



Industry Report on Imported Alco- Beverage Market in India

11th December 2025



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1. Overview of Global Economy

1.1 GDP and GDP Growth of Key Global Economies

The global GDP is projected to increase from USD 117.17 Tn in CY2025 to USD 149.57 Tn by CY2030, representing a CAGR of 5.00% over the forecast period. During this period, major economies are projected to record growth, led by India with a CAGR of 11.50%, followed by China (6.31%), the United Kingdom (5.60%), the United States (3.75%), Germany (3.71%) and Japan (3.65%).

Exhibit 1.1: GDP at Current Prices (Nominal GDP) (In USD Tn) CY and GDP Ranking of Key Economies (CY 2024)

Country	Rank in GDP (CY 24)	2019	2020	2021	2022	2023	2024	2025	2030P	CAGR (CY 2020 - 25)	CAGR (CY 2025 - 30P)
Developed Economies											
USA	1	21.54	21.35	23.68	26.01	27.72	29.18	30.62	36.81	7.48%	3.75%
Germany	3	3.96	3.94	4.35	4.16	4.53	4.66	5.01	6.01	4.92%	3.71%
Japan	4	5.12	5.05	5.04	4.26	4.21	4.03	4.28	5.12	-3.25%	3.65%
UK	6	2.85	2.70	3.14	3.11	3.37	3.64	3.96	5.20	7.96%	5.60%
France	7	2.72	2.65	2.97	2.80	3.05	3.16	3.36	4.01	4.86%	3.60%
Developing Economies											
China	2	14.56	15.00	18.20	18.32	18.27	18.74	19.40	26.34	5.28%	6.31%
India	5	2.37	2.34	2.78	3.16	3.54	3.89	4.28	7.38	12.88%	11.50%
World	-	88.49	86.12	98.37	102.43	106.94	111.25	117.17	149.57	6.35%	5.00%

Source: World Bank Data, IMF, India data from RBI

Note: 1 USD= INR 85

The nominal GDP of the global economy grew by 4.03% in CY2024, and while this positive trajectory is expected to continue, with a projected rate of 5.32% in CY 2025. The United States, a major global economy, recorded a nominal GDP growth rate of 5.27% in CY 2024. Among developing economies, India and China recorded growth rates of 9.89% and 2.57%, respectively, in CY 2024. India remains resilient, maintaining a steady year-on-year growth momentum.

Exhibit 1.2: Nominal GDP Growth rate of Key Economies (CY) (%)

Country	2019	2020	2021	2022	2023	2024	2025	2030P
Developed Economies								
USA	4.26%	-0.88%	10.91%	9.84%	6.57%	5.27%	4.93%	3.75%
Germany	-2.22%	-0.51%	10.41%	-4.37%	8.89%	2.87%	7.51%	3.71%
Japan	1.59%	-1.37%	-0.20%	-15.48%	-1.17%	-4.28%	6.20%	3.65%
UK	-0.70%	-5.26%	16.30%	-0.96%	8.36%	8.01%	8.79%	5.60%
France	-2.16%	-2.57%	12.08%	-5.72%	8.93%	3.61%	6.33%	3.60%
Developing Economies								
China	2.90%	3.02%	21.33%	0.66%	-0.27%	2.57%	3.52%	6.31%
India	6.59%	-1.27%	18.80%	13.67%	12.03%	9.89%	10.03%	11.50%
World	1.49%	-2.68%	14.22%	4.13%	4.40%	4.03%	5.32%	5.00%

Source: IMF, The Knowledge Company analysis, CY 2030 growth rate pertains to CAGR between CY 2025 to CY 2030

Note: 1 USD= INR 85

The real GDP at constant prices globally is projected to grow steadily over the coming years. Among developed economies, the United States recorded real GDP of USD 22.68 Tn in CY 2024, expected to rise to USD 23.13 Tn in CY 2025 and further to USD 25.54 Tn by CY 2030. Among developing economies, China's real GDP has increased from USD 18.49 Tn in CY 2024 to USD 23.46 Tn by 2030, and India's real GDP growing from USD 2.24 Tn to USD 3.20 Tn over the same period. Overall, the world's real GDP is expected to rise from USD 96.70 Tn in CY 2024 to USD 116.59 Tn by CY 2030.

Exhibit 1.3: GDP at constant Prices for key economies (Real GDP) (In USD Tn) (CY)

Country	2019	2020	2021	2022	2023	2024	2025	2030P	CAGR (CY 2020- 25)	CAGR (CY 2025 - 30)
Developed Economies										
USA	20.16	19.72	20.92	21.44	22.06	22.68	23.13	25.54	3.24%	2.00%
Germany	3.67	3.52	3.65	3.7	3.69	3.68	3.69	3.89	0.93%	1.06%

Japan	4.56	4.37	4.49	4.53	4.6	4.61	4.66	4.79	1.30%	0.56%
UK	3.16	2.83	3.07	3.22	3.24	3.27	3.31	3.55	3.20%	1.40%
France	2.61	2.41	2.58	2.65	2.67	2.70	2.72	2.88	2.44%	1.16%
Developing Economies										
China	14.58	14.92	16.2	16.71	17.61	18.49	19.38	23.46	5.37%	3.90%
India	1.70	1.60	1.76	1.94	2.07	2.24	2.34	3.20	7.85%	6.46%
World	85.46	83.02	88.35	91.32	94.01	96.70	99.79	116.59	3.75%	3.16%

Source: World Bank Data, India data from RBI, Future projections from IMF

Note: 1 USD= INR 85

1.2 Disposable Income Per Capita of Key Global Economies

Disposable per capita income has shown a consistent upward trend across both developed and developing economies during the period CY 2018 to CY 2024. Among developed economies, the United States, United Kingdom, Germany and France recorded CAGRs of 4.8%, 2.4%, 2.0% and 1.6% respectively for the period CY2018- CY2024. Japan, on the other hand, recorded a negative CAGR of -2.4% for the same period. Developing economies such as India and China experienced steady growth in disposable income, with CAGRs of 8.6% and 5.8% respectively for the period CY2018- CY2024.

Exhibit 1.4: Disposable Per Capita Income of Key Economies in CY (Current Prices USD)

Country	2017	2018	2019	2020	2021	2022	2023	2024	CAGR (CY 2018-24)
Developed Economies									
USA	59,060	63,230	66,010	64,940	71,490	77,060	80,710	83,660	4.8%
Germany	44,760	48,730	49,410	47,970	52,750	54,730	54,960	54,960	2.0%
Japan	38,930	41,800	41,970	40,930	43,710	42,640	39,360	36,030	-2.4%
UK	41,720	42,130	43,370	38,950	45,580	49,080	48,560	48,610	2.4%
France	38,120	40,960	42,720	39,690	44,300	45,910	45,440	45,180	1.6%
Developing Economies									
China	8,830	9,720	10,510	10,740	12,220	13,170	13,730	13,660	5.8%
India	1,514	1,658	1,747	1,700	2,005	2,256	2,506	2,723	8.6%
World	10,419	11,120	11,545	11,099	12,173	12,954	13,331	13,434	3.2%

Source: World Bank, India data from RBI, The Knowledge Company's analysis,

For India, CY 2017 data refer to FY 2018 and so on, Note: 1 USD= INR 85

1.3 Private Final Consumption Expenditure of Key Global Economies

Private Final Consumption Expenditure (PFCE) encompasses expenditure on both goods and services, serves as a key indicator of domestic consumption. In CY 2023, PFCE accounted for 60.2% of India's GDP which was higher than France (53.4%), Germany (49.9%) and China's (39.6%), it remained below that of other major economies such as the United States (67.9%) and the United Kingdom (61.3%) during the same period.

Exhibit 1.5: Total Private Final Consumption Expenditure of Key Economies in CY (Current Prices USD Tn)

Country	2018	2019	2020	2021	2022	2023	2024	Contribution to GDP				CAGR (CY 2018-24)
								2019	2022	2023	2024	
Developed Economies												
USA	13.9	14.4	14.2	16.1	17.7	18.8	19.8	67.0%	68.0%	67.9%	67.9%	6.1%
Germany*	2.1	2.0	2.0	2.1	2.1	2.3	NA	51.1%	50.1%	49.9%	NA	1.8%
Japan*	2.8	2.8	2.7	2.7	2.4	NA	NA	54.6%	55.5%	NA	NA	-2.5%
UK*	1.9	1.8	1.6	1.9	1.9	2.1	NA	63.9%	61.4%	61.3%	NA	2.1%
France*	1.5	1.5	1.4	1.6	1.5	1.6	NA	53.7%	53.1%	53.4%	NA	1.7%
Developing Economies												
China*	5.5	5.7	5.7	7.0	6.9	7.2	NA	39.4%	37.8%	39.6%	NA	5.6%
India*	1.3	1.4	1.4	1.7	1.9	2.1	2.4	61.0%	61.5%	60.2%	61.8%	10.1%
World	49.0	49.7	47.6	53.9	56.6	60.3	NA	56.2%	55.2%	56.4%	NA	4.3%

Source: World Bank, RBI for India data, The Knowledge Company's analysis

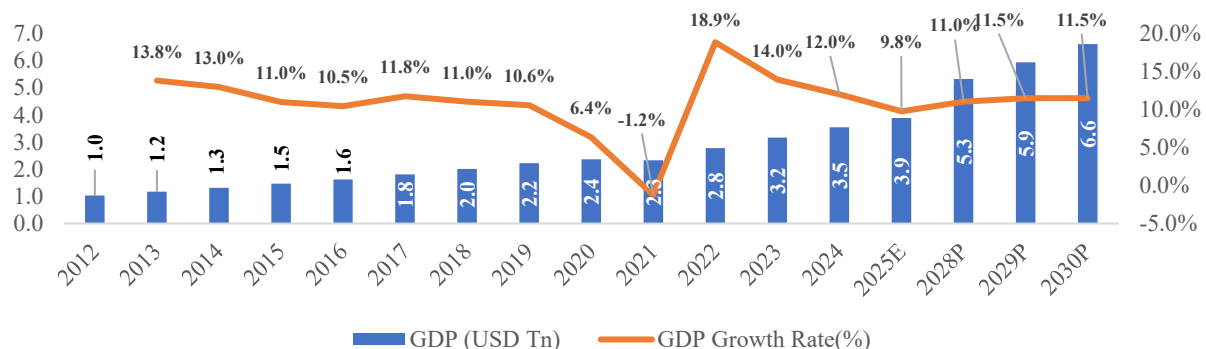
*CAGR provided for 2018-2023, For India, CY 2018 refers to FY 2019 and so on, 1 USD= INR 85

2. Overview of Indian Economy

2.1 GDP and GDP Growth- India

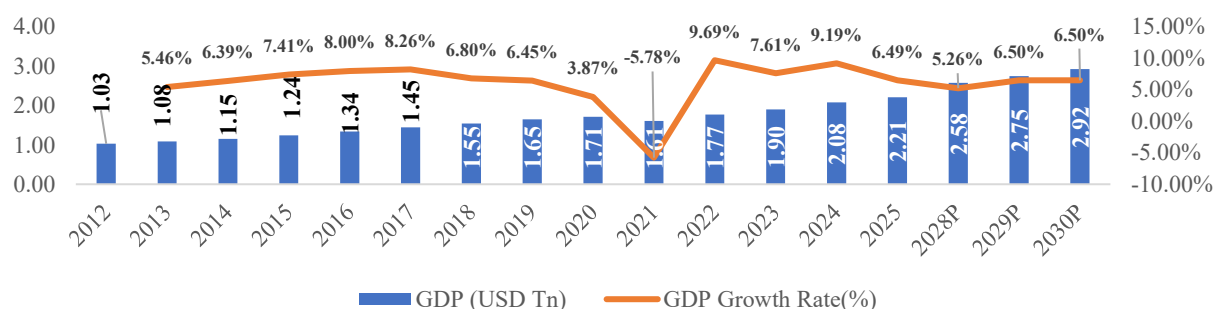
As of FY 2025, India is ranked the fifth-largest economy globally in terms of nominal Gross Domestic Product (GDP) and ranks third worldwide based on Purchasing Power Parity (PPP). India's economy will reach approximately USD 6.62 Tn by FY 2030. At this growth trajectory, India is expected to surpass both Germany and Japan, positioning itself as the third-largest economy globally in terms of nominal GDP.

Exhibit.2.1: India's GDP at Current Prices (Nominal GDP) (In USD Tn) and GDP Growth Rate (%) (FY)



Source: RBI, The Knowledge Company Analysis
Note: 1USD = INR 85

Exhibit. 2.2: India's GDP at Constant Prices (Real GDP) (In USD Tn) and GDP Growth Rate (%) (FY)



Source: RBI, The Knowledge Company Analysis
Note: 1USD = INR 85

India's nominal GDP is projected to reach approximately USD 6.62 Tn by FY 2030. Between FY 2015 and FY 2025, nominal GDP grew at a CAGR of ~10.25%, and it is expected to accelerate further, registering a CAGR of approximately 11.21% over the five-year period from FY 2025 to FY 2030.

2.2 Trends in Per Capita Income, Disposable Income, and Final Consumption Expenditure in India

In FY 2024, India's per capita GNI reached INR 2,12,981 representing a substantial increase of approximately 65.46% from INR 1,28,718 in FY 2018 which corresponds to a CAGR of 8.76% over the period, underscoring the increasing purchasing power and consumption potential of Indian households. Furthermore, the growth in the number of middle- and higher-income households, coupled with rising per capita income, is expected to drive increased consumption of discretionary products in India. With higher disposable income, consumers are increasingly inclined to upgrade their consumption preferences, leading to growing demand in the premium, prestige, and luxury product categories. India's Gross National Disposable Income (GNDI) stood at INR 305.94 Tn in FY 2024, growing at a CAGR of 10.33% from INR 169.62 Tn in FY 2018.

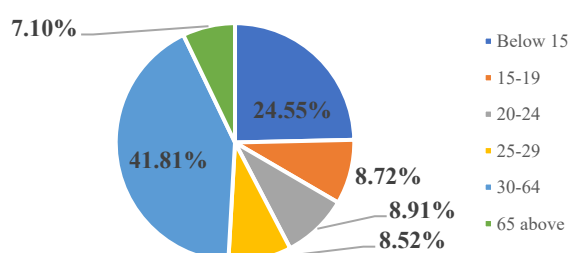
In FY 2024, the per capita final consumption expenditure was valued at INR 1,29,967 which was an increase from INR 76,794 FY 2018. This corresponds to a CAGR of 9.17% over the given period.

2.3 Key growth drivers for the Indian Economy

Indian Population

As of CY 2025, India is the most populous country in the world, with an estimated population of 1.45 Bn. Projections indicate that this upward trend will continue, with the population expected to reach approximately 1.50 Bn by CY 2029 which presents both opportunities and challenges for economic planning, infrastructure development, and resource management.

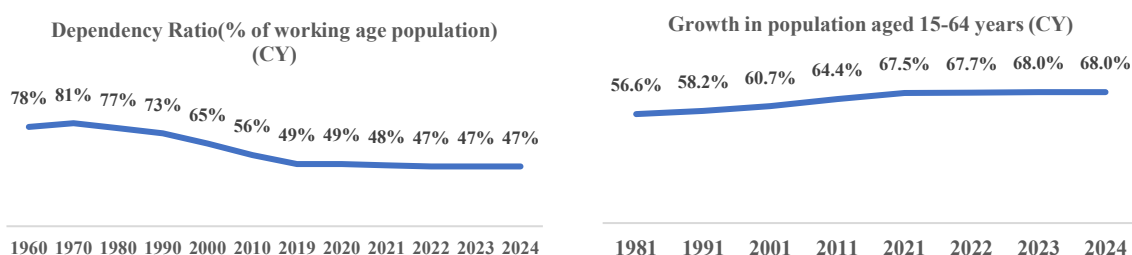
Exhibit 2.3: India's Population Distribution, by Age (%) (CY 2024)



Source: World Bank

The share of the population aged 15–64 years has been rising consistently, from 56.6% in 1981 to 68.0% in 2024 and share of population aged 15-24 years stood at 17.6% in 2024. Additionally, Millennials allocate more spending toward family needs, home-related categories, and higher-ticket purchases, while Gen Z exhibits a digital-first, value-conscious yet prestige-oriented approach, directing consumption into subscriptions, experiences, and accessible luxury. Both generations increasingly invest in leisure and aspirational categories, prioritizing experiences and brands reflecting authenticity and sustainability.

Exhibit 2.4: Age Dependency Ratio



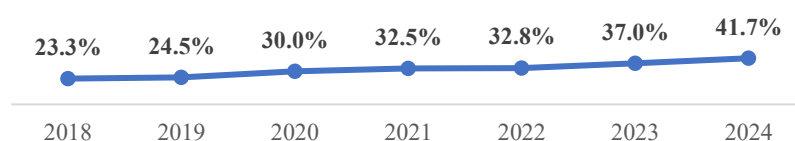
Source: Census of India 2011, World Bank, MOSPI

Note: Dependency Ratio and Growth in population aged 15-64 years are in CY. CY 2023 for India refers to FY 2024 data and so on.

