

# Covid 19 corollaries

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## Bottled revenues and uncorked spirits

The Covid-19 pandemic-driven lockdown has dried up many a revenue source of states, few more important than the liquidity that flows from liquor sales.

More than 10% of the revenues of five southern states – Andhra Pradesh, Telangana, Tamil Nadu, Karnataka and Kerala – come from that single source.

Denizens of this quintet quaff ~45% of all liquor sold in India annually.

But not a drop was sold in April, and given the dire state of their revenues, these states have been anxious to make good the losses by opening up the vends.

And barring Tamil Nadu, others will be less worried about the affliction's spread despite the physical proximity risks spawned by serpentine queues, as they have fewer Covid-19 cases compared with their western and northern counterparts.

In fact, the desperation of the locked, listless liquor lovers is what has perhaps egged many states to make some much-needed quick bucks by increasing tax on booze. That's unlike a worried Maharashtra, which has preferred to re-shutter wine shops in Mumbai, Navi Mumbai and Thane given the still rising cases of Covid-19.

But as with everything else in this pandemic, ending the dry days will prove to be a cocktail of trade-offs – between public health, individual gratification, and government revenues.

### Chill maadi, say southern states, as liquor flows

These states make ~45% of sales in India, rely more on liquor taxes, have lower Covid-19 case load

