoleon Brandy and Old Secret Rum.⁹ The Empee Group's headquarters are located in Chennai and it has a huge presence in the state of Tamil Nadu.¹⁸ Despite a stringent state government-controlled market (through the state monopoly Tamil Nadu State Marketing Corporation), it sees a growth of 10% in profitability every year.¹⁸

Business Expansion- The Empee Group, like its competitors, has set up grain-based alcohol plants in southern India. A state-of-the-art grain-based alcohol plant with a capacity of 60 KLPD (kilo litres per day) became functional in the Sangareddy district of Andhra Pradesh in March 2011. In Tamil Nadu, Empee has established a 60 KLPD molasses-based alcohol plant in addition to the 100 KLPD molasses-based alcohol plant in the integrated sugar complex being commissioned in Ambasamudram, Tirunelveli district.²⁵ Empee Industries also plans to tap into the rapidly growing beer market. Considering that Andhra Pradesh is the largest beer market in India, Empee Group is in the process of setting up a brewery in the state. Empee group is also planning to expand its distribution network in the following northern and eastern states of India by collaborating with local partners in those states to set up breweries: Uttar Pradesh, Rajasthan, Punjab, Maharashtra, Madhya Pradesh, West Bengal, and Orissa.¹⁸

Corporate Social Responsibility - Empee group has been engaged in CSR initiatives and follows a four pronged strategy focussing on education, professional training for better job opportunities, community development and environment conservation.

Mohan Meakins

Production and Distribution - Mohan Meakins is one of the oldest alcohol manufacturers in India. Focusing mainly on beer and rum,¹⁸ it has a strong presence in the north and east of India. However, it has a planned strategy to explore the south where consumption levels are high. Apart from alcohol, the company also produces consumer goods like juices and cereals.¹⁸

Mohan Meakins' major brands are Golden Eagle, Lion, and Meakins in beer. Old Monk is among the strongest brands in rums. The company also produces whiskies and brandies.¹⁸

Business Expansion - As Old Monk is its most popular brand and also one of the highest-selling rum brands in the country, the company plans to aggressively market it and expand the distribution network to south and west India. It is also entering into non-alcoholic brands and increasing its sales in juices and breakfast cereals.

United Breweries Group

Production and Distribution - United Breweries, owned by the UB Group, is the largest beer manufacturer in India with 48% of the market share in beer.⁹ The company's main products are Kingfisher, Zingaro, London Pilsner, Heineken, and Sandpiper.⁹ Apart from its huge national market, it is also popular internationally. However, as the biggest beer market is in Karnataka and Andhra Pradesh, it has a large presence in those states.

Another subsidiary of the UB Group, United Spirits Limited (USL) is one of the largest spirits companies by volume in the world and has a 53% market share in India.⁹ USL produces Scotch,

whisky, rum, vodka, gin, and wine. Some of USL's popular products are Black Dog and Whyte & Mackay (Scotch), Royal Challenge, McDowell's No. 1, Bagpiper, Royal Stag, Signature (whisky), White Mischief and Romanov (vodka), Celebration (rum), McDowell's No. 1, and Honeybee (brandy).⁹ Market research suggests that all brands of the company have high recall among customers. Four of the company's brands are among the top 25 brands in the world, with McDowell's being the largest spirit family in the world.⁹

Business Expansion - The company plans to capitalize on its 48% beer market share and increase its distribution and sales nationally.¹⁸ Despite the per capita consumption of beer in India being among the lowest in the world, the company has huge profits. It is one of the few alcohol companies with an international market for its products.¹⁸

Corporate Social Responsibility - Under its Go Green Initiative, the company discourages greenhouse gases, deforestation, and industrialization. The company regularly organizes social events like the Cycle Rally in which the Indian Premier League cricket players biked in Bangalore to create awareness on modes of low-carbon commute.

Foreign Investments and Acquisitions

Global Development - Indian alcohol manufacturers are tapping the international market by entering into joint ventures and expanding their operations globally.¹⁴ For example, United Spirits completed the acquisition of major Scotch whisky player Whyte & Mackay in 2007 and is exporting its brands to China. Radico Khaitan has built its exports in the Middle East and Africa. Even as local companies are expanding globally, international companies are entering the Indian markets on a large scale.¹⁸

Investment by International Companies - Given India's expanding alcohol market, many international companies have tied up with local players. Beer major InBev entered into a joint venture with Delhi based RJ Corp in 2007 so that they have access to RJ Corp's strong distribution network.²⁶ In 2012, Diageo - the biggest alcohol company globally - acquired a 27.4% stake in United Breweries Ltd.²⁷ Other big liquor companies like SABMiller, and Carlsberg have also entered the Indian market.⁹

There is a decline in the consumption of whisky in the western world but an increase in India. This increasing trend, and the huge population, make India a very lucrative market for international companies. Along with whisky, the market for other alcoholic drinks like beer and wine is also expanding, making the country an attractive proposition for international companies. Imported alcohol is more expensive as compared with that produced in the country.

Illicit/Unregulated Alcohol

Illicit/unregulated alcohol forms a large part of the alcohol consumed in India, especially in villages and tribal areas.¹⁹ Smuggling of alcohol across state borders is also widespread, especially in states where alcohol is banned. However, statistics are not available as it is extremely difficult to trace illicit sales.¹⁹

Illicit alcohol is produced under unregulated circumstances and is often adulterated with chemicals like methanol and organo-phosphorus compounds to save costs.²⁸ This adulteration makes it absolutely unfit for human consumption and could lead to blindness or prove fatal to consumers.²⁸

With each state having its own excise policy to regulate alcohol, the implications of producing and consuming illicit alcohol vary across states. In the beginning of 2013, the Delhi state excise officials discovered a big illicit consignment of alcohol. It is often reported that it is mostly country liquor that is produced in an illicit manner. However, in this case it was IMFL with duplicate labels and meant for defence personnel. There have been several other cases where the Delhi government has seized smuggled alcohol in the capital. In 2012, Delhi officials seized 82,589 bottles of IMFL and 2,656 bottles of foreign liquor.²⁹ These figures are more than double as compared with statistics reported in the past years.²⁹

In Gujarat, like a few other states, alcohol is banned. Despite this, the production and consumption of illicit alcohol is rampant in the state. In 2012, the state police found that the brewers were mixing a pesticide in illicitly produced alcohol.³⁰ It has been reported that at least 140 litres of illicit alcohol is seized every day in Ahmedabad alone.³⁰

In Karnataka too, alcohol is produced illicitly on a large scale. In mid-2013 the state's excise minister told journalists that illicit alcohol is being manufactured in over 80 villages of Bijapur, Bagalkot, Gadag, and Belgaum districts. The excise department, in collaboration with the finance department, has come up with an innovative scheme to get rid of this spurious industry.³¹ In the excise policy of 2013-14, the state government has decided to utilize 1% of the total revenue collected by the excise department to rehabilitate and provide alternative jobs to those engaged in the illicit alcohol industry.³¹ The estimated revenue target for the excise department for the year 2013-14 is Rs. 12,400 crore.³¹

In another effort to curb this illicit trade, the Government of Kerala plans to introduce hologram tax stamps for alcohol products in its excise policy for 2013-14. These stamps will have information like the date of manufacture, batch number, and serial number so that the alcohol products can be traced. Some other states have also used tax stamps as a security measure for the same purpose.³² However, the smugglers manage to make duplicate stamps – and thus the illicit trade continues.³²