Women Workforce

The female labour force participation rate in India has seen a marked improvement, increasing by 8.9 percentage points from 32.8% in FY 2022 to 41.7% in FY 2024.

Exhibit 2.5 Participation of Women in Workforce Aged 15 Years and Above (%) (FY)

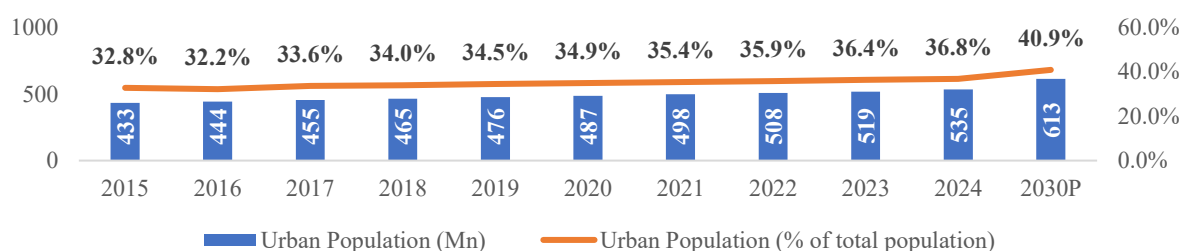


Source: Periodic Labor Force Survey (PLFS), MOSPI

Urbanization

As of CY 2024, India had the second-largest urban population globally in absolute terms, estimated at 535 Mn, trailing only China. The Indian urban system accounts for approximately 11% of the global urban population. Around 36.8% of India's total population is currently classified as urban, significantly below the global average of approximately 58%. This rate is expected to increase to 40.9% between CY 2024 to CY 2030, underscoring the growing importance of urban centres in shaping the country's economic future.

Exhibit 2.6: India's Urban Population (In Mn) and Increasing Urban Population as a Percentage of Total Population Over the Years (CY)



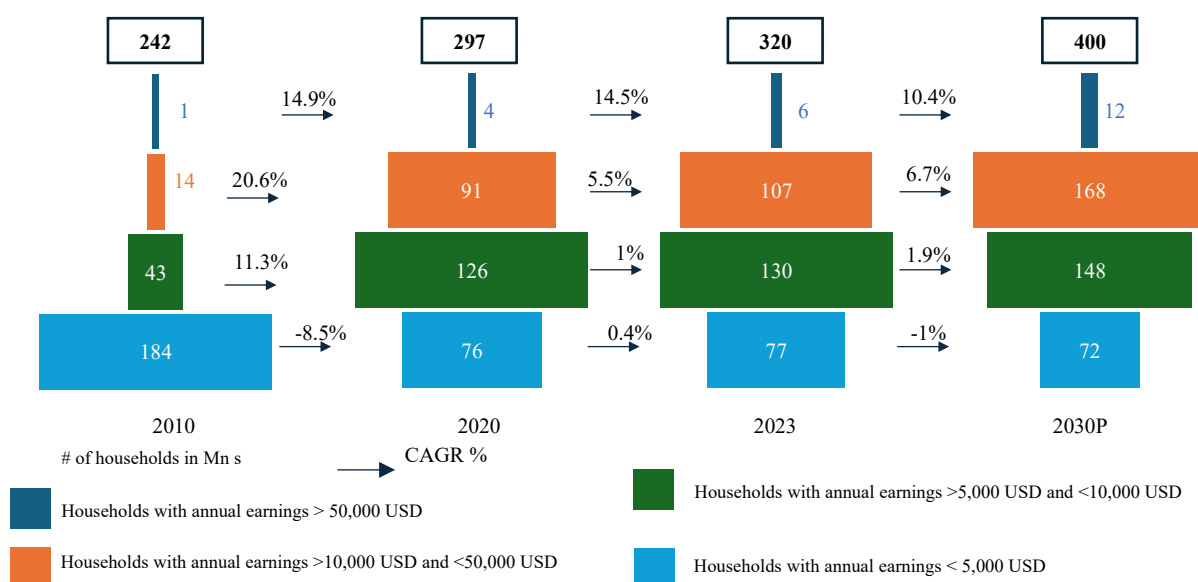
Source: World Bank, The Knowledge Company Analysis

Note: For India, Data for CY 2023 refers to FY 2024 and so on.

Growing Middle Class

The rising number of households with annual incomes ranging from USD 10,000 to USD 50,000 is expected to serve as a significant driver of India's economic growth. In FY 2010, households within this income bracket accounted for only 5.8% of the total population. By FY 2023, this share had risen substantially to approximately 33.4%, and it is projected to reach around 42% by FY 2030.

Exhibit 2.7: Household Annual Earning Details (FY)



% share of different income brackets (FY)	<5,000 USD	USD (>5,000 to <10,000)	USD (>10,000 to <50,000)	>50,000 USD
2010	76.0%	17.8%	5.8%	0.4%
2020	25.6%	42.4%	30.6%	1.3%
2023	24.1%	40.6%	33.4%	1.9%
2030P	18.0%	37.0%	42.0%	3.0%

Source: EIU, The Knowledge Company Estimates

Note: 1 USD= INR 85

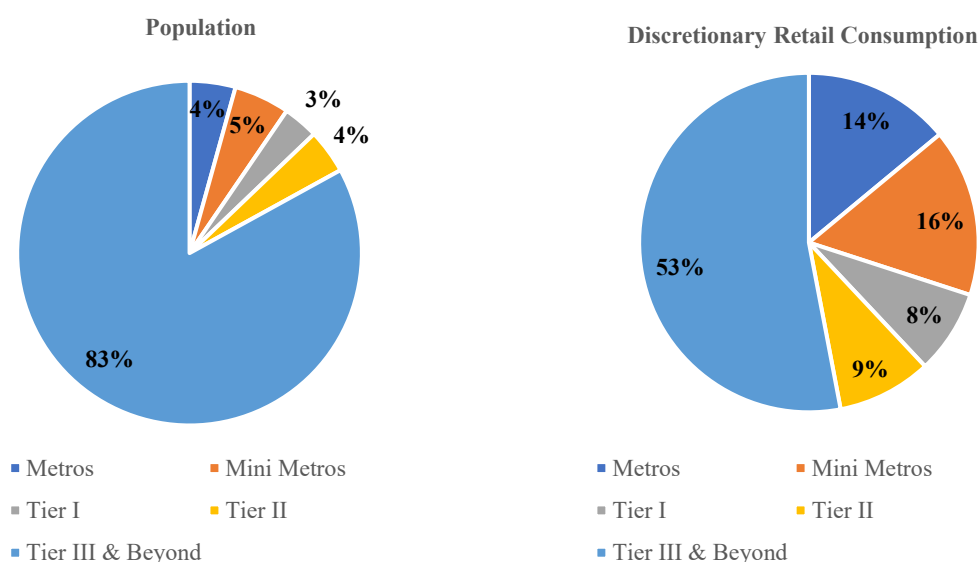
Nuclearization

The growth in the number of households in India has outpaced overall population growth, indicating a trend towards increasing nuclearization. Average household size declined from 5.3 members in FY 2001 to 4.1 in FY 2024 and is projected to further decrease to 3.9 by FY 2030. In 2011, approximately 69% of households comprised fewer than five members, compared to 62% in FY 2001, reflecting a clear shift towards smaller family units.

2.4 Growing Discretionary Retail in India

India's retail consumption basket comprising both need-based and discretionary spending has expanded significantly over the years. From FY2025 to FY2030, the overall retail consumption basket is projected to grow at a CAGR of 10.25%, from USD 1,088 Bn in FY 2025 to USD 1,772 Bn by FY2030. Discretionary retail segment recorded a high CAGR of 20.24% from FY 2021 to FY 2025 whereas need based retail grew at 9.33% over the same period. Discretionary retail segment is expected to grow with a projected CAGR of 12.49% between FY 2025 and FY 2030. The consumption of discretionary retail is heavily concentrated in the metros and the mini metros, they contribute ~30% of the total Discretionary consumption in India. The discretionary retail consumption in Tier II and Tier III cities is also seeing growth, including in premium alcohol consumption, driven by rising disposable incomes, urbanisation, and evolving lifestyle preferences.

Exhibit 2.8: Discretionary Retail Consumption in India-FY 2025



Discretionary consumption includes apparel & accessories, footwear, consumer durables, home & living, jewellery and others

Metros: Delhi and Mumbai

Source: Secondary Research, The Knowledge Company Analysis,

Mini Metros: Bangalore, Chennai, Hyderabad, Ahmedabad, Pune, Kolkata

Tier I: Amritsar, Bhopal, Chandigarh, Coimbatore, Indore, Jaipur, Kanpur, Kochi, Lucknow, Ludhiana, Madurai, Nagpur, Patna, Surat, Vadodara, Vishakhapatnam

Tier II: Cities such as Agra, Aurangabad, Dehradun, Dhanbad, Guwahati, Gwalior, Jalandhar, Jamshedpur, Kota, Meerut, Rajkot, Ranchi, Trivandrum, Vijayawada

2.5 Indian Luxury Goods Market and HoReCa Led Growth

India's luxury goods market was valued at INR 1,338 Bn as of FY 2025. The fashion segment held the largest share at 31%, driven by higher volumes, followed by the premium and luxury car segment, which contributed 30%, primarily due to higher values. The rapid growth of India's luxury market is fuelling demand for premium alcoholic beverages, as consumers increasingly associate fine spirits, wines, and craft liquors with lifestyle and status, creating strong opportunities for value-led growth within the alco-bev industry. Alco Beverage market grew with highest CAGR of 16.4% in comparison with other luxury goods between FY 2022 to FY 2025.

Furthermore, The HoReCa segment, comprising hotels, restaurants, and cafes, emerged as a key growth driver for the Indian alcoholic beverages industry. The HoReCa Segment stood at INR 7,097 Bn in FY 2024 which reached INR 7,907 Bn in FY 2025 and is expected to reach INR 12,042 Bn in FY 2030 with a CAGR of 9.8% between FY 2024 and FY 2030. The expansion of the luxury foodservice and luxury hospitality sectors, coupled with an evolving nightlife culture has significantly boosted alcohol consumption within organized HoReCa spaces.

Exhibit 2.9: Luxury Market in India (INR Bn) (FY)

Sector	FY2022	FY2023	FY2024	FY2025	Share (%) FY2025	CAGR (FY22-25)
Fashion	345	373	400	420	31%	6.8%
Cars	297	323	354	395	30%	10.0%
Alco-Bev	205	243	288	323	24%	16.4%
Jewellery and Accessories	62	67	72	76	6%	7.0%
Others	100	111	100	124	9%	7.4%
Total	1,009	1,117	1,214	1,338		9.9%

Note: Others include Stationery, Consumer Electronics, Leather Goods, and Experiential Luxury. Alco-Bev includes both Premium & Luxury Alco-Bev

Note: Luxury goods are discretionary products positioned at the higher end of the market that emphasize quality materials, craftsmanship, and a strong brand identity, signifying status, quality, and limited availability. Their price ranges vary by product category.

3. Overview of Global Alco-Beverage Market

3.1 Per Capita Alcohol Consumption

Alcohol consumption is captured by World Health Organisation (WHO) as total alcohol per capita consumption in litres of pure alcohol per person per year and alcohol consumption in grams of pure alcohol per person per day for population above 15 years. This includes both drinking and non-drinking population. The minimum legal drinking age in some countries is as low as 16 years. Alcohol consumption is further divided into recorded data and unrecorded data. Recorded data is alcohol sales captured through excise department in most countries.

Global recorded consumption averaged about 5 litres of pure alcohol per capita in CY 2024. Developed markets such as France and Germany continue to record the highest per-capita consumption levels, while emerging economies such as India and China are expanding rapidly from a lower base. In CY 2024, per capita alcohol consumption in India was 3.3 litres of pure alcohol, compared to 10.0 litres in the UK and 9.2 litres in the USA, indicating significant headroom for growth.

While most of the major economies have either contracted or plateaued, India is the only major economy to record sustained growth in per-capita alcohol consumption over the past decade, and is emerging as one of the fastest growing alcoholic beverage markets globally. Consumption has grown from a small base of 1.3 litres per capita of recorded consumption of pure alcohol in CY 2005 to 2.7 litres per capita consumption in CY 2010 and further to 3.3 litres per capita consumption in CY 2024. Growth has been supported by increasing disposable incomes, urbanisation, and evolving social attitudes toward alcohol.

Exhibit 3.1: Recorded Per Capita Consumption of Pure Alcohol (in Litres) (CY)

Country	2005	2010	2020	2023	2024	2029	CAGR		
							2005-10	2010-24	2024-29
France	12.9	12.3	11.2	10.9	10.8	10.5	-0.9%	-0.9%	-0.7%
United Kingdom	11.4	10.0	9.7	9.9	10.0	10.3	-2.6%	-0.3%	0.6%
Germany	11.7	11.6	10.3	10.0	9.9	9.5	-0.2%	-1.2%	-0.8%
USA	8.6	8.6	8.9	9.2	9.2	9.4	0.0%	0.3%	0.4%
China	2.9	5.8	4.2	3.8	3.7	3.2	14.9%	-3.2%	-2.8%
India	1.3	2.7	3.1	3.2	3.3	3.4	15.7%	1.4%	1.7%
World Average	4.4	4.7	4.8	5.0	5.0	5.2	1.3%	0.2%	0.8%

Source: projected basis WHO data, The Knowledge Company Analysis; CY-calendar year

Alcohol consumption is divided into three major product categories including Spirits, Wine, and Beer.

While mature economies show a more balanced portfolio, developing markets, particularly India, remain spirit-led, with over 90% of total alcohol consumption in the form of spirits.

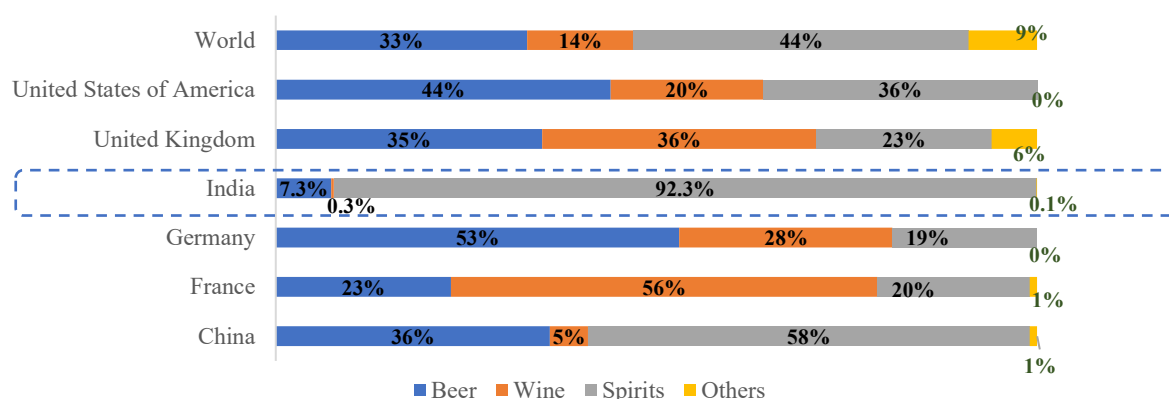
Exhibit 3.2: World Per Capita Recorded Alcohol Consumption (in Litres) (CY 2024)

Category	% Contribution to Pure Alcohol Consumption	Average Alcohol Content (%)	Per Capita Alco-Beverage Consumption (in litres)
Spirit	44.2%	40.0%	5.7
Beer	33.2%	5.0%	34.0
Wine	14.0%	12.0%	6.0
Others	8.6%	5.0%	8.8
Total	100%		54.4

Note: Beverage volumes are calculated backward using % contribution to ethanol and typical alcohol by volume (ABV) values

Source: The Knowledge Company Analysis

Exhibit 3.3: Country-wise Contribution of alcoholic beverages in 100% alcohol (in %) (CY 2024)



Source: projected basis WHO data, The Knowledge Company Analysis

Alcohol consumption by gender

Globally, men account for roughly 63% of total alcohol consumed, with women contributing ~37%. Average male consumption is approximately three times that of women. The share of drinkers in the world population has declined modestly from 45.5% in CY 2010 to 40.8% in CY 2024, though the overall market volume remains steady owing to population growth.

