

Excise policy to focus on alcohol exports

UP Accounted For ₹311cr Of Global Exports

TIMES NEWS NETWORK

Lucknow: In a bid to strengthen state coffers, the excise department is all set to introduce a focused section on promoting exports of alcohol in its upcoming policy.

The present framework is loaded with various hurdles which need to be removed to encourage distilleries and manufacturing units to augment capacity and achieve a bigger market share.

According to sources, senior officials in the excise department are going through the policy regime of various states, particularly that of Maharashtra, which is among the frontrunners in the country in terms of exports. The excise policy document being prepared for 2026-27 financial year will have provisions to boost exports of extra neutered alcohol, spirits, and other alcoholic beverages produced in Uttar Pradesh. The objective will be to increase share in overseas market and induce demand for UP-based liquor domestically. The excise department levies duty on the exports of alcoholic beverages to other states as well as to foreign countries as per a different fee structure.

According to APEDA (Agricultural and Processed Food Products Export Deve-



lopment Authority), all alcoholic beverages exports from the country to the overseas market accounted for Rs 3,100 crore in the 2023-24 financial year. Altogether liquor manufacturers in the country aggregate 0.3% out of global excise exports.

Uttar Pradesh accounted for Rs 311 crore of overall global exports during FY 23-24. Revenue collection through the export of alcoholic beverages to other states is being compiled by the department.

With work on policy document ongoing, strategic advantages available in the state are likely to be exploited for higher revenues. "UP has 125 sugar mills distributed evenly across all the re-

gions of the state. We have also been blessed with favourable agro-climatic conditions required to produce superior quality raw material to help make A-grade extra neutered alcohol and malt. We need to leverage the production capacity within the existing units to strengthen our position both domestically and internationally," a senior officer from the department said.

The department levies Rs 20 per quintal over exports of molasses while charging Rs 6 lakh to approve the label of IMFL and beer brands that are exported to other states or out of the country, apart from imposing Rs 6,000 as processing fee.