SECTION 2 LEGAL ENVIRONMENT

Article 47 of the Constitution of India in its Directive Principles of State Policy, lays down that it is the duty of the State to raise the level of nutrition and the standard of living and to improve public health: *The State shall regard the raising of the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties and, in particular, the State shall endeavour to bring about prohibition of the consumption except for medicinal purpose of intoxicating drinks and of drugs which are injurious to health.*

The State Legislature has exclusive powers to make laws for the State with respect to any of the matters enumerated in List II of the Seventh Schedule of the Constitution and 'intoxicating liquor' is listed as Item number 8 in List II. As alcohol is a state subject, the production, distribution, and sale of alcohol is a state responsibility. Different state ministries and departments regulate different aspects of alcohol. For example, the Ministry of Social Justice and Empowerment (MoSJE) oversees alcohol use prevention programs, development of networks and capacity building for alcohol prevention and control and monitoring. The Ministry of Health and Family Welfare (MoHFW) runs de-addiction centres. Taxation, excise and all other regulatory aspects of alcoholic beverages is the responsibility of the Ministry of Finance and the state excise departments. There is no systematic coordination between these departments and therefore, there is no comprehensive national data on the production and sale of alcohol. Only sporadic data through industry annual reports and market research is available.

Alcohol is regulated by state excise policies that cover multi-dimensional issues of alcohol control, possession, production, manufacture, selling, buying, and transport of liquor. There are two types of alcohol policies in India: a) *Total prohibition* of production and consumption of all kinds of alcohol; b) *Partial prohibition* of some kinds of liquor, for example, a ban on the production and consumption of arrack in Tamil Nadu, Kerala, Andhra Pradesh, Karnataka, and Uttar Pradesh. A significant feature that is consistent in all state excise policies is the *declaration of dry days* where no one can sell liquor on certain days designated as dry days. While it is the prerogative of each state government to decide on its dry days, national holidays like the Independence Day, Republic Day, Gandhi Jayanti, and Election Day are dry days throughout India. In most states, the state excise commissioner has the power to assign any other day as a dry day under the state excise policy. Table 4 lists the analysis of excise policies of 30 states in India.

State Level Prohibition - Some states (and one Union Territory) have *totally prohibited* the sale, production, and consumption of alcohol like Gujarat, Manipur, Mizoram, Nagaland, and the Union Territory of Lakshadweep. Gujarat has the oldest and the most consistent alcohol ban since 1960, when Bombay dissolved into Maharashtra and Gujarat.³³

While alcohol policies may vary from one state to the other, most of them follow similar alcohol control measures,³⁴ which includes:

- Restrictions on advertisements, promotion and sponsorship of alcoholic drinks
- Ban on drinking in public places
- Restrictions on opening of liquor shops at certain places
- Regulating density of alcohol outlets in a particular district/state
- Regulating availability through restrictions on time and place of sales
- Declaring dry days
- Prescribing minimum legal drinking age
- Printing health warning on alcohol bottles
- Levy of excise duty on alcohol

In spite of these restrictions, alcohol control in most of the states has failed, as the implementation of many provisions in the excise policies is weak. The provisions like restriction on advertising of alcohol, minimum legal drinking age, limited number of liquor shops are some of the provisions that can help in reducing the harm caused by alcohol, if implemented effectively.

State Excise and Revenue Alcohol taxes are the second major revenue-source for a majority of state governments, after sales tax.¹ Although individual states have demonstrated disparities in terms of revenue collected, alcohol taxes comprise 90% of state excise duties.¹ The total collections from excise and sales tax are estimated to be around US\$ 500,000 every year.¹⁴ As a result, in alcohol policies, alcohol is treated as a revenue-generating commodity, while the public health perspective is ignored.

In Maharashtra, where state excise accounts for a tenth of the state tax revenues,³⁵ in the financial year 2011-12 excise revenues increased by 48%, as compared to the previous year. This is attributed to the way the state handles the production and distribution of alcohol. When the state government hiked the excise duties on alcohol in 2011-12, pushing up the price of alcohol products considerably, it was expected that the resulting dip in consumption would mean that the state could earn less revenue. But eventually the drop in sales was not so harsh and the state actually earned more revenue.³⁵

Table 4-State Excise Policies for Alcohol Control

State/UT	Ban on sales and drinking in Public Places	Licensing of places for sale and consumption	Licensing of days and hours of sale	Minimum Sale Price	Outlet density	Quota for retail sale/personnel limit	Minimum legal drinking age	Warnings/ quality standardization/security hologram	Distribution system for alcoholic beverages	State regulations for restrictions on advertisement	Prohibition on Point of sale advertising
Andhra Pradesh	✓	✓	✓	✓	-	✓	21 years	Excise adhesive hologram	Distribution by Govt. Corporation - Andhra Pradesh Beverages Corporation Limited (monopoly on wholesale distribution)	-	-
Arunachal Pradesh	✓	✓	-	-	✓	✓	21 years	-	Auction*** system	-	-
Assam	✓	✓	-	-	-	✓	21 years	-	Auction system	-	-
Bihar	✓	✓	✓	✓	-	✓	21 years	Excise adhesive Hologram	Distribution by Govt. Corporation- Bihar State Beverages Corporation Limited (monopoly on retail sale)	-	✓

State/UT	Ban on sales and drinking in Public Places	Licensing of places for sale and consumption	Licensing of days and hours of sale	Minimum Sale Price	Outlet density	Quota for retail sale/personnel limit	Minimum legal drinking age	Warnings/quality standardization/security hologram	Distribution system for alcoholic beverages	State regulations for restrictions on advertisement	Prohibition on Point of sale advertising
Chhattisgarh	✓	✓	✓	✓	-	-	21 years	✓	Distribution by Govt. Corporation-Chhattisgarh State Beverages Corporation Limited (monopoly on whole sale)	✓	-
Goa	✓	✓	✓	✓	✓	✓	21 years	✓	Open system*	✓	-
Haryana	✓	✓	✓	✓	✓	✓	25 years	✓	Bidding through tender***	✓	-
Himachal Pradesh	✓	✓	✓	✓	✓	✓	18 years	✓	Lottery** system	Ban on direct and surrogate ads	-
Jammu and Kashmir	✓	✓	✓	✓	✓	✓	21 years	-	Licensing system****	✓	-
Jharkhand	✓	✓	✓	✓	-	✓	21 years	✓	Distribution by Govt. Jharkhand State Beverages Corporation Limited (monopoly on retail sale)	-	-

State/UT	Ban on sales and drinking in Public Places	Licensing of places for sale and consumption	Licensing of days and hours of sale	Minimum Sale Price	Outlet density	Quota for retail sale/personnel limit	Minimum legal drinking age	Warnings/quality standardization/security hologram	Distribution system for alcoholic beverages	State regulations for restrictions on advertisement	Prohibition on Point of sale advertising
Karnataka	✓	✓	✓	✓	-	✓	21 years	✓	Distribution by Govt. Corporation - Karnataka State Beverages Corporation Limited (monopoly on retail sale)	✓	-
Kerala	✓	✓	✓	-	✓	✓	21 years	-	Distribution by Govt. Corporation - Kerala State Beverages Corporation Ltd (monopoly on both retail and wholesale)	-	-
Madhya Pradesh	✓	✓	✓	✓	-	-	21 years	Excise adhesive hologram	Licensing system	✓	-
Maharashtra	✓	✓	✓	-	✓	✓	25 years	-	Open system	✓	✓
Meghalaya	✓	✓	✓	-	-	✓	21 years	-	Licensing system	-	-
Orissa	✓	✓	✓	✓	✓	✓	21 years	Excise adhesive hologram	Distribution by Govt. Corporation through Orissa State Beverages Corporation (monopoly on wholesale distribution)	✓	-