Exhibit 3.4: Men vs Women Consumption of Alcohol for the World (in Litres) (CY 2024)

CY	Total APC			Contribution to Drinking Population		% Drinkers by Gender		
	Men	Women	Ratio	Men	Women	Men	Women	Total
2024	17.1	5.3	3.3	62.9%	37.1%	51.1%	30.2%	40.8%
2022	17.6	5.5	3.2	62.5%	37.5%	50.0%	30.0%	40.0%
2021	18.0	5.7	3.1	62.9%	37.1%	51.3%	30.2%	40.8%
2016	19.4	7.0	2.8	62.4%	37.6%	53.5%	32.2%	42.9%
2010	21.2	8.9	2.4	61.8%	38.2%	56.2%	34.8%	45.5%

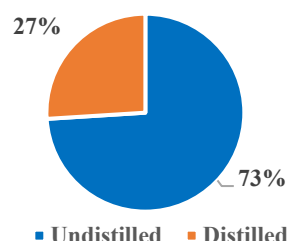
Source: WHO, The Knowledge Company Analysis

Data projected basis WHO data up to 2019; APC: Alcohol per capita in terms of 100% alcohol

3.2 Sales Breakup of Alcohol

In CY 2024, undistilled beverages, beer and wine, accounted for ~73% of total global volumes, while distilled spirits represented ~27%. Beer alone contributed ~63% of consumption. Globalisation and cross-cultural exposure are fuelling interest in regional specialties such as Japanese sake, agave-based tequila, mezcal, and Korean soju, alongside the growth of low-calorie and ready-to-drink (RTD) beverages.

Exhibit 3.5: Consumption Break-up of Distilled and Un-distilled Alcohol by Volume (in Litres) (CY 2024)



Source: Secondary Research, The Knowledge Company Analysis

Exhibit 3.6: Sales Break-up of Alcoholic Beverages by Volume and Further Sales Break-up of Spirits (in Litres) (CY 2024)

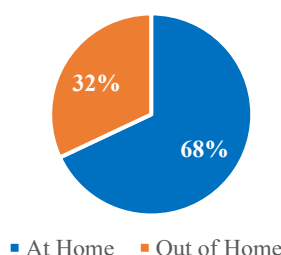


Note: Others for overall alcoholic beverages include Ready-to-drink cocktails, hard seltzers, fortified wines etc., to name a few while Others for spirits category include other spirits such as brandy, liqueurs, etc
Source: Secondary Research, The Knowledge Company Analysis

3.3 At Home and Out of Home Consumption of Alcohol

Consumer behaviour around alcohol consumption is shaped by macroeconomic conditions and cultural attitudes toward socialising. Historically, out-of-home occasions dominated; however, post-pandemic lifestyle changes have shifted preference toward at-home gatherings. Premiumisation has reinforced this trend, with higher-income consumers “trading up” to better brands for home consumption. At the same time, at-home occasions allow consumers to economise while maintaining engagement with premium labels. Overall, at-home consumption continues to grow, though on-premise channels are gradually recovering.

Exhibit 3.7: Global At Home and Out of Home Consumption of Alcohol (CY 2024)



Source: Secondary Research, The Knowledge Company Analysis

3.4 Global Distribution Models for Alcohol

Alcohol distribution models worldwide are varied and influenced by factors such as regulatory environments and market maturity. Some of the widely present models for alcohol distribution worldwide are:

- **Wholesale Distribution Networks (Three-Tier System):** The most prevalent model globally, where producers (breweries, distilleries, importers) (tier 1) supply to distributors or wholesalers (tier 2), who then sell to retailers such as liquor stores, supermarkets, hotels, and restaurants (tier 3). This structure ensures regulatory oversight, tax compliance, and supply chain traceability.
- **Direct-to-Consumer (DTC) Model:** An expanding channel in mature markets, particularly for craft, artisanal, and premium products. Breweries and wineries increasingly sell directly through on-site taprooms, tasting rooms, and specialty stores.
- **Government Controlled Stores or Agencies:** Several countries, including parts of the US, India, and Nordic markets, maintain state-operated distribution or retail structures to control consumption, ensure revenue collection, and enforce public-health safeguards.

Digital and E-commerce channels are also expanding rapidly in markets with enabling regulations. For instance, Wine.com and Uber Eats in the US. In India, home delivery is currently permitted only in Odisha and West Bengal via licensed platforms like Swiggy and Zomato while several states (Delhi, Karnataka, Haryana, Punjab, Tamil Nadu, Goa, Kerala) are evaluating pilot schemes for low-ABV products via online delivery. E-commerce models

enhance compliance by integrating age verification, transaction traceability, and excise regulation into digital platforms, a trend particularly relevant for expat populations and consumers seeking convenience and discretion.

Exhibit 3.8: Distribution of Alcoholic Beverages across Key Countries

Distribution Channel	India	US	UK	Germany	France	China
Government-run outlets / State-managed wholesale	✓	✓	-	-	-	-
Supermarkets & Hypermarkets (Retail)	✓	✓	✓	✓	✓	✓
Convenience Stores / Small Retail	✓	✓	✓	✓	✓	✓
Off-premise: Dedicated Liquor Stores	✓	✓	✓	✓	✓	✓
Specialty Wine & Spirit Shops / Cavistes / Beverage Markets	✓	✓	✓	✓	✓	✓
On-premise: Hotels, Restaurants, Bars, Pubs	✓	✓	✓	✓	✓	✓
Duty-free & Travel Retail	✓	✓	✓	✓	✓	✓
Breweries / Wineries (Direct Sales)	✓	✓	✓	✓	✓	✓
Online Platforms / E-commerce	✓*	✓	✓	✓	✓	✓

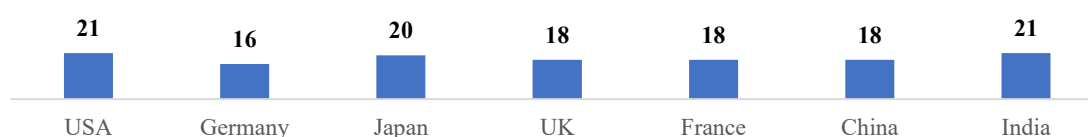
*Note: Cavistes are shops that focus on wine, spirits, and sometimes craft beers, offering a curated selection and expert advice. Specialty shops are the ones that offer curated selections catering to niche markets. For instance, they may focus on specific types of alcohol like imported wines or premium spirits; *emerging or state specific*

Source: Secondary Research, The Knowledge Company Analysis

3.5 Alco-Beverage Consumption Age of Key Global Economies

European countries, such as France and the United Kingdom, have established the minimum age at 18 years whereas in India, the legal drinking age is determined at the state level and ranges from 18 to 25 years. However, the majority of states permit alcohol consumption from the age of 21.

Exhibit 3.9: Legal Alco-Bev Consumption Age of Key Global Economies



Source: Secondary Research

3.6 Global Brand Building in Emerging Markets like India

International travel, migration, and pop-culture exposure are significantly influencing alcohol consumption patterns. Cross-category adoption has accelerated as consumers discover new spirits through travel, restaurants, and social media. Products such as soju, sake, tequila, gin, and wine have gained global visibility, while tequila and mezcal have evolved from niche imports to mainstream premium segments. According to the Korea Customs Service, exports of soju rose from approximately USD 93 million in 2022 to USD 101 million in 2023 and further exceeded USD 200 million in 2024, marking the first instance of the category crossing this threshold. This reflects the rising international acceptance of Asian specialty spirits and the broadening diversification of global alcoholic beverage demand. Similarly, the revival of gin through craft distilling and cocktail culture has created new occasions among urban millennials. These dynamics have encouraged distributors to diversify portfolios and inspired local producers to create fusion or regionally adapted variants, aligning with changing consumer palates and driving premiumisation in high growth markets such as India and Southeast Asia.

3.7 Global Alco-bev Players Building Premium Brands in Emerging Markets like India

Global alco-bev players have leveraged a mix of portfolio localisation, experiential marketing, and strategic partnerships to establish premium brands in emerging economies, balancing local relevance with global brand equity.

- **Campari Group** has adopted a localized experiential strategy across India and Southeast Asia, deepening brand relevance beyond Aperol and Campari through collaborations with local mixologists and premium on-trade venues. Initiatives such as the Campari Red Hands APAC competition, spanning 14 Asian markets including India, encourage bartenders to reinterpret the Negroni family with regional influences. In India, Campari has hosted seasonal bar takeovers and cocktail menu programs in partnership with luxury hotels and mixologists and participated in Negroni Week activations at premium

venues such as Four Seasons Bengaluru. These efforts reinforce Campari's image as a lifestyle-driven brand aligned with contemporary cocktail culture.

- **Rémy Cointreau** has focused on selective availability and luxury storytelling for its brands Rémy Martin, Cointreau, and Louis XIII, positioning them as symbols of craftsmanship and heritage. In India, Louis XIII is selectively distributed, available in only about 35 liquor stores and 60 luxury hotels and restaurants, and has been showcased through curated pairing events, such as ones held at The Leela Palace, New Delhi. At the regional level, Rémy Martin's 1738 Accord Royal campaign in Singapore collaborated with local musicians, exemplifying its approach to embedding cultural relevance in Asia.

3.8 Regulatory Framework for Distribution and Sale of Alcohol

The distribution and sale of liquor vary significantly across key countries, with a mix of federal, state, and local regulations. Based on the degree of government control, restrictions on public drinking, licensing complexity, and location-specific regulations, India has one of the most stringent regulations regarding alcohol.

Exhibit 3.10: Regulatory Overview for Distribution and Sale of Liquor across Key Countries

Country	Regulatory Authority- Federal and State	Acts and Licenses	Restrictions on sale and distribution
India	<ul style="list-style-type: none"> Mix of federal and state, with states having major authority over sale, import, export, distribution, and possession of alcohol via specific excise acts In addition to this, there are significant variation across different states 	<ul style="list-style-type: none"> Excise Acts specific for each state Licenses: <ul style="list-style-type: none"> -Wholesale License: Required for entities involved in the wholesale distribution of alcohol -Retail License: Required for bars, restaurants, and liquor shops selling alcohol to consumers -Import License (FL-3 / L-1F / Form D-2 depending on state): Mandatory for importers of alcoholic beverages, covering interstate and international imports. The license requires registration with the State Excise Department and, in case of imports from abroad, compliance with FSSAI, Customs, and DGFT norms. -Bonded Warehouse License: Required for storage of imported alcoholic beverages under customs bond prior to excise clearance. -Consumption License: Some states require licenses for individuals to consume alcohol, particularly for home consumption 	<ul style="list-style-type: none"> Public Drinking: Ban on sale/consumption of alcohol in public places Location Restrictions and Licensing Hours: Varying from state to state. Specific policies for special populations
US	<ul style="list-style-type: none"> A combination of federal, state, and local laws. States have control over alcohol distribution and sales 	<ul style="list-style-type: none"> The Federal Alcohol Administration Act and the 21st Amendment to the Constitution Licenses: <ul style="list-style-type: none"> -Federal License: Required for production and distribution. -State License: Each state has its own licensing requirements for retail and wholesale operations. -Local Permits: Additional local permits may be required depending on the jurisdiction 	<ul style="list-style-type: none"> Public Drinking: Sale/consumption of alcohol in public places is decided by state and locality and varies greatly Location Restrictions and Licensing Hours: Sales are often restricted near schools and churches
UK	<ul style="list-style-type: none"> The UK Parliament is responsible for creating alcohol-related laws, with separate legislations existing for England and Wales, Scotland, and Northern Ireland Local councils have significant authority in licensing and enforcement 	<ul style="list-style-type: none"> Licensing Act 2003 to regulate the sale and supply of alcohol Minimum Unit Pricing (MUP) to set a minimum price per unit of alcohol (in Scotland and Wales) Licenses: <ul style="list-style-type: none"> -Premises License: Required for any business selling alcohol on a permanent basis -Personal License: Required for individuals who sell or authorize the sale of alcohol 	<ul style="list-style-type: none"> Public Drinking: Generally allowed, but local councils can impose restrictions in certain areas Location Restrictions and Licensing Hours: Sale are restricted near schools and certain public buildings. The licensing hours are flexible with certain premises having extended hours
Germany	<ul style="list-style-type: none"> Both federal and state government share authority, with states 	<ul style="list-style-type: none"> The Federal Ministry of Health sets the national policy, but each state can create its own regulations 	<ul style="list-style-type: none"> Public Drinking: Generally allowed and socially accepted

	having considerable power to tailor regulations to local needs	<ul style="list-style-type: none"> The Protection of Young Persons Act and the German Restaurant and Catering Act Licenses: <ul style="list-style-type: none"> -The Restaurant License: Required for businesses selling and serving alcohol within their premises 	<ul style="list-style-type: none"> Location Restrictions and Licensing Hours: Fewer restrictions, but sales are prohibited near schools and youth centres. The licensing hours vary by state
France	<ul style="list-style-type: none"> The central government has more authority, but local authorities play a crucial role in enforcement 	<ul style="list-style-type: none"> The Ministry of Health is the primary body responsible for alcohol-related laws: The Code de la Santé Publique (Public Health Code) Licenses: <ul style="list-style-type: none"> License III: For non-distilled fermented beverages and natural sweet wines. License IV: For distilled spirits and other alcoholic beverages above 18° of alcohol 	<ul style="list-style-type: none"> Public Drinking: Allowed, local authorities can impose restrictions Location Restrictions and Licensing Hours: Sales are restricted near schools, hospitals, and certain public buildings. Licensing hours vary by region
China	<ul style="list-style-type: none"> The central government holds more authority, but local authorities play a crucial role in enforcement 	<ul style="list-style-type: none"> The Food Safety Law and the Liquor Licensing Act Licenses: <ul style="list-style-type: none"> -Food Business Operation Permit: Includes alcohol sales as a project -Local Permits: Additional local permits may be required for compliance with regional regulations 	<ul style="list-style-type: none"> Public Drinking: Generally allowed, but not common in general Location Restrictions and Licensing Hours: Sales are restricted near schools and hospitals. Local authorities may impose licensing hour restrictions

Source: Secondary Research, The Knowledge Company Analysis

4. Overview of the Indian Alco-Beverage Market

4.1 Indian Alco-Beverage Market

Indian Distilled vs Un-Distilled Alco-Beverage Market

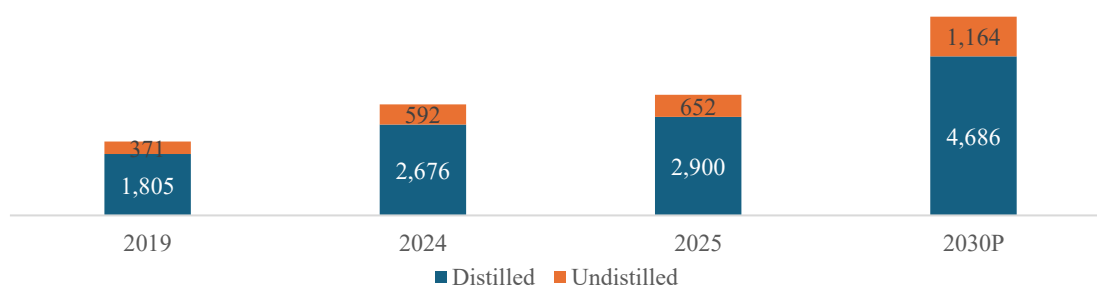
India's alcoholic beverage market is primarily led by distilled products, which accounted for 82% in FY 2025

The Indian alcoholic beverages market is one of the fastest-growing markets globally, valued at INR 3,552 billion in FY2025 and projected to grow at a CAGR of 10.5% to reach INR 5,850 billion in FY 2030. From FY 2019 to FY 2024, the total market value rose from INR 2,176 billion to INR 3,268 billion, reflecting a CAGR of 8.5%. During this period, the distilled segment grew at 8.2%, while the undistilled segment outpaced it with a 9.8% CAGR, highlighting increasing consumer preference for products such as beer, wine, and other fermented beverages. In FY 2025, market growth was supported by 8.4% growth in the distilled category and 10.2 % growth in the undistilled segment. This robust growth outlook is underpinned by factors such as rising disposable incomes, premiumization trends, evolving lifestyle choices, and the expansion of organized retail.

In terms of market share, distilled beverages continue to lead overall sales, maintaining a strong position in India's alcoholic beverages landscape. While their share is expected to moderate slightly, from 83% in FY 2019 to about ~82% in FY 2025 and 80% by FY 2030, this reflects the healthy expansion of the undistilled segment, which is steadily rising from 17% in FY 2019 to 18.4% in FY 2025 and ~20% by FY 2030. This balanced growth highlights the industry's broadening appeal, with consumers increasingly embracing a wider variety of lower-alcohol and craft-oriented beverages. Overall, India's alcoholic beverages market is set for sustained, well-rounded growth driven by robust demand fundamentals and evolving consumer tastes.

Exhibit.4.1: India Alco-beverage Market by Value (in INR Bn.)

