vinetur

Uttar Pradesh Cuts Prices on Imported British Liquor by Up to 15%

The reductions take effect Oct. 10 after India halved customs duty on UK alcohol under the new trade pact.

Friday, October 2, 2026



Premium imported liquor brands from the United Kingdom are set to become cheaper in Uttar Pradesh from Oct. 10, after state officials moved to pass on part of the tariff relief created by the India-UK Comprehensive Economic and Trade Agreement,

according to the state excise department and officials cited by The Times of India.

The price cuts are expected to range from 5% to 15% at retail outlets and will apply to several high-end imported labels, including premium Scotch whiskies shipped from the UK in bottled form. Uttar Pradesh's excise department has already finalized revised prices for Diageo-owned Johnnie Walker products, while revised rates for brands in the Pernod Ricard portfolio, including Chivas Regal, Ballantine's, Jameson and Absolut, are still being worked out, the report said.

Officials said the change will affect only brands sourced from the UK through seaports and bottled at origin. Products that are bottled in India, including some well-known whisky labels sold in the state, will not see any change in their maximum retail price.

The state's move follows the tariff reduction that took effect on July 15 under CETA, which cut customs duty on UK alcoholic beverages from 150% to 75%. Even so, the reduction in shelf prices is smaller because customs duty is only one part of the final retail price, which also includes other taxes, fees and distribution costs. Officials said that is why the benefit reaching consumers is being capped at up to 15%.

For the drinks business, the change could have wider effects than lower store prices alone. Cheaper imported Scotch and other premium UK spirits may alter pricing, margins and brand positioning for large global companies such as Diageo and Pernod Ricard, while also adding pressure on domestic producers that compete in the premium segment.

The state is also dealing with a practical problem before the lower prices take effect. Retailers are reportedly struggling to source imported stock, raising concerns about supply at the same time consumer interest may rise once the new rates become known. Excise Commissioner Adarsh Singh said the department is taking steps to prevent customers from being overcharged when the new shipments reach stores.

Officials are especially concerned about the coexistence of old and new inventory. Existing imported bottles already in shops cannot simply be withdrawn because excise duty has already been paid on them, according to an officer cited in the report. At the same time, the department does not expect all old stock to be sold before the cheaper

bottles arrive. To reduce confusion and protect buyers, retailers will be required to display boards and posters explaining the pricing change, and customers will be encouraged to verify the MRP by scanning the QR code on each bottle.

The price revisions published for some Johnnie Walker products show the scale of the cuts. In the new schedule, a 750 ml bottle of Red Label is expected to fall to Rs 1,740 from Rs 1,910. Black Label is expected to drop to Rs 2,830 from Rs 3,080, Double Black to Rs 3,370 from Rs 3,770, Gold Label to Rs 4,600 from Rs 5,090, and Blue Label to Rs 14,460 from Rs 15,400.

The state’s decision has also triggered a response from Indian liquor companies, which have begun asking the Uttar Pradesh government to review the broader duty structure. Domestic distillers argue that lower prices for imported brands could make competition harder at a time when their own costs remain under pressure.

Amar Sinha, managing director of Allied Blenders and Distillers, told the newspaper that consumers could see price reductions of about Rs 200 to Rs 400 on popular imported 750 ml brands if companies fully pass on the duty benefit. He also said domestic producers are dealing with margin pressure from inflation and the prolonged crisis in West Asia, and he urged the government to provide what he called a level playing field between local and foreign brands.

Singh said the concerns raised by distillers and manufacturers in Uttar Pradesh and elsewhere in India would be examined. He said the government is already working on the excise policy for the next financial year and will review industry representations before making a final decision.