State/UT	Ban on sales and drinking in Public Places	Licensing of places for sale and consumption	Licensing of days and hours of sale	Minimum Sale Price	Outlet density	Quota for retail sale/personnel limit	Minimum legal drinking age	Warnings/ quality standardization/ security hologram	Distribution system for alcoholic beverages	State regulations for restrictions on advertisement	Prohibition on Point of sale advertising
Punjab	✓	✓	✓	✓	✓	✓	25 years	Excise adhesive hologram	Lottery system	✓	-
Rajasthan	✓	✓	✓	-	✓	✓	18 years	✓	Distribution by Govt. Corporation - Rajasthan State Beverages Corporation Limited (monopoly on both retail and wholesale)	✓	Point of sale advertisement is prohibited
Tamil Nadu	✓	✓	✓	-	✓	✓	21 years	Hologram restricted to foreign liquor	Distribution by Govt. Corporation - TASMAL (monopoly on both retail and wholesale)	-	✓
Uttarakhand	✓	✓	✓	✓	✓	-	21 years	✓	Licensing system	-	-
Uttar Pradesh	✓	✓	✓	✓	✓	✓	21 years	✓	Lottery system	-	-
West Bengal	✓	✓	✓	-	-	✓	21 years	-	Licensing system	-	-
Andaman and Nicobar	✓	✓	✓	✓	✓	✓	18 years	-	Licensing system	✓	-
Chandigarh	✓	✓	✓	✓	✓	✓	25 years	Excise adhesive hologram	Licensing system	-	-

State/UT	Ban on sales and drinking in Public Places	Licensing of places for sale and consumption	Licensing of days and hours of sale	Minimum Sale Price	Outlet density	Quota for retail sale/personnel limit	Minimum legal drinking age	Warnings/ quality standardization/ security hologram	Distribution system for alcoholic beverages	State regulations for restrictions on advertisement	Prohibition on Point of sale advertising
Delhi	✓	✓	✓	✓	✓	✓	25 years	Health warning	Retail by Govt. Corporation and Licenses to Distilleries/Bottling (monopoly on wholesale distribution)	Ban on direct and surrogate ads	✓
Sikkim	✓	✓	✓	✓	✓	✓	18 years	-	Licensing system	-	-
Tripura	✓	✓	✓	✓	✓	✓	21 years	✓	Licensing system	-	-
Dadra and Nagar Haveli	✓	✓	✓	Prescribes Maximum Retail Price	✓	✓	21 years	✓	Licensing system	-	-
Puducherry	✓	✓	✓	✓	✓	✓	18 years	Health warning along with a picture of a full human skeleton	Licensing system	✓	-
Daman and Diu	✓	✓	✓	✓	✓	✓	18 years	✓	Licensing system	✓	-

* Open market system is where the Government often does not limit the number of wholesale and retail vendors (except local restrictions) and licenses are granted for a pre-defined fee and time period.

** Lottery system provides liquor-selling rights to a large number of vendors. The lottery system means that the selected vendors are not necessarily known to each other and liquor shops are allotted by a lottery system for a fixed license fee.

*** Bidding/Auction system grants liquor license to the highest bid of the year. The bids are invited in a sealed envelope and the allotments are made as per the provisions and conditions laid down by the excise policy.

**** Licensing system- under the licensing system, the Commissioner may grant the sanction of the government- a license to sell liquor, subject to rules and conditions of the license, as directed by the government. A license is granted after a payment of fee, for a particular period of time.

The analysis of excise policies of 30 Indian states reveals that there are many policy gaps and most excise policies are not comprehensive. As alcohol is a state subject, different state governments make policies on this issue, therefore, there are some key provisions in these policies that have no uniformity. Same population is exposed to different set of provisions of excise policies in each state. The minimum legal drinking age (MLDA) varies from state to state, for example, the MLDA in Delhi is 25 years and it is 21 years in Uttar Pradesh. This is a problem because a person who is 21 years of age and lives in Delhi can easily travel to Noida (UP) and consume alcohol. Similar dilemma occurs with respect to the health warning labels on the liquor bottles, as some states mandate a health warning on the liquor bottles and some states do not prescribe the warning. A person living in Haryana, where health warnings are mandatory may buy a liquor bottle anywhere else in India where health warnings are not prescribed. Most states that impose a ban on advertisements of alcohol brands do not explicitly prohibit indirect advertisement like promotion and sponsorship. Therefore, the alcohol companies continue to advertise their products indirectly in those states. It is critical that all states impose a comprehensive ban on all kinds of direct and indirect advertisements of alcohol brands. The study of these excise policies also finds out that only four states prohibit advertising of alcohol brands at point of sale. Most excise policies are updated every year and in spite of that most states do not discuss one of the most important medium of advertising in the policy.

Goods and Services Tax - The Goods and Services Tax (GST), long on the anvil, is expected to be in force from April 2014.³⁶ Most of the states strongly oppose the inclusion of alcohol within the ambit of GST as this would lead to a uniform rate of taxation on alcohol across the country.

Alcohol is regulated at many stages. In addition to the state excise policies, the alcohol industry is subject to extensive government regulations at both the central and state levels, as well as regulations by a variety of local bodies.^{9, 18, 35} Despite all the state excise policies and other regulations, the state of alcohol control in India is appalling and the consumption levels are increasing at a very high rate.

In southern states and some other states like Rajasthan, Orissa and Chhattisgarh, the state governments have a monopoly over alcohol distribution. These states, especially Tamil Nadu, are considered role models for collection of excise from alcohol.³⁵ Their objective is to maintain control over quality of alcohol, price, and taxation and to prevent illegal alcohol sale. Officials from other states have been visiting the Tamil Nadu State Marketing Corporation (TASMAC) to study its revenue system so that they can learn from its success.³⁵ TASMAC and the Kerala State Beverages Corporation are unique in the country, because they have a state-sanctioned monopoly on both the wholesale and retail trade of IMFL. In the other states, the governments control either the wholesale or retail of alcohol. In 2011-12, TASMAC's earning from the sale of alcohol was Rs 1,800 crore, more than any other state in India.³⁵ The Tamil Nadu government earns around Rs. 1,413 per person in the state from the sale of liquor every year, whereas Maharashtra earns only Rs. 756 per person and the national average is about Rs. 576 per person.³⁵ In Delhi, since 1979, the wholesale of alcohol was controlled by the private sector and the Delhi government controlled the retail sale. However, since 1975, the private sector also has a share in the retail sale of alcohol.³⁵ Government monopoly on all or part of retail or wholesale market of alcohol is considered an effective mechanism for implementing alcohol

control measures, while ensuring equitable availability, provided monopolies operate on ‘no profit’ principle as in countries like Sweden in ‘System Bolaget’.³⁷

It is extremely important to effectively enforce the state excise laws to combat the dangers of alcohol use and tactics of the alcohol industry. It is also important that various state and central government departments work in tandem so that all the existing policies can be utilized comprehensively for alcohol control. A national level alcohol control law is crucial at this stage when the consumption is increasing many folds and thus, it is vital that India has consistent and uniform provisions in the alcohol control law.

