

A study on black-marketing of Non – essential product (Cigarette and Alcohol) during Covid-19 lockdown, India

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Abstract

This paper aims to study the blackmarketing of non-essential product (alcohol) during lockdown and increase in bootleggers' job due to increasing demand in supply of alcohol. It also shows that despite double or triple increase of price, consumers were not reluctant to make purchases. Even in the state of Kerala a suicide case where came into notice where the person died due to unavailability of alcohol which forced the state to provide alcohol on prescription. It also highlight the increase in alcohol drinkers towards hazardous drinking habit

Keywords: *Alcohol, Bootlegging, Lockdown, Coronavirus.*

INTRODUCTION:

Coronavirus firstly detected as a unknown virus in the city of Wuhan, China on 31st December 2019. The outbreak was declared a Public health emergency of international concern on 30th January 2020. On 11th February 2020 WHO announced name for the new coronavirus disease: Covid 19

Recent study showcased that covid 19 symptoms are very normal such cold, fever, due to which transmission of infection from people to people was very fast. Therefore, to prevent the infection government announced a complete lockdown and citizens to adapt a new lifestyle with mask, social distancing and work from home.

On 25th March 2020, Prime Minister of India announced complete lockdown all over India with restriction over mass gathering, educational and public institution. In his speech he had

ensured people regarding supply of essential product such as rice, milk, vegetables, fruits, pulses etc but nothing was mentioned about the non-essential products such as “Alcohol”

According to IWSR Drinks Market Analysis, a London-based research firm, India is the 9th largest alcohol consuming country in the world and 2nd largest consumer of spirit after china. according to the research wing of Crisil, a ratings and analytics firm, five southern states - Andhra Pradesh, Telangana, Tamil Nadu, Karnataka and Kerala - account for more than 45% of all liquor sold in India. Not surprisingly, more than 10% of their revenues come from taxes on liquor sales, another six top consuming states - Punjab, Rajasthan, Uttar Pradesh, Madhya Pradesh, West Bengal and Maharashtra - mop up between less than five to 10% of their revenues from liquor. A third of Indian men drink alcohol, according to a new government report. More than 14% of all Indians aged between 10 and 75 drink. The World Health Organization (WHO) estimates 11% of Indians are binge drinkers, against the global average of 16%.

For the first few days after the closure was announced on March 20, the price of alcohol in the black market was about double the usual price.

With the announcement of the 21-day lockdown on March 24, and the indication that alcohol shops may remain closed for a longer duration, the price of alcohol in ‘black market’ has skyrocketed. At present, the ‘black market’ price of a 180 ml bottle of foreign liquor has risen to Rs. 500-600 (from MRP of Rs. 130 to 180) and Rs. 2,500 to 3,000 for a 750 ml bottle (from Rs. 550 to 800).

Objectives

The study was conducted with following objectives in view

- 1) To observe role played by bootleggers for black marketing alcohol
- 2) To observe buying behaviour of alcohol consumer during lockdown

Methodology

In the present study mostly, secondary data have been used. Secondary data have been collected from various journals, articles, e-newspapers etc. The research is also based on various referred sources published, unpublished and electronic.

Actual Facts:

- 1) A resident of greater Noida in his interview with Times of India said that he contacted a bootlegger who had gathered the hoarded stock of alcohol on or before lockdown sold the bottle for 750 ml bottle of 100 pipers, which normally sold at price 1500 but charged double the price during amid lockdown. which show case that even in strict lockdown bootleggers managed to do black marketing of alcohol with an inflated price and managed to earn quite an extra pocket out of it by inflating the price.
- 2) A resident of Delhi in his interview with Sunday guardian said that he wanted to lay hands on some bottles so he made some call to bootleggers he knew from subhashnagar and purchased it for almost double the price, another resident said that he got these delivered at home at a premium price. This shows that getting alcohol in amid lockdown was easy as making a phone call and getting it, which clearly draws the picture that alcohol was easily available in every nooks and corner and many people lost job due to lockdown entered business of bootlegging. Which gave a boost to increase in black marketing?
- 3) Prakash a daily consumer of hatbatti (hand made hooch) said that the sale of hathbatti increased along with price from 30 to 100 due to increase in number of consumers during lockdown because the price of foreign liquor become unaffordable and a habit of hazardous drinking was accepted. Therefore, the addiction of alcohol drew people towards cheap availability of hooch. As the lockdown period is being extended due to increase in No. of cases, that may lead to increase in no. of customers towards cheap alcohol which may cause serious health problems and a deteriorating lifestyle in future.

Conclusion

Lockdown would have been an opportunity for alcohol addicts to free themselves from the trap, but blackmarketing and bootleggers did not give the pace to do so. They found new and innovative ways to do black marketing when normal ways were shutdown such as under the vegetables, inside milk cans etc which boosted the demand for alcohol and income for bootleggers. Due to increasing black marketing CIABC and International Spirits and Wines Association of India (ISWAI) have asked the government to plan a phased opening of liquor shops outside Coronavirus hotspots for a longer span to ensure minimum consumer rush. The

letter further suggested that shops should be given licences for 3-4 home delivery workers and the government can control the frequency and the amount of liquor being delivered. Consumers can place orders online or via a phone call, along with identity proof for age verification

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