	FY 2019	FY 2024	FY 2025	FY 2030P
Total Market (in INR Bn.)	2,176	3,268	3,552	5,850
CAGR				
Overall Market	-	8.5%	8.7%	10.5%
Distilled	-	8.2%	8.4%	10.1%
Undistilled	-	9.8%	10.2%	12.3%



Source: Primary & Secondary research, The Knowledge Company Analysis

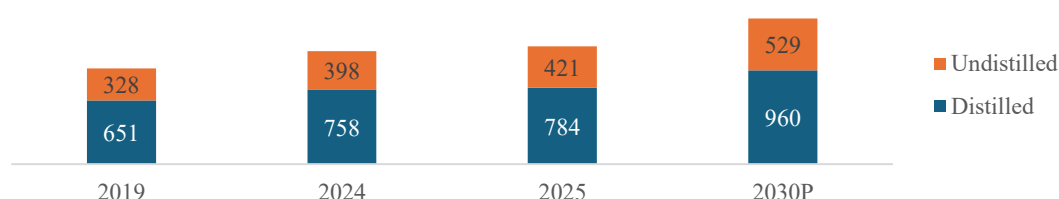
Indian alco-beverage market is more than a billion cases in term of volume

The Indian alcoholic beverages market demonstrates steady growth in both distilled and undistilled segments, with total volumes expected to rise from 979 million cases in FY 2019 to 1,489 million cases by FY 2030. Over the period FY 2019–2024, the market grew at a moderate CAGR of 3.4%, which accelerated to 4.2% in FY 2024–25 and stabilized at 4.3% during FY 2025–30, reflecting consistent demand across categories. The distilled segment, while maintaining the largest volume, shows slower growth compared to its undistilled counterpart, increasing from 651 million cases in FY 2019 to 960 million cases in FY 2030, with a CAGR of 3.1% (FY 2019–24), 3.4% (FY 2024–25), and 4.1% (FY 2025–30). The undistilled segment, in contrast, is expanding more rapidly, from 328 million cases in FY 2019 to 529 million cases in FY 2030, supported by higher CAGRs of 4.0%, 5.7%, and 4.7%, reflecting a rising consumer preference for lighter alcoholic beverages, including beer, wine, and ready-to-drink products.

Market share trends further underscore this shift. The share of distilled beverages is gradually declining from ~67% in FY 2019 to ~64% by FY 2030, while the undistilled segment's share is growing from 33% to 36%, indicating evolving consumption patterns and increasing acceptance of undistilled options. This transition suggests that although distilled beverages will remain the dominant category, the undistilled segment is gaining traction and is likely to contribute significantly to overall market growth. For industry stakeholders, this trend highlights opportunities for targeted innovation, product diversification, and strategic marketing in the undistilled segment to capitalize on changing consumer preferences and maximize growth potential.

Exhibit.4.2: India Alco-beverage Market by Volume (in million cases)

	FY 2019	FY 2024	FY 2025	FY 2030P
Total Market (in Mn. cases)	979	1,157	1,205	1,489
CAGR	-	3.4%	4.2%	4.3%



Source: Primary & Secondary research, The Knowledge Company Analysis

Indian Alco-Beverage Market by Price Positioning

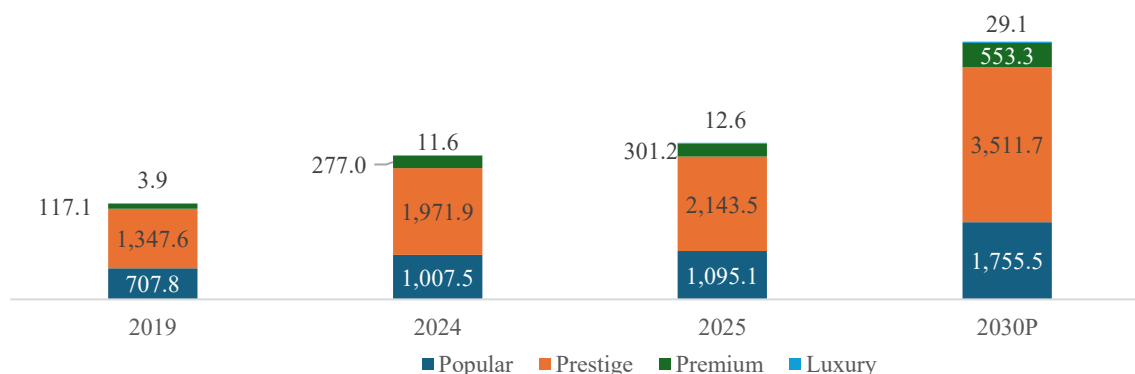
Indian alcoholic beverages market is evolving from a predominantly price-sensitive landscape to one increasingly driven by premiumization across segments

The Indian alcoholic beverages market is categorized into four key segments - Popular, Prestige, Premium, and Luxury, each reflecting distinct consumer and value growth patterns. The Prestige segment remains the backbone of the market, contributing around 60% of total value in FY 2024, and is expected to grow from INR ~1,348 billion in FY 2019 to INR ~3,512 billion by FY 2030, supported by steady upgrades within the mid-tier segment. The Popular segment, which caters to mass consumers, maintains a sizable 31% share in FY 2024, expected to grow steadily from INR ~708 billion to INR ~1,756 billion, though its relative share is gradually declining as consumers increasingly shift to higher-end offerings.

The premium and luxury alco-beverage segment has demonstrated faster growth and superior margin potential compared to the broader market. Together they have expanded their combined share from ~6% in FY 2019 to nearly 10% by FY 2030. The Premium category is expected to grow from INR 117 billion in FY 2019 to INR 553.3 billion by FY 2030, driven by increasing brand consciousness and willingness to pay for superior quality. The luxury alco-beverage segment is projected to grow at a CAGR of 18.3% to a total addressable market of INR 29.1 billion by FY 2030, supported by increasing aspiration for international brands and experiential consumption while the Luxury segment, though small, is expected to rise sharply from INR 3.9 billion in FY 2019 to INR 29.1 billion by FY 2030, reflecting aspirational consumption and the growing influence of global brands. Overall, the data highlights a clear premiumization trend within India's alcoholic beverages market, as consumers progressively trade up from mass to premium categories, reshaping value contribution and profitability across the industry. The premium and luxury alco-beverage segment has demonstrated faster growth and superior margin potential compared to the broader market.

Exhibit.4.3: Indian Alco-Beverage Market by Price Positioning by Value (in INR Bn.)

	FY 2019	FY 2024	FY 2025	FY 2030P
Total Market (in INR Bn.)	2,176	3,268	3,552	5,850
CAGR				
Overall Market	-	8.5%	8.7%	10.5%
Popular	-	7.3%	8.7%	9.9%
Prestige	-	7.9%	8.7%	10.4%
Premium	-	18.8%	8.7%	12.9%
Luxury	-	24.6%	8.7%	18.3%



Source: Primary & Secondary research, The Knowledge Company Analysis

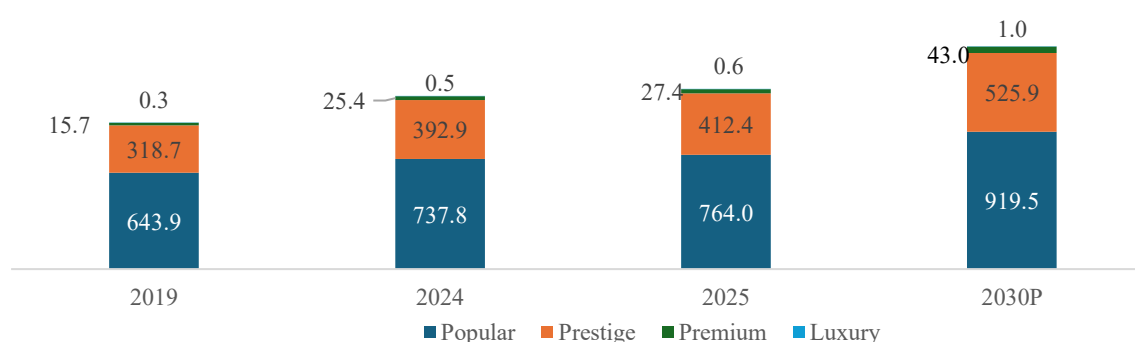
Popular : INR ≤499, Prestige: INR 500-999, Premium: INR >1,000-1,999, Luxury: >1,999

The combined Popular and Prestige segments grew from 962.7 million cases in FY 2019 to ~1,131 million cases in FY 2024 (CAGR 3.4%) and a ~1,177 million cases in FY 2025 and are projected to reach 1,445 million cases in FY 2030, with market share gradually declining from 98% in FY 2019 to 97% in FY 2030. The Popular segment is expected to rise from ~644 million in FY 2019 to 919.5 million cases by FY 2030, while Prestige is expected to increase from ~319 million to ~526 million cases over the same period.

In contrast, the combined Premium and Luxury segments are expanding faster, growing from 16 million cases in FY 2019 to 26 million in FY 2024 and 28 million in FY 2025, and projected at 44 million in FY 2030, with market share is expected to increase from 2% to 3%, reflecting the rising influence of premium and aspirational consumption in India's alcoholic beverages market.

Exhibit.4.4: Indian Alco-Beverage Market by Price Positioning by Volume (in million cases)

	FY 2019	FY 2024	FY 2025	FY 2030P
Total Market (in Mn. Cases)	979	1,157	1,205	1,489
CAGR				
Overall Market	-	3.4%	4.2%	4.3%
Popular	-	2.8%	3.6%	3.8%
Prestige	-	4.3%	5.0%	4.9%
Premium	-	10.2%	7.7%	9.4%
Luxury	-	12.1%	9.5%	10.8%



Source: Primary & Secondary research, The Knowledge Company Analysis

Indian Alco-Beverage Market Categorisation - Domestic vs Import

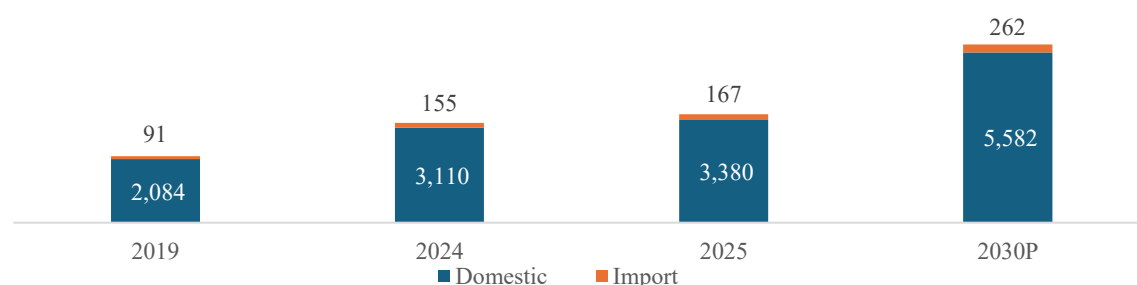
Imports Accelerate Premiumisation in India's Alcoholic Beverages Market Despite Domestic Dominance

India's alcoholic beverages market remains anchored by a large domestic base is valued to be INR 3,380 billion in FY 2025. It expanded from INR 2,084 billion in FY 2019 to INR 3,110 billion in FY 2024 and is projected to reach INR 5,582 billion by FY 2030. Even within this large domestic landscape, imports are playing an

increasingly influential role, particularly in premiumization and shaping consumer preferences. The import segment (BIO), though a smaller share of the overall market, has expanded meaningfully, from INR ~91 billion in FY 2019 to INR 155 billion in FY 2024 and INR 167 billion in FY 2025, and is expected to reach INR 262 billion by FY 2030. This acceleration underscores how imports are reshaping the premium end of the market, with international spirits gaining momentum as consumers increasingly seek premium, luxury, and globally recognised brands. Supported by evolving tastes, rising incomes, and greater exposure to global drinking cultures, the import segment is opening meaningful opportunities for both import-led businesses and domestic players looking to participate in the premiumisation trend.

Exhibit.4.5: Indian Alco-Beverage Market – Domestic vs Import by value (in INR Bn.)

	FY 2019	FY 2024	FY 2025	FY 2030P
Total Market (in INR Bn.)	2,176	3,268	3,552	5,850
CAGR				
Overall Market	-	8.5%	8.7%	10.5%
Domestic	-	8.3%	8.7%	10.5%
Import	-	11.4%	7.8%	9.4%



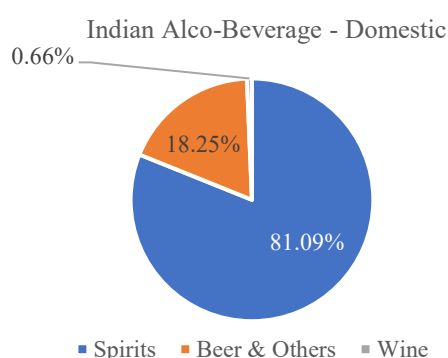
Source: Primary & Secondary research, The Knowledge Company Analysis

Note: Spirits in the domestic market include both IMFL and CL, for imports, it indicates only BIO

*the difference in amount reflects the figures for the beer and other categories in the import market. These have been excluded from the total market size since the same HSN code is used for BIO and bulk beer imports, and hence is not exclusively BIO

Spirits dominated the Indian alcoholic beverages market by value, accounting for 81.09% of domestic sales and 95.8% of imports for FY 2025, reflecting their continued premium positioning and strong consumer preference for high-value offerings. Beer and other beverages, while forming a notable 18.25% of domestic value, are largely consumed locally, indicating their mass-market and regional focus. Wine, though a smaller segment at 0.66% of domestic sales, constitutes 4.2% of imports, emphasizing the role of imported wines in catering to affluent and aspirational consumers seeking premium experiences. Spirits are expected to continue to anchor market value, while imports are increasingly concentrated in premium and high-end segments, underscoring the growing significance of aspirational consumption and international brands in shaping India's alcoholic beverages landscape.

Exhibit.4.6: Indian Alco-Beverage Market Split – Domestic by Value for FY 2025

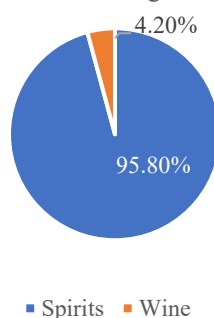


Source: Primary & Secondary research, The Knowledge Company Analysis

Note: Spirits in the domestic market include both IMFL and CL, for imports, it indicates only BIO

Exhibit.4.7: Indian Alco-Beverage Market Split –Import (Excluding Beer & Others Category) by Value for FY 2025

Indian Alco-Beverage - Import



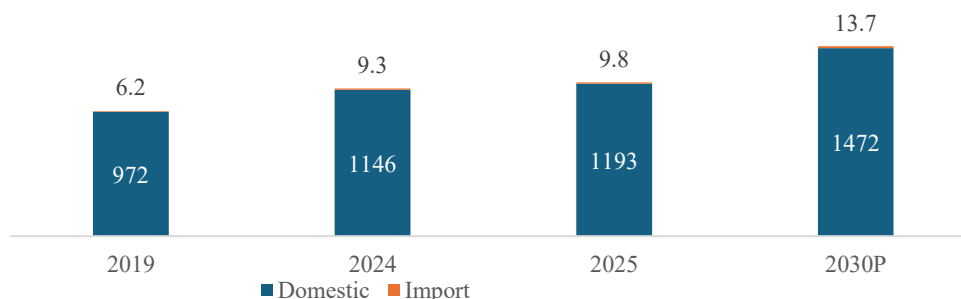
Source: Primary & Secondary research, The Knowledge Company Analysis

* Since the same HSN code is used for BIO and bulk beer & other imports, the above exhibit does not include the beer and others category share

Although the domestic segment continues to expand steadily, rising from 972 million cases in FY 2019 to 1,146 million in FY 2024 and projected to reach 1,472 million by FY 2030, the sharper momentum is coming from imports, which are growing at a significantly faster pace, climbing from 6.2 million cases in FY 2019 to 9.3 million cases in FY 2024 and to 9.8 million in FY 2025, further expected to reach 13.7 million by FY 2030, more than doubling its volumes over the decade. This rapid expansion highlights how imports are increasingly influencing premium and aspirational consumption, reflecting a clear shift toward higher-value international offerings.

Exhibit.4.8: Indian Alco-Beverage Market – Domestic vs Import by volume (in million cases)

	FY 2019	FY 2024	FY 2025	FY 2030P
Total Market (in INR Bn.)	979	1,157	1,205	1,489
CAGR	-	3.4%	4.2%	4.3%



Source: Primary & Secondary research, The Knowledge Company Analysis

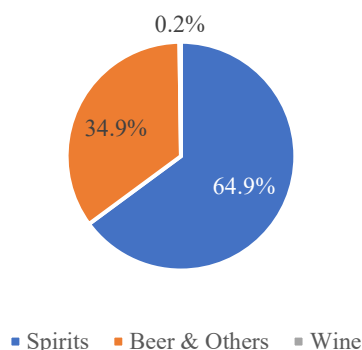
Note: Spirits in the domestic market include both IMFL and CL, for imports, it indicates only BIO

*the difference in cases reflects the figures for the beer and other categories in the import market. These have been excluded from the total cases since the same HSN code is used for BIO and bulk beer imports

Spirits dominated the market in FY 2025, accounting for 64.9% of domestic volumes and 91.4% of imports, underscoring their premium appeal. Beer and other beverages represented 34.9% of domestic volumes, while wine, though only 0.2% domestically, accounted for 8.6% of imports, highlighting that imported products are primarily focused on high-value, aspirational segments.