Table 5: Other Key Features of State Excise Policies

State Excise Policy	Features
Ban on sale and consumption of alcohol in public places	All the Indian states and UTs have implemented this ban, with penalties for violation varying from Rs. 200 to Rs. 50,000
Licensing of days and hours of sale	All states/UTs have provisions for closure of liquor shops generally on national holidays, election days, particular day(s) in week/month, and other occasions calling for special consideration - days of national solemnity, Public Order; homage to national figures, fairs, festivals, frenzied situations, election days or periods of tension.
Restriction of outlet density	No license is issued if the premises is located near an educational institution, place of worship, main bus stand, crematorium, burial ground, socio-economically backward colony, labor colony, market place, or established habitat. This guideline is observed by 14 states out of 30 states policies reviewed.
Quota for retail sale/personnel limit	Provisions for quotas vary based on the type of product - and also from state to state. Most states observe this policy measure that up to 2 litres of alcohol can be brought by a person into India from a foreign country per visit. Defence personnel up to the rank of Brigadier (or equivalent) are allowed up to 10 bottles of liquor every month and a larger amount of beer stock too.

State Excise Policy	Features
Minimum legal drinking age (MLDA)	Different states in India have different MLDA prescribed for purchase and consumption of alcohol, varying from 18-25 years. Maharashtra, Punjab, Chandigarh, Haryana and Delhi have the maximum MLDA.
Health warnings on alcohol containers/bottles and security holograms for quality control	Observed by 20 states. Some have warnings only on IMFL liquor.
Ban on advertising, promotion and sponsorship	As per excise policies, prohibition on advertising, promotion and sponsorship is imposed in 15 states in India. POS advertising is prohibited in 4 states.

Some important regulations that govern the alcohol industry:

- Apart from the taxes on the final alcohol product, there are interstate duties levied on molasses, the raw material that is used in producing most of the liquor in India. As molasses is produced majorly in Uttar Pradesh and Maharashtra, the liquor companies have to pay duties when they import it into their states.¹⁸ The inter-state duty on molasses is regulated by the state molasses control act.
- Alcohol companies are not allowed more than five stock keeping units and thus cannot offer many different pack sizes.¹⁸
- Launching a new alcohol brand/product can take months to years as companies need to seek several permissions and approvals from the government. Further, if they seek to register the product with CSD, additional approvals are required.¹⁸ - Although registration with CSD is difficult for alcohol companies, such alcohol sold through CSD is cheaper because the alcohol is not taxed as much as the liquor that is sold in other stores.¹⁸
- Alcohol companies can change/increase the price of their products only once a year, when the state governments determine the alcohol prices. Thus the state governments have a lot of control on alcohol products and this can be effectively used in regulating alcohol.¹⁸
- An export duty is imposed by the state from which the alcohol is sourced and an import duty is imposed by the state to which the alcohol is transported.³⁵

SECTION 3 MARKETING AND PROMOTION OF ALCOHOL PRODUCTS

As evidence suggests, exposure to alcohol advertising and promotion increases the likelihood of people (including young people in impressionable age groups) initiating drinking, or increasing their consumption of alcoholic products. The association between exposure to alcohol marketing and youth drinking behaviour, even after accounting for a variety of variables, has been established through research studies.³⁸

The Press Council of India (PCI) strictly bars any advertisement that “promotes directly or indirectly production, sale or consumption of cigarettes, tobacco products, wine, alcohol, liquor and other intoxicants”.³⁹ A similar code is prescribed under Cable Television Networks (Regulation) Act of 1995.⁴⁰ The Cable Television Network Rules notified in 2003 clearly state that no advertisement shall be permitted that promotes directly or indirectly production, sale or consumption of alcohol. A new set of rules that were notified in 2009 explain in detail that if a product uses a brand name or logo that is also used for alcohol, it may be advertised on cable service subject to certain conditions where the prohibited product (alcohol) is not depicted in any manner.⁴¹ The advertisement of such product shall not make any kind of reference to alcohol or use the colours or layout associated with alcohol. The industry circumvents the bans on advertising by surrogate advertising, and the images in alcohol advertising (surrogate and point-of-purchase) have changed from voluptuous pin-ups (targeting the traditional market of middle-aged male consumers) to depictions of a ‘good life’, aimed clearly at women and youth.

Of all WHO member states in 2008, 30% reported having either a full or partial ban for one or more beverage type, 41% reported no regulation, and 5% indicated that product placement for at least one beverage category was self-regulated by the alcohol industry.⁴² For example, Thailand allows alcohol advertising only with health warnings on them. Sri Lanka has enacted legislation on comprehensive prohibition of promotion of all alcohol products, which has prevented indirect advertising and circumventions.

India has strong policies on prohibiting advertising, promotion and sponsorship but weak enforcement of surrogate advertisements. The major producers of alcohol are innovating, redefining, and creating new categories in their products. This includes introducing new flavours and mixed-category variants and evolving product packaging to suit consumer convenience. For example, ready-to-drink mixed cans and pouches offer greater convenience to consumers. Manufacturers are using innovative and out-of-box marketing strategies and sales techniques that focus on the desires of buyers, to increase product consumption. Creative advertising and sophisticated marketing techniques are being used to achieve maximum outreach and ensure a lasting impact on young people.

Strategies for Promotion and Advertisements of Alcohol Products

Surrogate Advertising of Alcohol Products

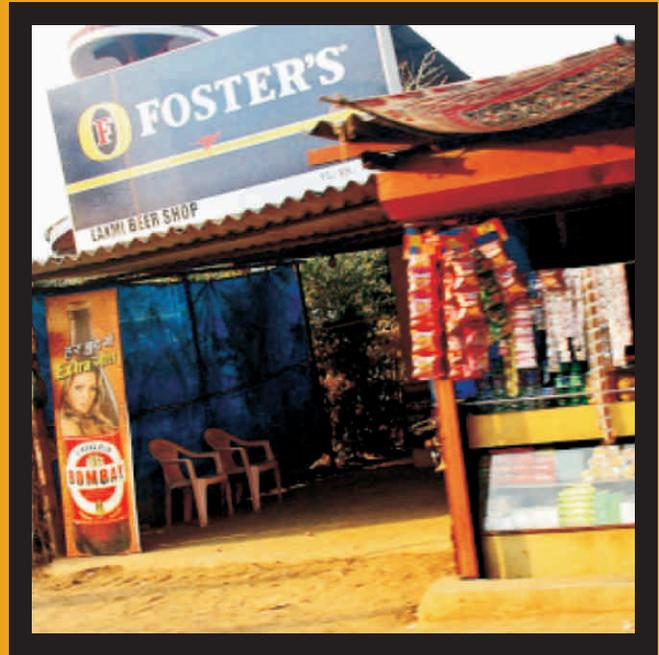
Alcohol brands are making strides by engaging social media to exploit the opportunity that it offers. The tone and content of advertising is being altered to resonate with consumers' desires and lifestyles. Select brands are using mobile applications and popular events to promote 'responsible drinking'. Aspirational advertising is an important advertising strategy for premium brands. Though advertising of liquor products is banned in India, alcohol companies continue to promote their brands legally at points of sale. The analysis of the excise policies of 30 states in India shows that only 4 states in India explicitly prohibit point of sale advertising.

Given the competitive market (especially for IMFL), the alcohol companies feel that to sustain themselves and engage their existing and potential customers, it is essential for them to invest heavily in advertising and promotion.⁴³ Their objectives include expanding their brand, beating competition, making the consumers switch to their brands, ensuring that consumers do not forget their liquor brands, and persuading non-drinkers to begin drinking.⁴³

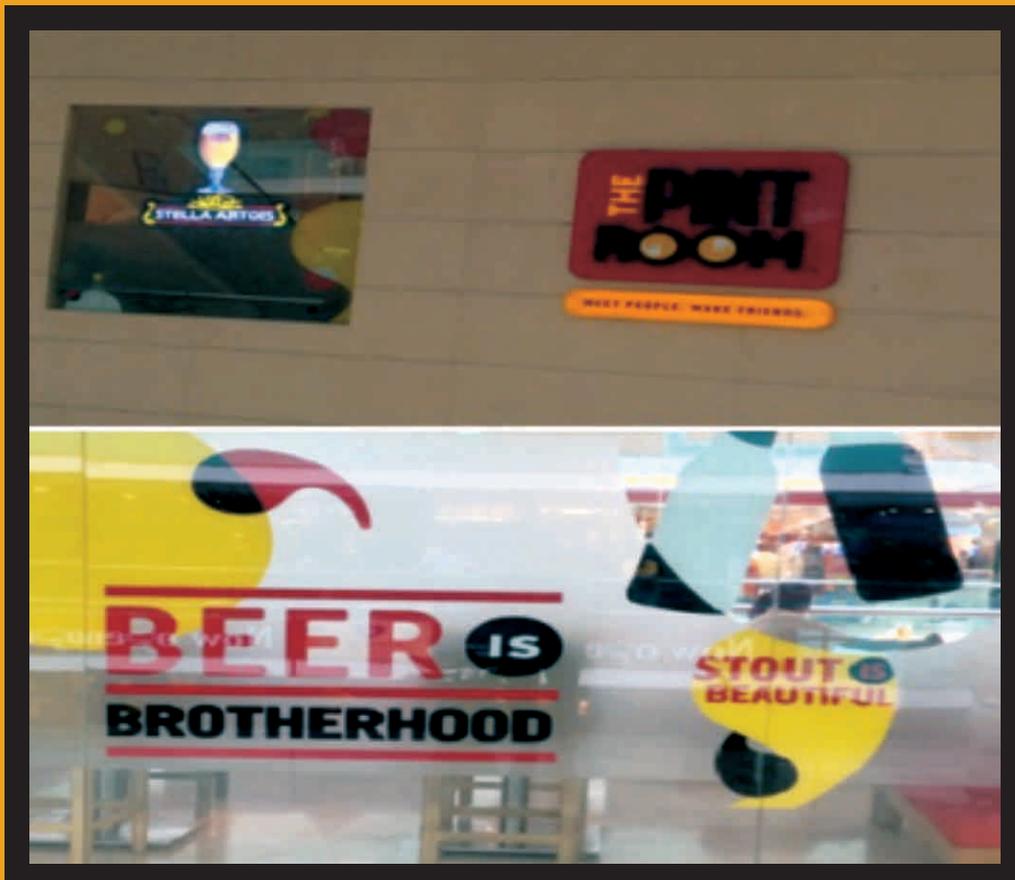
As there is a complete ban on advertising of alcohol brands, companies resort to covert advertising strategies such as surrogate advertising. Although surrogate advertising is also prohibited under Indian laws, companies manage to promote their products through such advertising. Surrogate advertising involves advertising for products (non-alcoholic) that use the same brand name as the alcohol products. For example, many alcohol companies advertise music CDs, packaged drinking water and other items under the same brand name as their alcohol products. Examples of key strategies employed by the alcohol industry for direct and indirect advertising are depicted on pages 35 - 41. Alcohol companies have also entered the market for non-alcoholic drinks and other items – for example, Tuborg makes a soft drink and Miller makes Miller Time Pieces (watches). Companies also sponsor entertainment programmes, events and engage celebrities to endorse their alcohol brands. There are achievement awards, cricket teams, and even airlines with the same names as alcohol products. In its annual report, Radico Khaitan has claimed that events like cricket matches and Formula One racing lead to increase in sales in India.¹³

Key Strategies for Advertising and Promotion of Alcohol

Point-of-sale advertising



Large backlit advertisement boards at points of sale/attractive imagery/logos/



Misleading messages at point of sale

Surrogate advertising/Brand stretching



Music CDs



Packaged drinking water



Advertising on the back of airline boarding passes

Sponsorship of sports/musical events and awards



Formula One race sponsorship



Sunburn music event sponsorship



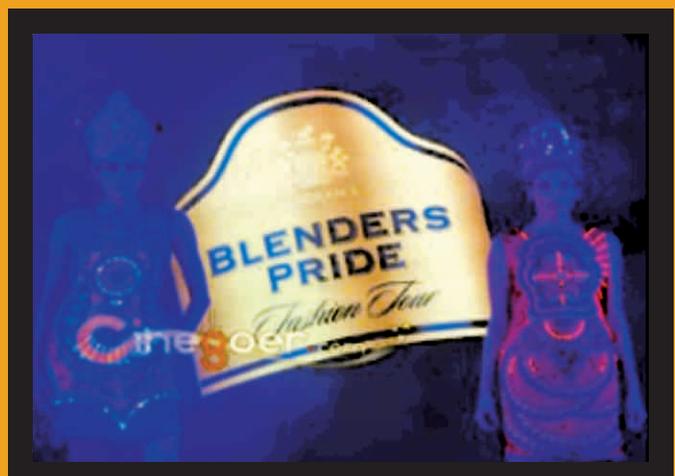
Indian Premier League (IPL)
cricket team sponsorship



Teacher's Achievement Awards



Officer's Choice Salaam India Awards



Seagram's Blenders Pride Fashion Tour

Promotion through media (including social media) and the entertainment industry



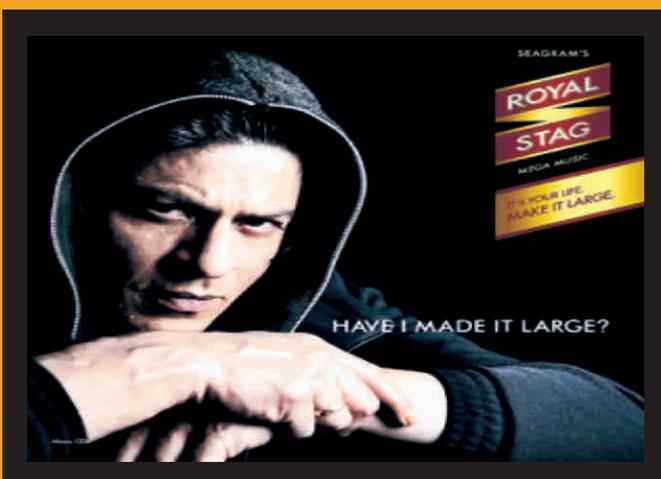
Alcohol promotion with brand placement in Bollywood films



Alcohol promotion on Facebook (social media)