Exhibit.4.9: Indian Alco-Beverage Market Split – Domestic by Volume (in million cases) for FY 2025

Indian Alco-Beverage - Domestic

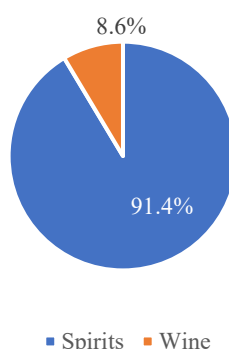


Source: Primary & Secondary research, The Knowledge Company Analysis

Note: Spirits in the domestic market include both IMFL and CL, for imports, it indicates only BIO

Exhibit.4.10: Indian Alco-Beverage Market Split –Import (Excluding Beer & Others Category) by Volume (in million cases) for FY 2025

Indian Alco-Beverage - Import



Source: Primary & Secondary research, The Knowledge Company Analysis

* Since the same HSN code is used for BIO and bulk beer & other imports, the above exhibit does not include the beer and others category share

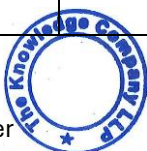
4.2 Key Domestic & International Brands by their Price Positioning

Exhibit.4.11: Key Domestic and International Brands by their Price

Manufacturing Type	Spirits Type	Popular (<=INR 499)	Prestige (INR 500-999)	Premium (INR 1,000-1,999)	Luxury (>= INR 2,000)
Domestic	Whisky, Scotch & Single Malts	Democrat, Khodays Five Star, Highbury	Red Knight, Royal Challenge, Officers Choice, 8 PM, Bagpiper, Directors Special, DSP Black, Imperial Blue, McDowell, Signature	Solan No. 1, After Dark, Maqintosh, Royal Stag, Oaksmith, Rockford, Blender Pride, Roulette, Antiquity, Grants,	Royal Ranthambore, Black Dog, 100 Pipers, Black & White, Vat 69, Teachers Highland, Jim Beam, Paul John, Indri, Amrut, Godawan, Rampur, Eden, Peter Scot, Enso
	Gin	-	Blue Riband, Greater Than	Tickle, Ginsin, Short Story	Happiness, Stranger & Sons, Pumori, Jin Jiji, Amrut, Samsara, Hapusa, Jaisalmer
	Rum	-	McDowell, Old Monk, Hercules	Old Port, Old Monk Supreme, Captain Morgan, Amrut, Bacardi, Short Story	Maka Zai, Cabo White, Sergredo Aldeia

	Vodka	-	Romanov, Red Bliss	White Mischief, Magic Moments, Juno, Short Story	Smirnoff
	Liqueurs			Ti' Connie, Desmondji	
	Tequila				Desmondji, Maya Pistola
	Brandy		Graysons, Bejois, Ti Mansion House	Black & Gold, King Louis, Ti Courier, Morpheus, Nautilus, Bejois, Roulette	Barath, Morpheus Blue, Hobsons, Gods Own, Paul John
	Wine	Grover Santa, Port, Sula Satori, Amora Red, Nasik Port, Fratelli Kyra, Sula Samara, Fratelli Ziva,	Sula Seco, Fratelli Noi, Grover Soiree, Oprah, Sula Dindori, Nine Hill, Fratelli Chennin, Sula Madera,	Casablanca, Sula Brut, Golden Sparrow, Sula Syrah, Oprah, Golden Sparrow, The Source, Vina Leon	Dry Land, Nnoon, Promise, Grovers La, Poison Blanc,
Import	Whisky, Scotch & Single Malts	-	-	-	Glen Grant, Glenlivet, Barrhead, Smokehead, Cragganmore, Ardmores, Jura, Aberfeldy, Laphroaig, Singleton, Craigellachie, Clynelish, Glenkinchie, Caol Ila, Aberlour, Glenmorangie, Talisker, Bowmore, Balvenie, Aultmore, Macallan, Glenfiddich, Dalwhinnie, Oban, Scapa, Royal Brackla, Lagavulin, Dalmore, Bushmills, Jack Daniels, Jim Beam, Benchmark, Wild Turkey, Evan Williams, Templeton, Makers Mark, Buffalo Trace, Woodford, Sazerac, Bowmore, Jameson, Teeling, Akashi, Suntory, Tenjaku, Iwai, Yamazaki, Hibiki, William Lawsons, Ballantine, J&B, Johnnie Walker, Chivas Regal, Dewars, Scottish Leader, Jura, John Barr, Teachers, Tamnavulin, Whyte & Mackay
	Gin	-	-	-	Bombay Sapphire, Tanqueray, Haymans, Boodles, Gordons, Beefeater, Langleys, Sipsmith, Fifty Pound, Burnetts, Tenjaku, Roku, Kinobi, Hendricks, Edinburgh, Colonsay, Botanist, Malfy, Cobalto, Seven Hills, Sabatini, Bacur, Monkey 47, Knut Hansen, Mirabeau, The Young One, Barra, Bathtub, Brighton, Sector, Jinjiji
	Rum	-	-	-	Havana Club, Diplomatico, Mount Gay, The Bush, Kraken, Appleton, Flor De Cana,

					Dictador, Barra, Delta, Doorly's, El Dorado, Foursquare, Malibu, One Eyed Rebel, The Hachi Shochu, Transcaribbean, Twin Fin
	Vodka	-	-		Casa Maestri, Dyavol, Elit, Belenkaya, Stolichnaya, Beluga, Skyy, Titos, Absolut, Ketel One, Finlandia, Uluvka, Belvedere, Ciroc, Grey Goose, Haku, Roberto Cavalli, Crystall, Holy Grass, IICE, London Square, Moskovskaya, Roberto Cavalli
	Liqueurs	-	-	,	X Rated, Meukow, Xenta, Cointreau, Campari, Aperol, Molinari, Villa Cardea, Amaro Montenegro, Schwartzhog, Jagermeister, Ottos, Skinos, Victor Fauconnier Triple Sec, Kahlua, Baileys, Imo Kuro, Cocalero, Amarula, Bandarful, Conker, De Kuyper, Grand Marnier, Patron, Swissval
	Tequila	-	-	Casa Maestri	XXX, Camino, Casco, Jose Cuervo, Buen Amigo, Dos Flamos, Don Angel, Fandango, 1800, Patron, Don Julio, Codigo, Maestro Dobel, Clase Azul, Kah, Calle 23, Cenote, El Jimador, Los Javis, Mis Amigos, Rooster, Sauza, Teremana, Vivir
	Brandy	-	-	-	Vecchia Romagna, Fauconnier, Martell, St. Remy, Hennessy, Meukow, Godet, Remy Martin, Camus, Baronet, Burlingtons, Chatelle, Emperador, Syrens, Courvoisier
	Wine	-	Civi Lambrusco, Camas, Emiliana, Luis Felipe, Montenero, Antica, Folonari, La Rocca, Stival, Piccini, Woof, Hardys, Johnston	Cinzano, Martini, Marengo, Grandeale, Gancia, Just Roberto, Tiamo, Perlino, Moletto, Charles Roux, Rochet Mazet, Yali Wild, Valdivieso, Cosecha, Viu Manent, Tocornal, Vina Tarapaca, Frontera, Camas, Conosur, Concha, Atama, Just Roberto, Lindemans, B&G, French Dog, Baron Philippe, Le Grand, Ferraud, Two	Jacobs Creek, De Bortoli, Premium, Henkell Trocken, Blue Nun, Chandon, Skinny Witch, Mateus, Born Gold, Los Vascos, Casas, Luis Felipe, Montes Alpha, Erasmo, Caballo, Carpineto, Casetta, Ruffino, Collezione Oro, Tedeschi, Bibi, Le Corti, Farnito, Signore, Querciabella, Marchesi, Vietti, Brolio, Pasqua, Terre, Bosio, Amarone, Cesari, Bodegas, Penfolds, Lumo, Jericho, Dandelion,



				Ocean, Zonin, Black Tower, Concha Y Toro	Domaine, Chateau, Terrior, E Guigal, Moulin, Chapelle, B&G
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Source: Secondary research, The Knowledge Company Analysis
 *price positioning is based on Karnataka retail sales price of spirits

4.3 Key Growth Drivers of Indian Premium & Luxury Alco-Beverage Market

Rising Disposable Incomes and Expanding Affluent Class

India's economic growth has expanded the upper-middle and affluent consumer base, with urban professionals and entrepreneurs seeking products that reflect their lifestyle and social status. This has driven strong demand for premium and imported alcoholic beverages, particularly spirits and wines, valued for their quality, exclusivity, and sophistication. Consumers are increasingly moving beyond mass-market brands toward products that align with their aspirations and global lifestyle.

Premiumisation of Alco-beverages

Premiumisation has emerged as a key growth driver across all segments of India's alcoholic beverage industry. While volume-led growth dominated the market in the early 2000s, the past decade has seen a clear shift toward value-led growth in premium and luxury categories. This trend is evident across the value chain, from the launch of new products and branding of retail shelf space to experiential events and direct consumer engagement through multiple marketing initiatives. Players like Aspri Spirits' focus on premium and luxury categories and intend to benefit from structural premiumisation trends in India, supported by macroeconomic and demographic factors such as rising disposable incomes, increasing urbanisation, greater exposure to international products, and shifting consumption preferences among younger consumers who associate imported and luxury brands with aspirational lifestyles.

Urban millennials and Gen Z, in particular, prioritize brand, authenticity, and experience, fuelling demand for premium imported spirits such as scotch, Irish whiskey, gin, tequila etc. and high-end Indian labels. Exposure to global consumption trends, travel experiences, and the influence of social media further reinforce this shift. As a result, premium and prestige segments are poised to outpace overall industry growth in both volume and value terms, establishing themselves as the most important drivers of growth within India's alco-beverage sector.

Urbanization and Modern Retail Expansion

Rapid urbanization has expanded the base of high-income consumers and reshaped retail landscapes. Modern retail and specialised alco-beverage stores are a growing focus area, driven by expansion of organised formats and favourable regulatory changes in select states. Growth in organized liquor stores, duty-free outlets, and boutique wine and spirit shops in cities such as Mumbai, Delhi, Bengaluru, Hyderabad, and Pune has enhanced access to imported brands. Premium bars, hotel lounges, and fine-dining establishments serve as important experiential platforms, allowing consumers to engage with international labels. These developments have significantly increased brand visibility, awareness, and trial among aspirational urban buyers.

Urbanization and lifestyle shifts: India's rapid urbanization is driving greater social acceptance of alcohol, especially in metropolitan and Tier I cities. Consumption of imported premium and luxury alcoholic beverages is increasingly becoming a part of urban social life, with higher participation in nightlife, social gatherings, and events where such beverages play a central role. However, changes in demographics, urbanization, lifestyles, and spending power are shaping what consumers prefer and driving industry growth, and although urban areas remain the main markets for alcohol, tier I, tier II & tier III cities are becoming important growth opportunities.

Evolving Demographics and Changing Social Norms

India's alcohol consumption trends are increasingly shaped by a young, globally aware population. Exposure to international travel, media, and culture has fostered acceptance of social drinking and interest in global beverage experiences. Urban women are playing a growing role in the premium segment, while younger consumers are exploring craft gin, wine, and liqueurs. This shift in preferences is driving diversification and creating new opportunities for imported brands.

Attitudes toward alcoholic beverages in India have evolved significantly in recent years, driven by globalization, rising prosperity, and changing consumer demographics. A growing young population, coupled with the influence of social media, has contributed to broader acceptance of alcohol consumption across genders and age groups. Alcohol is increasingly incorporated into family gatherings, special occasions, and festival celebrations as a shared experience.

Increase in Legal Drinking Age Population

India's demographic profile is undergoing significant change, with steady growth in both the total population and the legal drinking age (LDA) population. Between FY 2019 and FY 2024, the total population increased from 1,378 million to 1,463 million, representing a CAGR of 1.0%, and is expected to reach 1,513 million by FY 2030. For the same period, the LDA population—individuals aged 20 years and above grew at a faster rate, rising from 872 million to 968 million, at a CAGR of 1.7%, and are expected to reach 1,044 million by FY 2030. The proportion of the LDA population relative to the total population is also expected to increase from 66% to 69%, highlighting a steadily expanding consumer base for the alcoholic beverage market.

Influence of Travel, Tourism, and Global Exposure

The demand for international alcohol brands in India is rising rapidly, supported by evolving consumer tastes, shifting demographics, and increasing exposure to global lifestyles. Growing international travel has familiarized Indian consumers with premium and luxury liquor labels, shaping their preferences and consumption patterns. Younger, affluent consumers are increasingly seeking global experiences, translating into higher demand for imported spirits and wines. Popular domestic destinations such as Goa, Jaipur, Udaipur etc.—frequented by high-spending foreign & affluent travellers—are emerging as strong markets for international brands. Additionally, favourable excise policies and greater alignment with global drinking trends are further accelerating this premiumization within the Indian alcoholic beverages market.

Diversification of Taste and Category Innovation

The Indian consumer palate is becoming more refined, with a shift from traditional brown spirits to premium imported categories such as single malts, cognacs, tequilas, Korean soju, mezcals, Japanese sake, craft gins, and wines. Experiential initiatives like tasting sessions, curated events, and food pairings are enhancing engagement. These efforts are driving greater awareness and adoption of imported premium beverages.

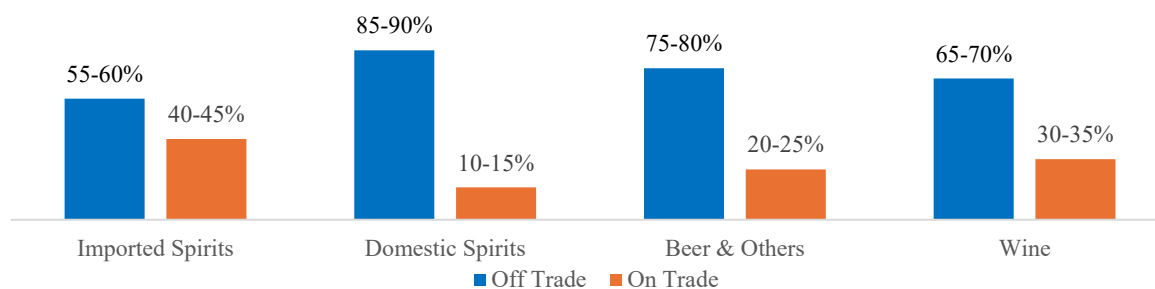
4.4 Distribution Channel - On-trade and Off-trade Split

The off-trade channel is a key driver of alcohol beverage consumption in India

The distribution dynamics of India's alcoholic beverage market reflect a distinct divide between off-trade (retail) and on-trade (hospitality venues such as bars, restaurants, and hotels) channels. Domestic spirits are largely off-trade driven, with nearly 85–90% of sales occurring through retail outlets and only 10–15% attributed to on-trade venues. This dominance of retail sales underscores the widespread reach and affordability of domestic brands across markets.

In contrast, imported spirits exhibit a notably stronger presence in on-trade environments, where 40–45% of sales are generated through premium bars, luxury hotels, and fine-dining establishments. This higher on-trade share is influenced by the premium positioning of imported brands, which complements the experiential and aspirational appeal of upscale hospitality settings. The growing cocktail culture, bartender-led promotions, and curated tasting sessions have further enhanced visibility and trial among urban consumers. Beer and similar beverages remain primarily retail-oriented (75–80% off-trade, 20–25% on-trade), while wine shows a more balanced split, with 65–70% of sales via retail and 30–35% through hospitality venues. With rapid urbanization, rising disposable incomes, and greater global exposure, the on-trade segment is poised to play an increasingly vital role in driving imported spirit consumption and deepening the premiumization of India's alcohol market.

Exhibit 4.12: India Alcohol beverage Market Split Undistilled v/s Distilled by Volume (FY 2025)



Source: Primary & Secondary research, The Knowledge Company analysis

4.5 Prohibition and Local Restrictions in India

The global alcoholic beverage industry is among the most tightly regulated consumer sectors, given its associated health risks, potential for misuse, and social implications. Governments across the world enforce stringent frameworks governing production, distribution, pricing, advertising, and consumption to ensure public safety and responsible use. These regulations encompass manufacturing standards, storage, transportation, and retail operations, reflecting the industry's complex compliance landscape. This regulatory intensity creates natural entry barriers, restricting participation to organized and compliant players while deterring unregulated or informal operators.

In India, alcohol regulation is primarily governed at the state level under respective State Excise Acts, with each State Excise Department overseeing licensing for production, distribution, and retail. Alcohol is excluded from the national GST regime, placing taxation solely under state excise control. States also regulate aspects such as pricing, sale hours, and public consumption to balance fiscal interests with social responsibility. While this state-led control structure results in high regulatory friction and administrative complexity, it simultaneously ensures oversight, revenue generation, and a more organized market environment that limits unregistered or unregulated participation.