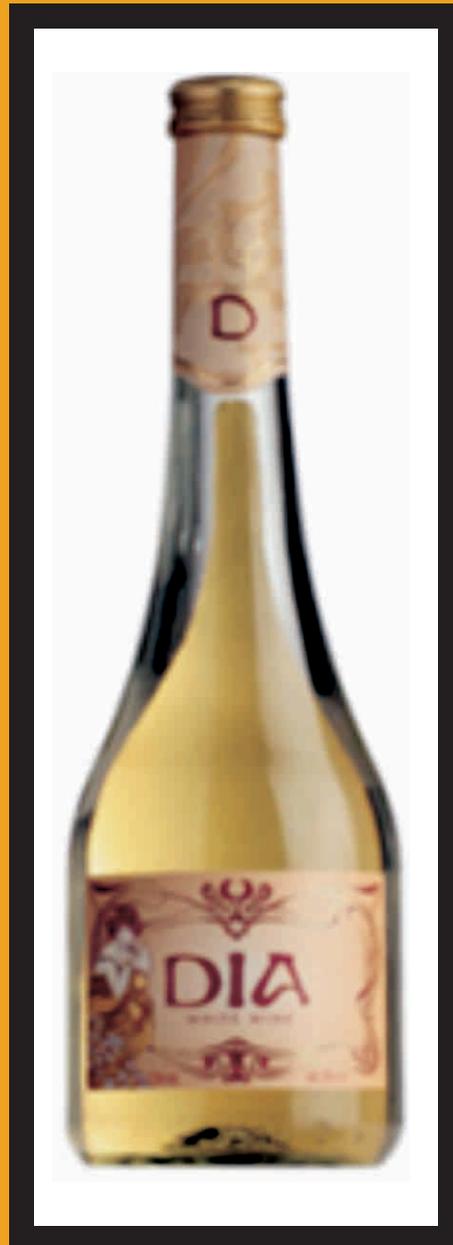


Popular south Indian actor in alcohol advertisement



Promotion of industry sponsored music CDs by Bollywood star

Advertising targeted towards youth and women



Dia, a premium sparkling wine launched by Sula Vineyards

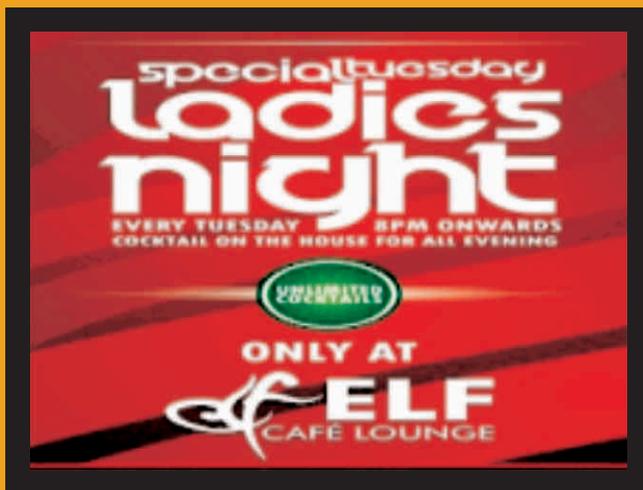


Flavoured Vodka



Bacardi breezer (a pre-mixed flavored rum) flavors

Promotional events (E.g. Ladies Nights with unlimited alcohol)



UNLEASH THE DIVA IN YOU!

LADIES' SPECIAL
ENJOY A COMPLIMENTARY MARTINI OR A GLASS OF WINE AND A 10% DISCOUNT ON SELECT ROCKSHOP MERCHANDISE.
MAKE A PURCHASE OF ₹ 2500 AND THE DESSERT'S ON US!
8:00 PM ONWARDS | EVERY WEDNESDAY NIGHT

Hard Rock Cafe THE SHOW

Promotional events for ladies at high-profile lounges/ bars/restaurants

URBAN KNIGHTS
PRESENTS
HAPPY HOURS

1+1 MAKE YOUR DAY WITH HAPPY HOURS
BUY 1 GET 1 FREE
TIMING: 12PM TO 8 PM

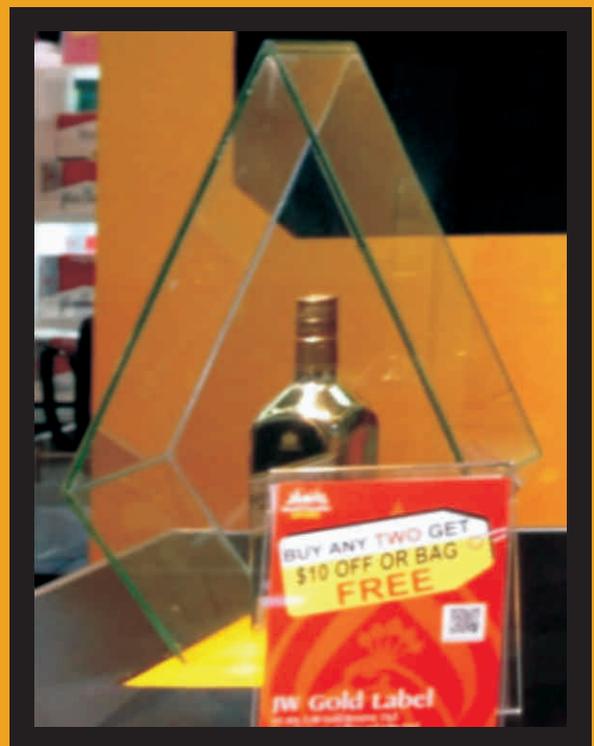
U.K. & ALICE KNIGHTS OFFICE ENJOY - FOR RESERVATION - 02030000000
WWW.URBANKNIGHTS.COM | @URBANKNIGHTS | @ALICEKNIGHTS

Happy hours (discounted prices/free drinks during certain hours of the day)

Strategic brand placement and promotional offers



Johnnie Walker liquor display at an airport



Promotional offer on the Johnnie Walker brand

Alcohol companies spend a large part of their budget on marketing activities. The budget on marketing and promotion is usually 5-10% of the total turnover. The brands use different media and strategies to promote their products and budgets vary based on this.

Sponsorship of Events

Among the many innovative ways that alcohol companies have devised to promote their products, one of the most effective has been sponsorship of events. In India, the alcohol industry sponsors major cricket events since it is the most popular sport and is followed by fans, both male and female, of all age groups. It has the maximum youth viewership, which works very well for the alcohol industry. The Indian Premier League (IPL), which is one of the most popular annual cricket events, has a team named after a very popular whisky brand. And, in a clear violation of the law, the sports gear of the team has directly advertised the whisky brand - Royal Challenge – since 2008.⁴⁴ Apart from this, the same alcohol group, United Breweries, has associated itself with six IPL teams as the 'Good Times' Partner, a direct reference to the advertising campaign for their popular brand, Kingfisher beer. As cricket is an international sport, and IPL not only has foreign players but many viewers outside India, this event offers alcohol companies an opportunity to establish a global market for their brands.

Alcohol companies also indulge in sponsoring other events such as the Johnnie Walker Awards for Excellence, the Teacher's Achievement Awards, and the Officer's Choice Salaam India Awards, all of which recognize and reward people from various fields for their achievements. Johnnie Walker and Teacher's are both premium whisky brands while Officer's Choice is a regular brand. Smirnoff, a popular vodka brand, has sponsored the Smirnoff International Fashion Awards in India, and Blenders Pride (whisky) has sponsored the Blender's Pride fashion tour in India. By sponsoring such events, the alcohol industry wants to associate their brands with glamour and achievement in the minds of consumers. This message reaches all sections of the society since both the premium and regular brands widely sponsor such events.

Promotion and the Entertainment Industry

The entertainment industry is used extensively to promote alcohol products. Earlier, only villains in the movies were shown drinking. Now, it is the hero or the protagonist promoting alcohol brands and building social acceptability of alcohol drinking behaviour. A study conducted by Delhi-based NGO, HRIDAY, revealed that students who were highly exposed to glamorized alcohol use occurrences in Bollywood movies were 2.78 times more likely to have tried alcohol as compared with those who were least exposed.⁴⁵

Research studies have also shown that more alcohol is consumed in the southern states of India and that whisky and brandy are the most popular among alcohol products. In the recent past, hoardings all over Kerala featured popular south Indian actor Mohanlal advertising a whisky brand, holding the brand's whisky bottle and asking people what they were planning to do in the evening.⁴⁶ It was a violation of the state law and the hoarding was eventually taken out.