Exhibit 4.13: Snapshot of Alcohol Policies and Status in India

Policies and Interventions	Status in India
Written national policy/national action plan	Not Applicable
Excise tax on beer/wine/spirit	Applicable
Legal minimum age for sale of alcohol beverages	Applicable
Restrictions on on-/off-premises sales of alcohol beverages: Hours, days / places, density	Applicable
National maximum legal blood alcohol concentration (BAC) when driving a vehicle	Applicable
Legally binding regulations on alcohol advertising	Applicable
Legally required health warning labels on alcohol advertisements / containers	Applicable
National government support for community action	Not Applicable
National monitoring system(s)	Applicable

Source: The Knowledge Company Analysis
Data derived from WHO report

4.6 Distribution Model Type of Alco-Beverages in India

Alcohol beverage operating models in India vary significantly across States and Union Territories, as regulation falls under the authority of individual states according to the Constitution. Some regions, including Gujarat, Bihar, Nagaland, Mizoram, and Lakshadweep, enforce complete prohibition on the sale and consumption of alcohol. Certain exemptions exist, such as allowing limited consumption for foreign nationals in designated hotels. This decentralized framework enables each state to independently govern the production, distribution, pricing, and retail of alcoholic beverages in line with local priorities and policy objectives.

Exhibit 4.14: Operating Model Types Across India

	Type I		Type II	
	1. Company sells to retailer through distributorship channel 2. Both distribution and retail channels owned by private players. Two Working Sub-Models -		1. Company sell to retailer through corporation 2. The corporation is state owned, retail channel can be state owned or private entity. Two Working Sub-Models-	
Models	Type A	Type B	Type C	Type D
Model of Retailing	Multiple Distributors/Wholesalers-> Retailers-> Consumers	Single Distributor/Wholesaler-> Retailers-> Consumers	Corporation (Public) -> Retailers -> Consumers	Corporation (Public) -> Retailers -> Consumers
Ownership	Distributors & Retailers are Private	Distributors & Retailers are Private	Retailers e.g. Owned by Private players	Retailers e.g. Owned by State Government
Key states	Maharashtra, Goa, Assam, Haryana, Uttar Pradesh, Punjab, Arunachal Pradesh, Meghalaya, Odisha, Tripura	Sikkim	Rajasthan, Karnataka, Madhya Pradesh, Andhra Pradesh, Himachal Pradesh, Jharkhand, Telangana, Uttarakhand, Jammu & Kashmir, West Bengal	Tamil Nadu, Chhattisgarh, Kerala, Manipur
Key Insights	• In type I- Multiple or Single privately owned distributors can operate under assigned key territories in the states • Under type II- combination of public private partnership model or fully public owned model • There are also 4 states which prohibits liquor business and consumption - Bihar, Gujarat, Nagaland & Mizoram			

Source: Secondary Research, The Knowledge Company Analysis

* Delhi functions under a unique model with supply handled by private distributors and retail operations governed by the State Corporation

The image outlines the two primary liquor distribution models followed across various Indian states, Type I and Type II, with further sub-categorization based on ownership and channel structure.

Type I involves a company selling to retailers via a distributor network, with both distribution and retail channels owned by private players. This type is split into:

- **Type A:** Features multiple private distributors and retailers, prevalent in states like Maharashtra, Goa, Assam, Haryana, and others.
- **Type B:** Involves a single private distributor and retailer model, used exclusively in Sikkim.

Type II involves sales through a corporation, where the entity may be public or a public-private partnership. It includes:

- **Type C:** The corporation sells to retailers owned by private players, seen in states like Karnataka, Madhya Pradesh, Telangana, and more.
- **Type D:** The corporation sells to retailers owned by the state government, applicable in states like Tamil Nadu, and Kerala.

In India, online alcohol sales are gradually gaining momentum alongside traditional distribution channels, but they remain subject to state-specific regulations. States such as Odisha and West Bengal have already permitted online sales and home delivery, while temporary allowances were made in Maharashtra, Jharkhand, Chhattisgarh, and Assam during the COVID-19 lockdowns. Currently, seven states—including New Delhi, Karnataka, Haryana, Punjab, Tamil Nadu, Goa, and Kerala—are exploring pilot programs to enable home delivery through platforms such as Swiggy, Zomato, and Big Basket. This gradual adoption reflects the growing consumer demand for convenience and digital accessibility, particularly in urban centres.

The Indian alcohol market operates under diverse distribution models, ranging from fully private structures to public-private partnerships, with each state following its own pricing and cost framework. For domestically manufactured products, the price structure is typically determined based on the Ex-Distillery Price (EDP), to which various components such as excise duties, license fees, cess, surcharges, and trade margins are added- often calculated as a percentage of the EDP. In contrast, for imported alcoholic beverages, the price structure is derived from the Maximum Retail Price (MRP), which serves as the base for calculating state levies and duties. This distinction in pricing methodology leads to varying cost compositions across product categories. Furthermore, the relatively lower effective tax burden on imported products creates a natural price-mix advantage for premium and luxury segments, enhancing their competitiveness and supporting the ongoing premiumization trend within India's alcoholic beverages market. Revisions of Maximum Retail Prices (MRP) pose another operational challenge, as approval timelines vary by state- Maharashtra allows year-round changes, while states like Kerala and Telangana may take several years, putting pressure on margins. Additionally, states impose various annual and one-time charges, including brand registration, bottling, stock transfer, and import/export fees, which further

affect the total cost structure. Taken together, these regulatory frameworks, pricing mechanisms, and distribution variations significantly influence the strategic planning and commercial viability of alcohol beverage businesses across India.

4.7 State-wise Alcohol Beverage Consumption Age in India

Drinking age is used to control proliferation and promote responsible drinking

The legal drinking age in India is governed by state-specific regulations, resulting in significant variation across regions. While certain states permit alcohol consumption from the age of 18, others have established higher minimum age limits of 21 or 25. Additionally, some states enforce complete prohibition, restricting both the sale and consumption of alcohol. However, these prohibitions, while largely symbolic, cover only a small portion of national demand and have limited impact on overall industry volumes. The majority of high-consumption states maintain moderate age limits above 20, supporting steady and continuous market growth. This decentralized regulatory framework reflects regional socio-political dynamics and contributes to a non-uniform legal environment for the alcoholic beverage industry.

Alcohol consumption in India reflects a highly diverse landscape influenced by cultural norms, religious beliefs, and regional variations. Although overall consumption levels remain lower than global averages, significant differences exist across demographic segments, particularly between genders. According to the NFHS-5 (2019–21) report, 18.7% of males aged 15 years and above consume alcohol, compared to approximately 1.3% of females in the same age group.

This pronounced gender gap highlights substantial latent demand within the female cohort, particularly for premium, lower-ABV, and lifestyle-oriented beverages. Rising urbanization, increasing female workforce participation, and evolving social norms are likely to drive gradual adoption of alcoholic beverages, especially in metropolitan and premium segments.

Regionally, alcohol consumption among women aged 15 and above is highest in Arunachal Pradesh (24.2%), followed by Sikkim (16.2%). Among men, the highest consumption rates are recorded in Arunachal Pradesh (52.6%) and Telangana (43.4%), underscoring the regional diversity in drinking patterns across the country.

Exhibit 4.15: State-wise Minimum Drinking Age in India & Gender Consuming Alcohol above 15 Years of age

States	Min. Drinking Age	Women	Men	States	Min. Drinking Age	Women	Men
Andhra Pradesh	21	0.5%	23.1%	Manipur	Partial Prohibition	0.9%	37.2%
Arunachal Pradesh	21	24.2%	52.6%	Meghalaya	25	1.5%	32.4%
Assam	21	7.3%	25.2%	Mizoram	Full Prohibition	0.9%	23.7%
Bihar	Full Prohibition	0.4%	15.4%	Nagaland	Full Prohibition	0.9%	23.9%
Chhattisgarh	21	4.9%	34.7%	Odisha	21	4.3%	28.7%
Goa	18	5.5%	36.8%	Punjab	25	0.3%	22.8%
Gujarat	Partial Prohibition	0.6%	5.8%	Rajasthan	18	0.3%	11.0%
Haryana	21	0.3%	16.0%	Sikkim	18	16.2%	39.9%
Himachal Pradesh	18	0.6%	31.9%	Tamil Nadu	21	0.3%	25.3%
Jharkhand	21	6.1%	34.9%	Telangana	21	6.7%	43.4%
Karnataka	21	0.9%	16.6%	Tripura	21	6.3%	33.2%
Kerala	23	0.2%	19.9%	Uttar Pradesh	21	0.3%	14.5%
Madhya Pradesh	21	1.0%	17.0%	Uttarakhand	21	0.3%	25.5%
Maharashtra	25	0.4%	13.9%	West Bengal	21	1.1%	18.0%
Andaman & Nicobar	18	5.0%	38.8%	Jammu & Kashmir	21	0.2%	8.7%
Chandigarh	25	0.3%	18.6%	Ladakh	21	3.7%	23.5%
Dadra & Nagar Haveli and Daman & Diu	21	1.1%	27.7%	Lakshadweep	Full Prohibition	0.3%	0.4%
Delhi	21	0.5%	21.6%	Puducherry	18	0.3%	27.9%

Source: NFHS-5 Report, 2019-21, Secondary Research, The Knowledge Company Analysis

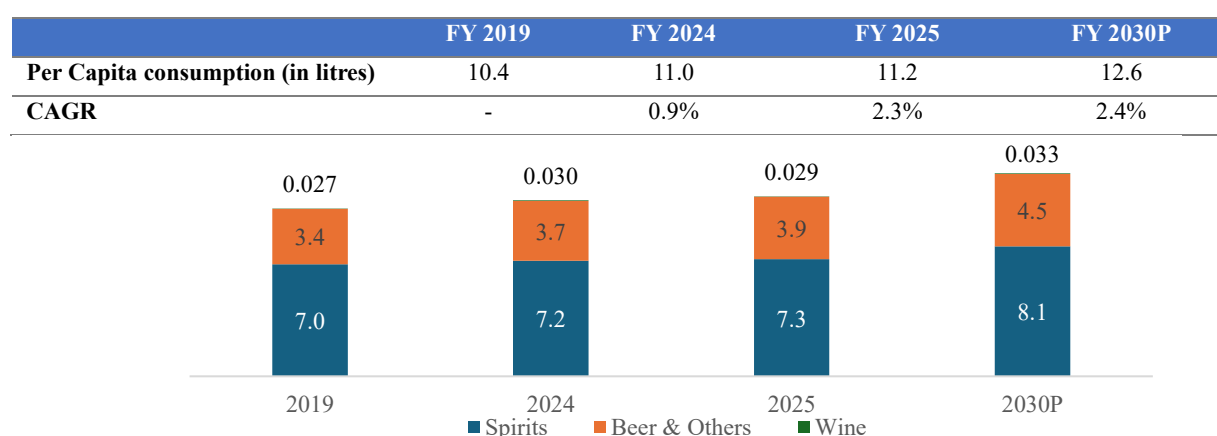
4.8 Per Capita Consumption of Alcohol beverage in India

India's low per capita consumption versus the global average signals strong growth potential

India's per capita alcohol consumption has shown a consistent upward trajectory, rising from 10.4 litres in 2019 to 11.0 litres in 2024, and 11.2 litres for 2025, with further projections indicating 12.6 litres by 2030. This gradual growth reflects evolving consumer lifestyles, increasing urbanization, and a shift toward social and aspirational drinking. Importantly, despite this steady rise, India's per capita consumption still remains considerably lower than the global average (50-52 litres)—underscoring the significant headroom that exists for long-term growth as drinking patterns continue to evolve, and disposable incomes rise.

Within the category, spirits continue to dominate, increasing from 7.0 litres in 2019 to 7.3 litres in 2025, and are projected to reach 8.1 litres by 2030, underscoring their entrenched cultural preference across most regions. Beer and other beverages are also witnessing healthy growth—from 3.4 litres in 2019 to 3.9 litres in 2025 and projected 4.5 litres in 2030—driven by a younger consumer base, premium brand offerings, and wider retail availability. Although wine consumption remains minimal at around 0.03 litres per capita, it continues to see gradual acceptance among urban, health-conscious consumers. Overall, per capita consumption in India is expanding at a moderate CAGR of 2–2.5%, signalling a steady yet sustainable rise supported by income growth, changing social norms, and premiumization trends.

Exhibit.4.16: India Per Capita Consumption of Alco Beverage type (in litres)



Source: Primary & Secondary research, The Knowledge Company Analysis

*legal age drinking population (>20 yrs.) is considered for calculating per capita consumption

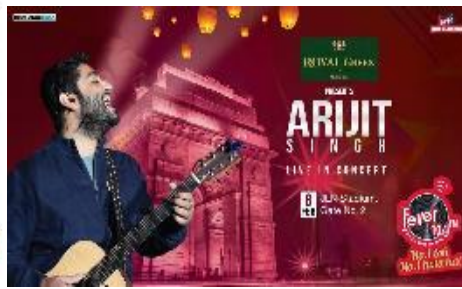
4.9 Marketing Initiatives

Marketing alcoholic beverages in India is a complex and highly regulated process due to stringent restrictions on alcohol advertising. The promotion of such products is primarily governed by the Cable Television Networks (Amendment) Rules, 1994, which prohibit any form of direct or indirect advertising that promotes the sale or consumption of alcohol across all media platforms, including television, print, digital, and outdoor channels.

To navigate these restrictions, brands adopt alternative marketing strategies that comply with government regulations. These include surrogate advertising, event sponsorships, experiential marketing, social media and influencer collaborations, point-of-sale promotions, and innovative packaging designs—all aimed at enhancing brand visibility and consumer engagement without violating advertising laws. As a result, brands are shifting their budgets toward immersive consumer experiences, digital storytelling, and trade-focused programs, prioritizing direct engagement and measurable results over broad-based mass advertising

- **Surrogate advertising:** Companies commonly adopt surrogate advertising by promoting non-alcoholic products such as soda, bottled water, or music CDs under the same brand name as their alcoholic beverages to sustain brand recognition and recall. However, recent directives from the Central Consumer Protection Authority (CCPA) and the Advertising Standards Council of India (ASCI) have imposed stricter controls to curb misleading surrogate promotions and ensure responsible advertising practices within the industry.

- **Event sponsorships and experiential marketing:** Alcohol brands actively engage in event sponsorships, including sports tournaments, music concerts, and cultural festivals, to provide immersive brand experiences that foster stronger emotional connections with their target audiences.



- **On-ground activation and trade promotion:** Within retail outlets and on-trade venues, companies enhance brand visibility through strategic in-store branding and prominent product placements. These efforts are supported by branded point-of-sale materials such as bar mats, coasters, and display racks, along with targeted trade incentive programs designed for distributors and retailers to secure premium shelf space and drive higher sales performance. These below-the-line initiatives often deliver higher ROI than ATL channels, enabling targeted reach and measurable conversions at the point of sale, making them a critical tool for driving both brand presence and sales effectiveness.
- **Digital marketing:** Digital marketing has greatly amplified the reach of the alcohol beverage industry, enabling brands to connect with a broader audience more effectively. Influencer-driven campaigns on social media have become a key element of marketing strategies, integrating brands organically into contextual content such as parties, food pairings, travel experiences, and lifestyle vlogs to create subtle yet impactful brand visibility. Consequently, alcohol beverage brands prioritize strategic digital initiatives to enhance visibility and reinforce their market presence.

4.10 Threats and Challenges in the Indian Alco-beverage Market and to players like Aspiir Spirits

- **Regulatory & Licensing Challenges:** The Indian alcoholic beverage sector operates within a highly fragmented regulatory landscape, as each state formulates its own excise policies, licensing norms, and taxation rules. Unlike most industries, alcohol is governed entirely at the state level, resulting in wide policy variations and inconsistent market conditions across regions. Licensing for manufacturing, distribution, and retail is often complex, expensive, and time-consuming, involving multiple approvals and significant capital commitments.
- **Distribution & Retail Restrictions:** Alcohol distribution in India is heavily regulated by state governments, creating substantial barriers for market entry and expansion. Additionally, direct-to-consumer sales through e-commerce remain largely prohibited, preventing brands from using digital channels to broaden reach. Together, these constraints hinder new entrants from scaling effectively, building strong supply chains, and accessing consumers efficiently.
- **High Competition from Established Players:** The Indian alco-beverage market is dominated by large incumbents like United Spirits (Diageo), Pernod Ricard, Radico Khaitan, and Allied Blenders & Distillers, all of whom possess deep distribution networks, strong brand equity, and extensive regulatory expertise. Their scale advantages make it difficult for new players to match pricing, product availability, and consumer loyalty. Premium categories also encounter competition from imported labels, adding further pressure. New entrants must therefore invest heavily in brand development, trade relationships, and market-building initiatives to gain meaningful traction.
- **Supply Chain & Raw Material Constraints:** Alcohol production depends on key agricultural inputs, such as grains, molasses, and grapes, whose prices fluctuate with climate variations, farm policies, and international markets. Setting up manufacturing infrastructure demands significant capital and adherence to strict environmental, safety, and quality regulations. Additionally, inter-state movement of alcohol is governed by state-specific rules and differential taxes, creating logistical complexity and often requiring

[Signature]

Ankur Bisen
Senior Partner



region-wise supply chains. These factors elevate operational costs and make it challenging for newcomers to maintain consistent production, especially during global supply disruptions that affect imported liquor inventories. For imported liquor, supply chain and inventory management present further challenges like long international lead times and fluctuating demand patterns, making accurate procurement planning difficult. Many imported wines and spirits require temperature-controlled storage, and any lapse during transit or warehousing can compromise quality. Global supply chain disruptions or port congestion can also cause stockouts during peak demand seasons.