In the case of product/brand placement in the entertainment media, the involved audiences get exposed to products while watching movies or television shows. The product is sometimes presented actively and sometimes passively. In active presentation, the product is given clear attention in the

scene.⁴⁷ The aim of such product placement is to nudge the viewer into recalling and recognizing the brand at the time of purchase.⁴⁷ One recent example is the Hindi movie *Cocktail*, in which certain multinational alcohol brands were advertised. The name of the movie itself resonates with alcohol. Such references to alcohol are extremely common in Bollywood blockbuster movies, particularly in the songs: “Daaru Desi” (*Cocktail*); “Humka Peeni Hai” (*Dabangg*); “Chikni ChameliPauva Chadha Ke Aayi” (*Agneepath*); “Talli Hua” (*Singh is King*); “Talli ho gayi” (*Ugly aur Pagli*). Bollywood songs are extremely popular not only in India, but the world over. Such references to alcohol in popular films, contribute to making alcohol use acceptable in a society in which it has always had negative connotations.

A new trend observed recently on India satellite television is that the home channel of most satellite television regularly shows indirect advertising of alcohol brands. They advertise water bottles and music CDs that have the same brand name as an alcohol brand name. For example, Imperial Blue music CDs, Imperial Blue is also a well-known whisky brand.

Sexually Explicit Content

The alcohol industry in India (and abroad) has often come up with advertisements that have explicit sexual content and exploit male sexual fantasies.⁴⁸ The television ads of Imperial Blue CDs use the tagline “Men will be Men” in their advertisements, which are indirectly advertising Imperial Blue whisky.

Attractive Packaging and Labelling of Alcohol Products

Another very important strategy that the alcohol industry uses to market its products is making the products look attractive with eye-catching packaging and labelling of their bottles and cans.⁴⁸

Many people choose their drinks after reaching the bar and looking at the available choices. This decision, to an extent, is influenced by the appearance and labels on the alcohol products.⁴⁸ Packaging and labelling is also necessary to differentiate between alcohol products from various companies.⁴⁸ In an effort to make their products stand out, companies use bright colours, metallic effects on labels, catchy names and other such strategies.⁴⁸ Sometimes, they also change the packaging and labelling of an existing product completely, to make it appear like a new product, thus attract new customers.

Targeting the Audience

Another way to promote alcohol products is to target a specific population and offer tailor-made products to them. Women are a key target today. The alcohol market in India is growing fast and international alcohol companies are looking to expand in the country. One major reason for this is that more women are taking up drinking – leading to a new market. Alcohol drinking by women, once seen

as immoral and unacceptable, is gaining social acceptance in India. There are various reasons behind this: women today form an important part of the workforce, they are financially independent, and have huge social exposure. Besides, alcohol is now available in many supermarkets, which makes it feasible for women to buy it on their own. Earlier, women were embarrassed to go to liquor shops, which did not have a decent atmosphere and usually had long queues of men, some in various stages of drunkenness.

The biggest wine producer in India, Sula Vineyards, launched Dia, a sparkling white wine, and in its launch statement the Sula Managing Director mentioned that it is a product that is beautifully packaged to attract urban women.⁴⁹ Another marketing technique to promote specific brands is announcing ladies nights in bars and pubs once a week, during which ladies may be offered unlimited free alcoholic drinks from a specific brand; sometimes all the drinks are available in the offer. These strategies aim to lure urban Indian women into drinking.

To reach the youth market, alcohol companies use advertising techniques that link alcohol to physical attractiveness and use popular culture icons as spokespersons. The industry also uses effective packaging and labelling that will attract youngsters.

Promotional Events

As noted above, many clubs and pubs organize ladies nights where drinks are offered free to the women. Apart from being a marketing strategy to initiate women into drinking, it is also a sustenance strategy for clubs. Most clubs get their maximum business over weekends and need such events to get customers on weekdays and to compete against other clubs.

Social Media

Alcohol companies use social media as a marketing medium because it is an easy way to promote products. It is perceived that social media have fewer legal restrictions, which are not implemented effectively on the Internet. Companies promote brands directly on Twitter and indirectly on Facebook (FB), which has age restrictions. However, Facebook is more popular than Twitter in India.

Social media is most effective in targeting the younger generation, especially those under 30 years of age. A single-malt Scotch whisky brand may not resort to social media activities, as most of their consumers will not be very active on these platforms. The Kingfisher brand, which is considerably youth-focused, invests heavily in promotion on social media – from having its own website to Instagram, Flickr, Reddit, Facebook, and Twitter. It's a 360 degree engagement interactive platform for the brand.⁵⁰

Newer Promotion Channels

Tele marketing by sending bulk promotional messages is now common in India. Such messages include content such as: “Complete your bar with Chivas Regal 12 YO. Buy two bottles at the Duty Free Shop and get a trolley bag FREE. Redeem your points on your purchase and save more...” or other similar messages directly advertising alcohol, which is against the law.

Some retail outlets and bars use point-of-sale advertising to promote drinking, using provocative messages with slogans and catch lines like ‘Beer is the third largest beverage consumed after water and tea,’ ‘Beer is brotherhood,’ ‘Stout is beautiful.’ Such advertising, which targets the middle and upper income groups, promotes alcohol by exploiting the sociocultural milieu.

Regulations on Alcohol Advertisements

The Cable Television Network (Regulation) Act, 1995;⁴⁰ the advertising code of Doordarshan and All India Radio; and norms for journalists’ conduct issued by the Press Council of India³⁹ prohibit any advertisement directly or indirectly promoting the production, sale, or consumption of cigarettes, tobacco products, wine, liquor, or other intoxicants. The government-controlled channel, Doordarshan, does not broadcast such advertisements. From September 2009 the Cable Television Network (Regulation) Amendment Act prohibited alcohol and tobacco advertisements.⁴¹ However, surrogate ads continue to be seen via satellite channels.

The Advertising Standard Council of India (ASCI) has laid down specific rules and guidelines prohibiting surrogate advertising. Section 6 of the ASCI Code states: “Advertisements for products whose advertising is prohibited or restricted by law or by this Code must not circumvent such restrictions by purporting to be advertisements for other products the advertising of which is not prohibited or restricted by law or by this Code.⁵¹ In judging whether or not any particular advertisement is an indirect advertisement for product whose advertising is restricted or prohibited, due attention shall be paid to the following: (a) visual content of the advertisement must depict only the product being advertised and not the prohibited or restricted product in any form or manner, (b) the advertisement must not make any direct or indirect reference to the prohibited or restricted products, (c) the advertisement must not create any nuances or phrases promoting prohibited products and (d) the advertisement must not use particular colours and layout or presentations associated with prohibited or restricted products.”

Despite all the guidelines and rules, advertising and promotion of alcohol brands is rampant in India, particularly through surrogate advertising strategies.

CONCLUSION

Recognising alcohol use as a public health issue alongside a social and development concern is a crucial step towards developing responsive policy action for alcohol control. Drinking behaviours are changing in India, with differences narrowing between younger and older adults and between men and women with more women and youth taking up drinking. As the per capita consumption of alcohol is increasing, it leads to rise in consumption of alcohol in heavy drinkers and raises the rate of alcohol related harm. Alcohol producers are responding with new innovations and by creating and reinventing categories to boost growth in both volume and value. Alcohol advertising and marketing is transforming, with the use of new approaches and social media becoming increasingly important in shaping consumer perspectives and choices.