- **Illicit Market & Counterfeit Products:** The widespread presence of illicit, smuggled, and counterfeit alcohol undermines the legal market by diverting consumers towards cheaper, unregulated alternatives. This not only results in substantial revenue losses for legitimate companies but also poses serious health risks to consumers. Counterfeit products dilute brand equity and erode customer trust, impacting long-term industry growth. Moreover, enforcement effectiveness varies across states, making it difficult for brands to safeguard authenticity, ensure compliance, and maintain market integrity
- **High Duties and Taxation on foreign imported alco-bevs:** Importers of foreign BIO (Bottled-in-Origin) liquors face high import duties and state-level taxes, which significantly elevate retail prices. Customs duties on spirits often exceed 150%, and when combined with state excise, label-registration fees, and other levies, the final consumer price becomes far higher than comparable global markets. This restricts demand and limits the addressable consumer base to premium segments.
- **Price Sensitivity towards imported liquor:** The high landing cost of imported spirits and wines also creates acute price sensitivity, making it difficult to compete with strong domestic premium brands priced much lower. As a result, the consumer base for BIO products remains small, and market penetration is slower than in categories with local manufacturing.
- **Slow Custom Clearance and Regulatory Bottlenecks:** Importers also encounter complex customs procedures and regulatory bottlenecks. Shipments must undergo customs clearance, FSSAI checks, and thorough documentation audits. Any mismatch in labels, documentation errors, or policy ambiguities can delay clearance for weeks, increasing warehousing and other costs.



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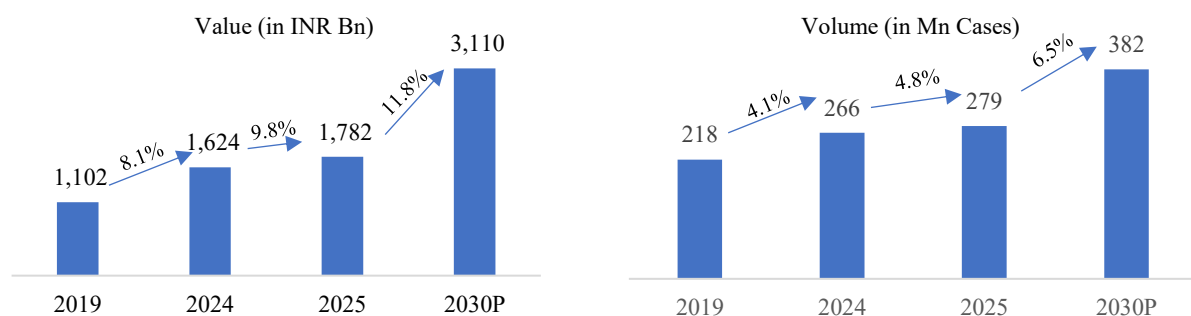


5. Key Indian Alco-Beverage Segments

5.1 Whisky

Indian Whisky market was valued at INR 1,102 Bn in FY 2019 and reached INR 1,624 Bn at a CAGR of 8.1% Bn in FY 2024 and grew at 9.8% year-on-year to reach INR 1,782 Bn in FY 2025. It is further expected to grow to INR 3,110 Bn by FY 2030, at a CAGR of 11.8%. In terms of volume, whisky reached annual sales of 279 Mn cases in FY 2025. The market is further projected to reach 382 Mn in the next five years, growing at CAGR of 6.5%. Value growth continues to exceed volume growth, reflecting ongoing premiumization within the whisky market. This steady rise reflects increasing consumer inclination toward international brands, expanding availability through premium retail and duty-free channels, and the broader trend of premiumisation in India's spirit market.

Exhibit 5.1: Whisky Market in India by Value and Volume, CAGR (Years in FY)



Source: The Knowledge Company Analysis

India is positioned as the largest whisky consumer in the global whisky market with per capita intake at 2.32 litres as compared to the world average of 2.12 litres

India is one of the largest consumers of spirits globally, with spirits accounting for 92% of the consumption, more than double the world average of 44%. Consumption levels for spirits in India are higher than most major economies. Within this, whisky stands out as the most prominent category, accounting for 50% of total alco beverage sales by value and 23% sales by volume in India.

On Trade and Off Trade Sales Split of Whisky in India

The Indian whisky market is dominated by the off-trade retail channel, which accounted for 84 % of sales value in FY 2025. Despite this, the on-trade channel (bars, pubs, etc.) is strategically expanding, projected to grow its share from 16% to 20% by FY 2030, reflecting whisky's rising social importance among younger, urban consumers. The on-trade channel serves as a vital marketing platform for premium brands and a brand gateway for consumers towards these brands, allowing them to build brand recall and encourage trials through curated in-venue experiences, driving premiumization. This trend is complemented by a focus on digital and at-home consumption (e.g., cocktail kits), with e-commerce delivery in states like Odisha and West Bengal further supporting convenience-led growth in the evolving off-trade consumption.

Exhibit 5.2: Segmentation of Whisky Market in India by Value: On Trade VS Off Trade (FY)

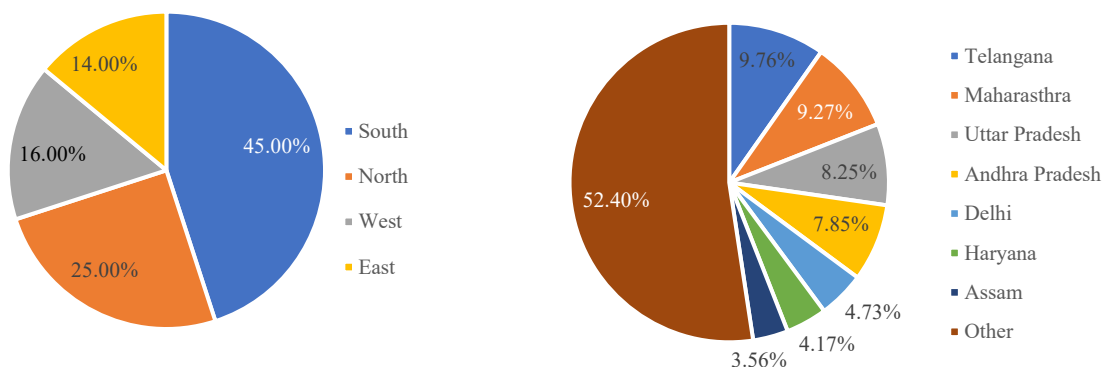


Source: The Knowledge Company Analysis

Region Wise Sales of Whisky

Southern India leads the whisky market with about 45% of national volumes in FY2025, driven by Karnataka and Tamil Nadu, though brandy's dominance in parts of the region slightly offsets whisky's share. Northern India follows with around 25%, led by Punjab, Delhi, Rajasthan, and Uttar Pradesh where whisky is the preferred spirit. Western India contributes about 16%, with Maharashtra, especially Mumbai and Pune, emerging as key centres for premium and prestige whiskies. Eastern India accounts for the remaining 14%, supported by steady demand in West Bengal and Assam. While popular and prestige whiskies dominate in volume through smaller pack sizes and rural reach, premium and luxury segments are expanding rapidly in major urban markets.

Exhibit 5.3: Region-wise & State-wise Share of Whisky Sales in India by Volume (Total Volume 279 Mn Cases) (FY 2025)

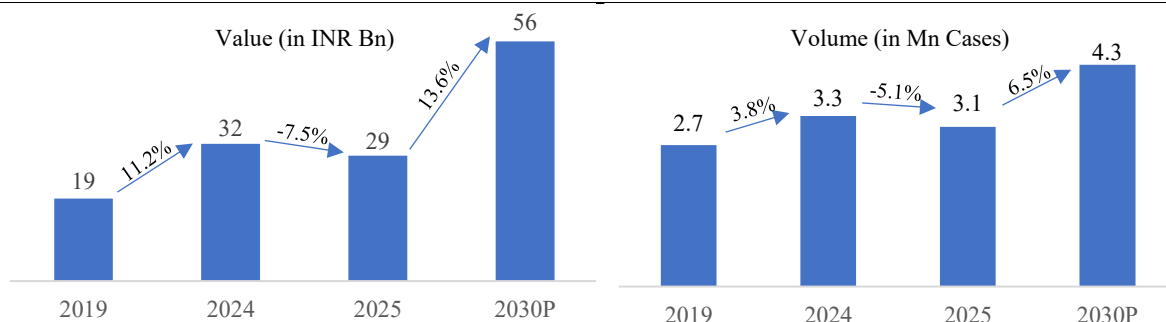


Source: The Knowledge Company Analysis

5.2 Wine

India's wine segment, though small relative to spirits, is evolving as a high-growth lifestyle category and an early indicator of premium consumption behaviour. The market expanded steadily over the past five years, growing from approximately INR 19 billion in FY 2019 to INR 32 billion in FY 2024, at a CAGR of 11.2%. In volume terms, it rose from 2.7 million cases in FY 2019 to 3.3 million cases in FY 2024, driven by rising consumer awareness, expanding on-trade presence, and post-pandemic revival in urban discretionary spending. In FY 2025, the market witnessed a temporary contraction to INR 29 billion and 3.1 million cases, largely due to regulatory and macroeconomic disruptions, including general elections in key states such as Maharashtra, Haryana, and Delhi, which affected licensing renewals and distribution activity and a slowdown in urban discretionary consumption, particularly within the mid-premium and imported segments. Looking ahead, the market is projected to grow at a CAGR of 13.6% by value to reach INR 56 billion by FY 2030, with volumes rising to 4.3 million cases. Growth will be driven by increasing urban affluence, rising female participation, and a shift toward health-conscious, moderate and lifestyle-led drinking patterns. Overall, India's wine industry is transitioning from a niche category to a mainstream lifestyle beverage segment, supported by domestic production, yet increasingly influenced by global styles, consumer experimentation, and premiumisation.

Exhibit 5.4: Wine Market in India by Value and Volume, CAGR (Years in FY)



Source: Trade Map (Import HSN Code: 2204, 2205), Secondary Research, The Knowledge Company Analysis

On Trade and Off Trade Sales Split of Wine in India

Wine consumption in India exhibits a relatively balanced channel mix compared to other alcoholic beverage categories. In FY 2025, approximately 68% of wine sales occurred through off-trade channels, including retail stores, modern trade, and duty-free outlets, while the remaining 32% were generated through on-trade venues such as restaurants, hotels, and bars. The strong off-trade orientation reflects wine's expanding presence in at-home and social consumption occasions, aided by the wider availability of both domestic and imported labels across organized retail and, in select states, e-commerce platforms.

The on-trade segment, however, plays an outsized role in shaping consumption behaviour and premiumisation. Increasing urbanisation, rising disposable incomes, and exposure to international dining and travel trends have strengthened wine's visibility in fine-dining establishments, boutique hotels, and experiential pairing menus. As wine continues to be associated with social and dining occasions, the on-trade share is expected to rise to ~35% by FY 2030, led by premium, sparkling, and imported varieties gaining traction in metropolitan hospitality venues. Overall, India's wine market is expected to maintain a healthy balance between off-trade accessibility and experience-led on-trade demand. The channel evolution underscores wine's transition from a niche, occasion-driven product to a lifestyle-led category contributing to the broader premiumisation trend within the Indian alcoholic beverage landscape.

Exhibit 5.5: Segmentation of Wine Market in India by Value: On Trade vs Off Trade (FY 2025)

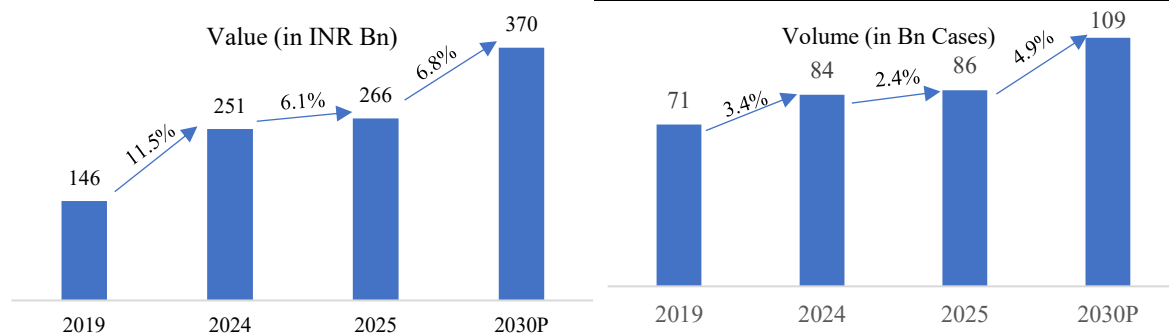


Source: Secondary Research, The Knowledge Company Analysis

5.3 Brandy

The Indian brandy market has grown from INR 146 Bn in FY 2019 to INR 251 Bn in FY 2024 at a CAGR of 11.5%. In FY 2025, it was valued at INR 266 Bn and is further expected to grow to INR 370 Bn by FY 2030 at a CAGR of 6.8%. On a volume basis, the Indian brandy market grew from 71 Mn cases to 86 Mn cases in FY 2025. The category is expected to register a CAGR of 4.9% by volume, with the market projected to reach 109 Mn cases by FY 2030, driven by ongoing premiumization trends, expansion into new regions, and a growing consumer base for innovative brandy offerings beyond its traditional markets.

Exhibit 5.6: Brandy Market in India by Value and Volume, CAGR (Years in FY)



Source: The Knowledge Company Analysis

On Trade and Off Trade Sales Split of Brandy in India

In India, brandy sales are primarily driven by off-trade channels, accounting for about 90% of market value in FY 2025, reflecting strong at-home consumption in southern states through state-run retail outlets. On-trade sales remain limited but are projected to rise from 10% in FY 2025 to 12% by FY 2030, supported by the growing presence of premium and flavoured brandy variants in organized hospitality venues.

Exhibit 5.7: Brandy Market Split by Value: On Trade vs Off Trade (Years in FY)



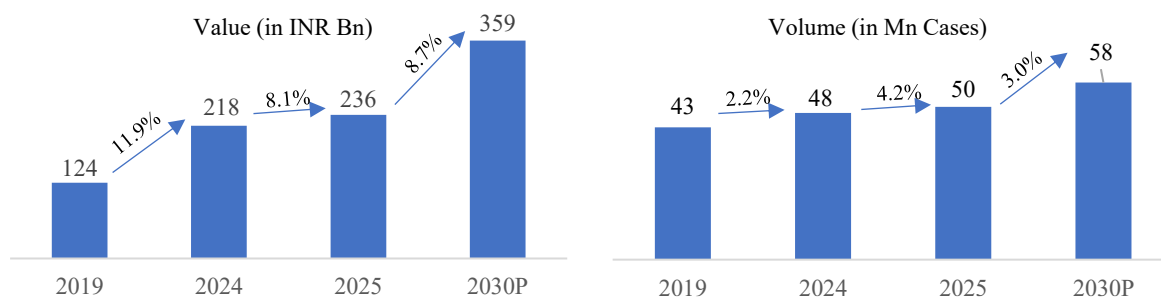
Source: Annual Reports, The Knowledge Company Analysis

5.4 Rum

The rum market in India was valued at INR 236 billion (50 million cases) in FY 2025 and is expected to reach INR 359 billion (58 million cases), growing at a CAGR of 8.7%. Dark rum overwhelmingly drives consumption, accounting for close to 98% of total category sales. Its signature colour and flavour are typically imparted through caramel blending or aging in oak casks. Light rum remains a small, niche segment, although the introduction of white rum extensions has started to widen the consumer base.

Traditionally considered a seasonal spirit, rum is undergoing a gradual repositioning as a versatile, year-round beverage. New product formats, including flavoured and spiced rums, ready-to-drink (RTD) variants, and premium packaging, are enhancing its appeal, particularly among younger urban drinkers and for cocktail occasions. While dark rum continues to dominate, these innovations, along with selective on-trade expansion, are helping the category transition from modest recovery to sustained growth. Overall growth in the rum segment is being shaped by portfolio premiumisation, localisation of production, and rising consumer experimentation. Innovation in flavours, small-batch and craft variants, and selective expansion of on-trade channels are collectively driving the category's transition from a traditional dark-rum-dominated market to a more diversified and experience-led spirits segment.