With an increase in alcohol use, disease and death caused by alcohol use and abuse also increase manifold. Alcohol use has an enormous public health burden. Adverse consequences of alcohol use include a continuum of health effects, accidents and injuries, domestic and other forms of violence, indulgence in high risk behaviours and serious social and occupational problems like absenteeism and low work productivity, stemming from episodic excessive use, long term use and addiction.

In India, the current policy environment regulating alcohol at state level seems fragmented, non-uniform and weakly enforced. As alcohol is a state subject, every state has different legal provisions that govern alcohol and the alcohol industry, leading to non-uniformity of law. Marketing and promotion activities have only favoured greater availability and consumption, as surrogate advertising and strategic product placements are rampant across India. Enforcement of policies too vary from state to state and needs improvement to lower alcohol related social and physical harms. Thus, given the fragmented nature of alcohol policies in India, and the widespread circumvention of existing policies, greater attention needs to be devoted to effective enforcement, and the regulation of alcohol marketing.

A multi-pronged strategy is imperative to tackle the growing burden of alcohol use in India. The policy analysis presented in this report, reveals that hitherto alcohol control policies are being implemented without a public health perspective. Prevention of alcohol use does not seem to be a priority and all efforts are currently on de-addiction, thus adopting a high-risk approach to prevention of diseases. It is important to address this issue in a concerted and scientific manner and design an inter-sectoral, well-coordinated strategy that can be converted into national law. As the alcohol problem is diverse in nature and concerns multiple sectors, different ministries, government departments, and state governments need to adopt an integrated approach. A central legislation in line with the WHO Resolution- 'Global Strategy to reduce the harmful use of alcohol' is the need of the hour in India.

The WHO Global Strategy to Reduce the Harmful Use of Alcohol makes specific recommendations for regulating advertisements, which has strong relevance for adaptation in the Indian context. Specific

policy options and interventions include setting up regulatory or co-regulatory frameworks, preferably with a legislative basis, and supported when appropriate, by self-regulatory measures for alcohol marketing. It calls for development of effective surveillance systems to monitor marketing of alcohol products and recommends setting up effective administrative and deterrence systems for infringements of marketing restrictions.

There is a need to strengthen the evidence base through epidemiological and policy-related research that can enhance public health advocacy and partnership. There are eight key strategies and interventions that can prevent or minimize alcohol related harm:

1. Pricing and taxation

Studies worldwide have proved that increased alcohol prices reduce the level of alcohol consumption and its impact including death, diseases, crime and road accidents. Pricing of alcohol has an impact on all groups of alcohol consumers. However, governments can administer special taxes on alcoholic beverages targeted at vulnerable groups like youth and women (especially in the Indian context).

2. Regulating access and availability of alcohol

It is important to limit the availability of alcohol, as this will put extra pressure on the consumer to obtain alcohol and thereby reduce total volume consumed. Government intervention in alcohol outlets can regulate alcohol availability tremendously. There is a three-fold approach to this strategy:

- a) Regulate the shops/places where alcohol is sold, density of outlets and control the timings of the outlet
- b) Enforce a **uniform minimum legal age** for purchase and sale of alcohol and a ban on the sale of alcohol to intoxicated persons. In a recent study the results showed that the human brain continues to develop until a person is around age 25 and underage drinking may impair this neurological development.⁵²
- c) Enforce an effective licensing system to regulate wholesale and retail sale of alcohol. Introducing government monopoly in retail and/or wholesale of alcohol market can be an effective measure to help limit the medical and social harm caused by alcohol. Lessons can be learnt from the System Bolaget in Sweden where the alcohol monopoly is with Swedish government. The Swedish Alcohol Act governs the system that restricts the availability of alcohol through the number of retail stores, limiting opening hours and retail rules which aims to restrict sales to minors. It has an explicit mandate to reduce harms caused by alcohol as opposed to raise revenues.

3. Comprehensive prohibition on advertising and promotion

Imposing a comprehensive ban on all kinds of marketing strategies (advertisements, promotion, sponsorship, product placement etc.) that normalize drinking will reduce the number of people initiating alcohol use, considerably.

Many governments enforce partial bans or allow advertising at point of sale. These bans will not lead to effective results. To reduce alcohol consumption and related harms, it is very important that governments enforce a comprehensive ban on all kinds of advertising of alcohol brands and products. This ban should be a national law to avoid differences in state level policies and to understand explicit advertising of alcohol brands through various means.

4. Drink-driving laws

Alcohol has been a major cause of road accidents leading to fatal injuries and death. Every country has a drink-driving law but the enforcement is often weak or delayed. Such faintly enforced laws do not deter people from driving after drinking. It is crucial that the drink-driving laws are extremely strict and a reasonably low level of blood alcohol concentration (BAC), at which one may drive legally, is administered. India currently has 0.03% of BAC under the Indian Motor Vehicles Act, 1988.⁵³ Best practices suggest 'zero tolerance' for young drivers. There should be frequent checkpoints within cities and random breath testing should be carried out for men and women. The enforcement must be effective with driving license suspensions or revocations for those caught driving drunk.

5. Modifying the drinking context

There is evidence that alcohol consumed in licensed premises can prevent alcohol related problems. It can be done in a variety of ways like those serving at bars can be trained in responsible beverage service, regular renewal of liquor license, ensuring responsible drinking by consumers etc. There should be no promotions of alcohol products at point of sale. If all venues enforce alcohol control policies and legal requirements, then the problem can be reduced through community action.

6. Education and community engagement

Education and community engagement are important and popular strategies and interventions to prevent alcohol related problems. Education programmes, that include training and normative education of adolescents, can be undertaken at the individual and community levels, to comprehend alcohol related harms and to overcome peer pressure. Schools and communities should institute programmes supporting healthier lifestyles and mass media campaigns that

demonstrate the advantages of abstinence, reduced consumption, communicate the harms associated with heavy alcohol consumption and its effect on community development.

7. Treatment and intervention services

It is essential that steps be taken to reduce alcohol consumption overall. However, it is also very important to help those who are heavy drinkers, by motivating them to drink moderately and gradually quit. There are various therapeutic interventions that can increase abstinence among people who have developed a dependence on alcohol. Mutual help groups based on the Twelve Steps of Alcoholics Anonymous (AA) have developed throughout the world that have helped many heavy drinkers.

8. Monitoring and Surveillance

National and state level monitoring and surveillance is essential to study the trends of alcohol consumption, alcohol related harms, to develop strong policies and to implement the alcohol control programs effectively. The data from monitoring and surveillance is extremely important to understand and assess the success of other seven strategies and interventions.

The best way to carry out monitoring and surveillance activities is through a designated institute that will be responsible for collecting, collating, analyzing and disseminating data. There should be periodic surveys and data collection on alcohol consumption, alcohol related harm, industry growth, impact of interventions. The institute responsible should create a data repository that can be made available to other organizations.

These eight interventions are best practices globally that will help in changing the norms and ensure the success of alcohol control programmes. In addition to these key strategies, it is imperative to advocate for and develop a national policy and legislation on alcohol control that will include evidence-based strategies, programmes and interventions.

Alcohol control programmes and legislation can be effective and successful when there is multi-sectoral engagement at national and state level. While developing the national policy on alcohol control, the policy makers will need to consult and engage different stakeholders in the lawmaking process and take responsibility. Multi-sectoral engagement will provide a “whole-of-government” approach where the alcohol control programme will benefit from collaborations between those ministries with contributing roles and responsibilities.

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