Exhibit 5.8: Rum Market in India by Value and Volume, CAGR (Years in FY)

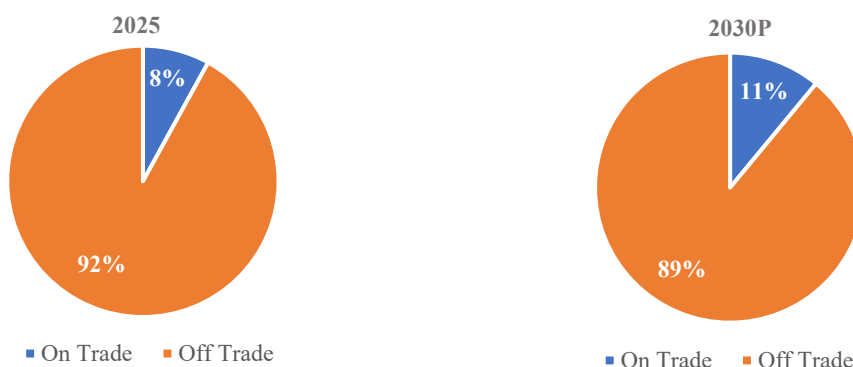


Source: Trade Map (HSN Code: 220840), Secondary Research, The Knowledge Company Analysis

On Trade and Off Trade Sales Split of Rum in India

Off-trade channels are projected to remain the main source of rum sales in India in FY 2025, with 92% share of total market value. These sales are supported by distribution through state-run retail stores and defence canteens, and by rum's strong link to in-home consumption. The on-trade segment currently has a smaller role in the category. Its share is smaller due to lower presence in bar menus and slower adoption in urban on-premises occasions. Over the next few years, portfolio additions such as flavoured, spiced, and white rum, which are better suited for cocktail preparation, are expected to increase on-trade participation. By FY 2030, the on-trade share is expected to reach about 11% from 8% in FY 2025, though most rum sales will continue to come from off-trade, especially in non-metro and price-sensitive markets, with the share of off-trade reaching 89% by FY 2030.

Exhibit 5.9: Rum Market split by value: On Trade VS Off Trade Split (FY)

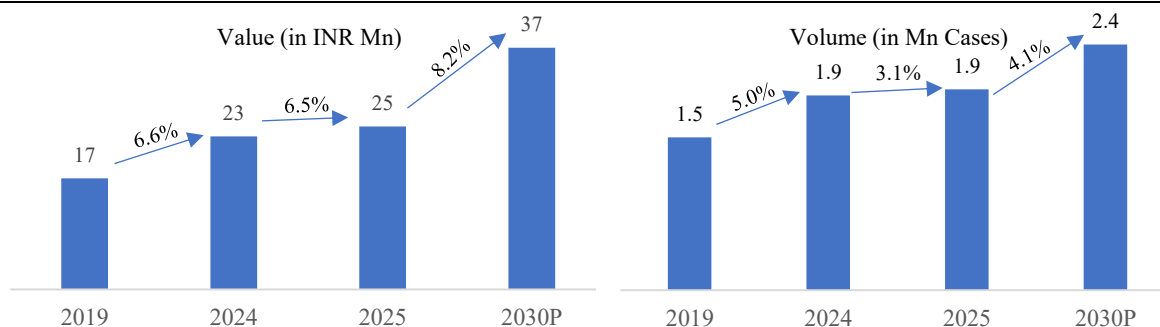


Source: Annual Reports, The Knowledge Company Analysis

5.5 Gin

The Indian gin market has grown from INR 17 Bn in FY2019 to INR 23 Bn in FY 2024 at a CAGR of 6.6%. In FY 2025, it was valued at INR 25 Bn and is further expected to grow to INR 37 Bn by FY 2030 at a CAGR of 8.2%. On a volume basis, the Indian gin market grew from 1.5 Mn cases in FY 2019 to 1.9 Mn cases in FY 2025. The category is expected to register a CAGR of 4.1% by volume, with the market projected to reach 2.4 Mn cases by FY 2030, driven by rising urban affluence, craft distilleries, and consumer preference for global, premium brands that symbolize quality and sophistication.

Exhibit 5.10: Gin Sales By Value and Volume, CAGR (Years in FY)



Source: The Knowledge Company Analysis

On Trade and Off Trade Sales Split of Gin in India

For FY2025, 55% of gin sales by value was from on-trade channels such as bars and restaurants, while the remaining 45% came from off-trade retail. This share is projected to rise slightly to 57% by FY2030, driven by the growing presence of premium and craft gin brands in urban bars, lounges, and other on-premises locations.

Exhibit 5.11: Gin Sales split by value: On Trade vs Off Trade Split (Years in FY)

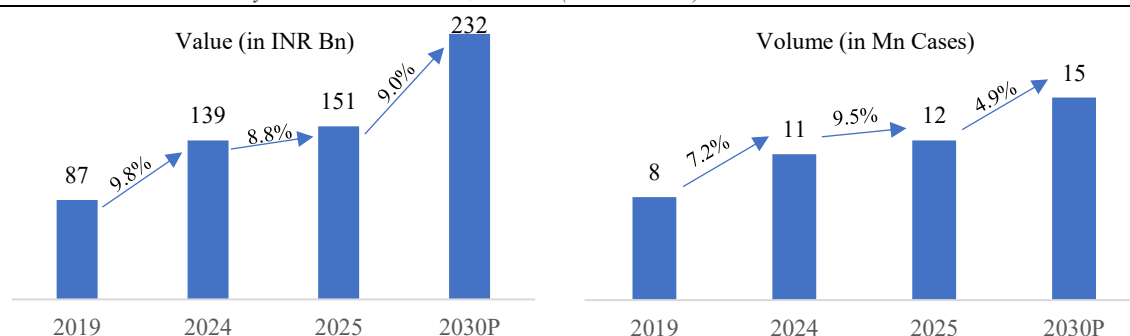


Source: Annual Reports, The Knowledge Company Analysis

5.6 Vodka

The Indian vodka market has grown from INR 87 Bn in FY2019 to INR 139 Bn in FY 2024 at a CAGR of 9.8%. In FY 2025, it was valued at INR 151 Bn and is further expected to grow to INR 232 Bn by FY 2030 at a CAGR of 9.0%. On a volume basis, the Indian vodka market grew from 8 Mn cases in FY 2019 to 12 Mn cases in FY 2025. The category is expected to register a CAGR of 4.9% by volume, with the market projected to reach 15 Mn cases by FY 2030, driven by increasing demand for imported and premium international brands, fuelled by urban affluence and aspirational consumption.

Exhibit 5.12: Vodka Sales by Value and Volume, CAGR (Years in FY)



Source: Annual Reports, Websites, The Knowledge Company Analysis

On Trade and Off Trade Sales Split of Vodka in India

In FY2025, on-trade sales accounted for 65% of total vodka value, with off-trade accounting for the remaining 35%. By FY2030, the on-trade share is projected to reach 67%, driven by increasing relevance in mixology formats, growing participation of younger consumers, and expansion of vodka-based ready-to-drink (RTD) variants in on-premise settings.

Exhibit 5.13: Vodka Sales split by value: On Trade vs Off Trade Split (Years in FY)

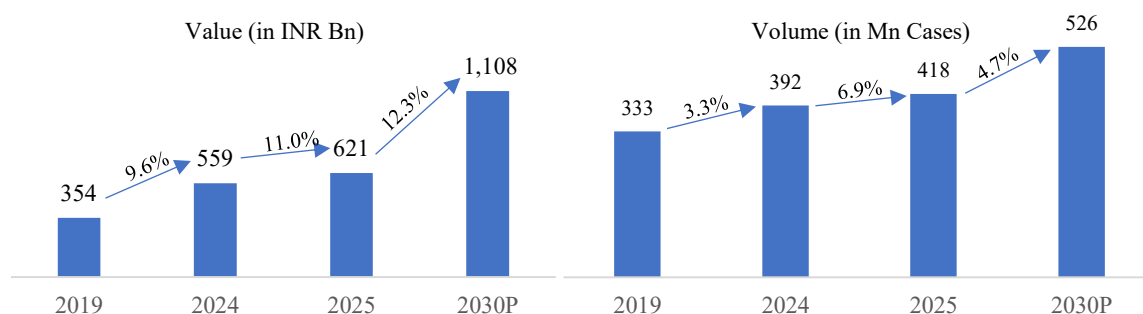


Source: Annual Reports, The Knowledge Company Analysis

5.7 Beer

Beer consumption is surging in India, propelled by a youthful, experience-seeking demographic demanding flexible, experimental and fruit-flavoured beverages. Between FY2019 and FY2024, the beer market in India has grown from INR 354 Bn to INR 559 Bn at a CAGR of 9.6%. As of the FY2025, the beer market is valued at INR 621 Bn. and is further expected to grow to INR 1,108 Bn by FY2030 at a CAGR of 12.3% for the same period. In FY2019, beer sales volume stood at 333 Mn cases, increasing to 418 Mn cases in FY2025, and is projected to reach 526 Mn cases by FY2030 at a CAGR of 4.7%.

Exhibit 5.14: Beer Sales by Value and Volume, CAGR (Years in FY)



Source: Annual Reports, Websites, The Knowledge Company Analysis

On Trade and Off Trade Sales Split of Beer in India

In FY2025, off-trade sales accounted for 74% of the total beer value, with on-trade accounting for the remaining 26%. By FY2030, the on-trade share is projected to reach 31%, driven by a growing preference for social and premium drinking experiences, expansion of bars and restaurants in urban areas, and rising consumer spending on dining-out occasions.

Exhibit 5.15: Beer Sales split by value: On Trade vs Off Trade Split (Years in FY)

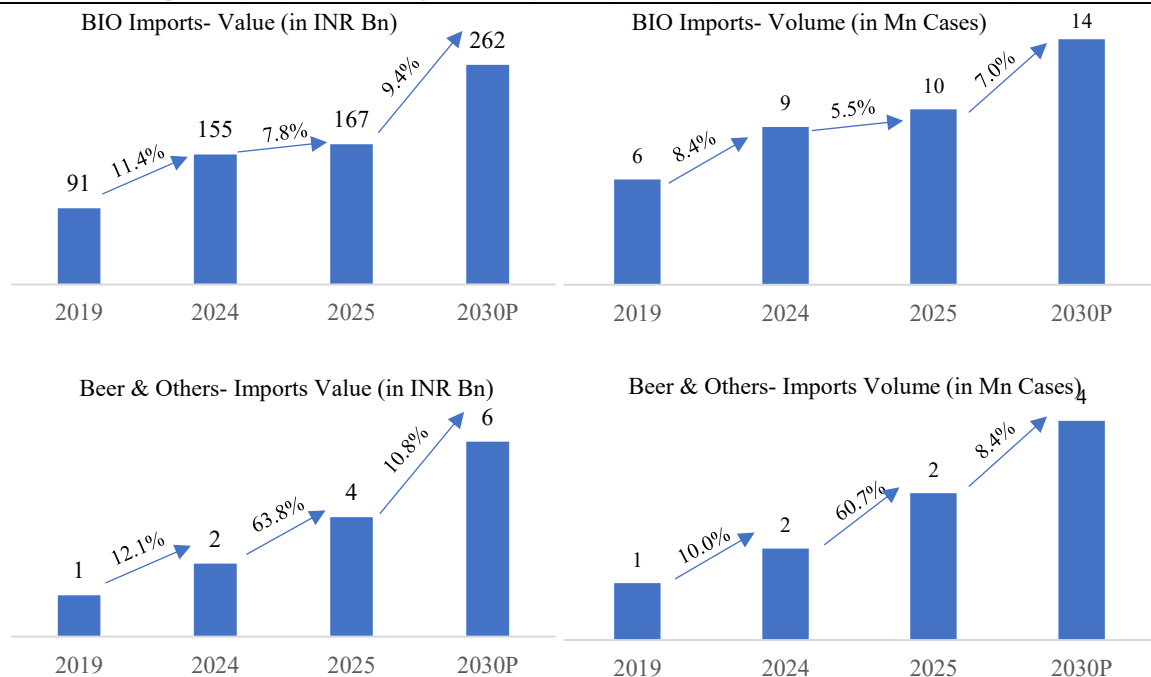


Source: Annual Reports, The Knowledge Company Analysis

6. Imports (Bottled in Origin) and Distribution of Alco Beverages Market in India

India's alco beverage market, valued at INR 3,550 billion in FY2025, is one of the largest globally and continues to expand at a steady pace. The industry grew at a CAGR of 8.04% over FY2019 to FY2024 and is expected to reach approximately INR 5,798 billion by FY2030 with a projected CAGR of 10.31%. Within this landscape, the import segment is gaining strategic importance, contributing INR 167 billion in FY2025. Imported products are shaped primarily by spirits, which were estimated at about INR 160 billion, followed by wine at INR 7 billion. The accelerating momentum of imported products underscores their growing role in premiumisation and the shifting preference toward higher-value, globally recognised offerings.

Exhibit.6.1: Indian Imported (BIO) Alco-Beverage Market by value (in INR Bn.) and Volume (in million cases)

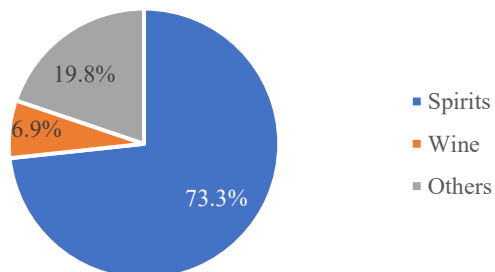


Source: Primary & Secondary research, The Knowledge Company Analysis

Market by Value is at consumer price

Note: BIO Imports exclude Beer and others, and Beer imports shown separately as it includes both BIO and bulk import under the same HSN Code (22030000)

Exhibit.6.2: Indian Imported (BIO) Alco-Beverage Market – Split by Volume (in million cases) for FY 2025



Source: Primary & Secondary research, The Knowledge Company Analysis

Note: BIO Imports exclude Beer and others, and Beer imports shown separately as it includes both BIO and bulk import under the same HSN Code (22030000)

The key growth drivers for imported alco-beverages include:

- Premiumization and rising disposable incomes, prompting consumers to trade up to global brands.

- Urbanization and exposure to global lifestyles, especially among younger consumers.
- Expanding access to international brands through modern retail, e-commerce (in select states), and duty-free channels.
- Changing consumption preferences, with increasing appreciation for craft liquors, single malts, and imported wines.

Imported wines and premium spirits have especially benefitted from these trends, with consumers associating them with quality, status, and sophistication.

While domestic spirits and beers will continue to anchor the alco-beverage market, imports are expected to outpace overall market growth, reflecting the accelerating premiumization trend. As regulatory frameworks evolve and trade barriers ease, international brands are likely to capture a higher share through targeted marketing, partnerships with Indian distributors, and localized portfolio strategies.

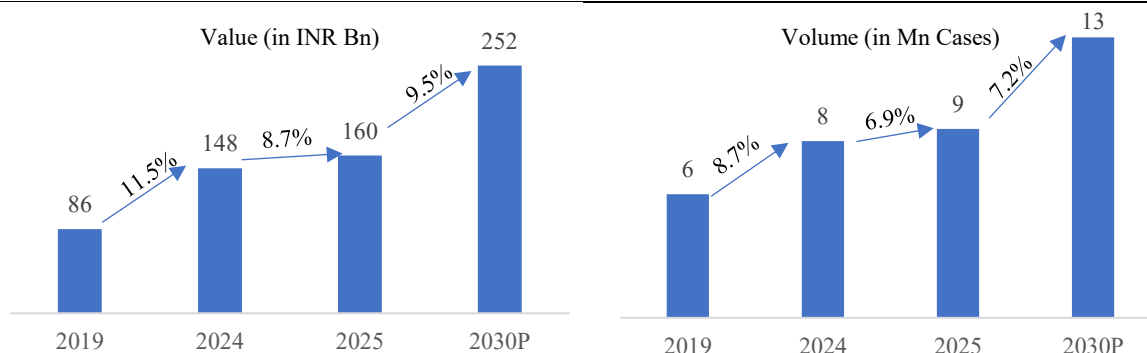
Key Regions and Countries for Alcoholic Beverage Imports (Spirits, Wine, and Beer)

India's alco-beverage imports have witnessed consistent growth, driven by rising consumer preference for premium international brands and diversification across categories. In FY2025, total alco-beverage imports (comprising spirits, and wine) were valued at INR 167 billion, with spirits accounting for INR 160 billion, wine INR 7 billion, and beer representing a smaller yet growing share of INR 4 billion. Aspri Spirits imports from a geographically diverse base of suppliers spanning across Europe, North and South America, Australia, Africa, and Asia. In FY 2025, Aspri Spirits emerged as the largest importer of spirits and wines from Germany.

1. Spirits

The Indian imported spirits market has grown steadily over the past few years. In FY2019, the market size was at INR 86 billion. By FY2024, it had grown to approximately INR 148 billion, reflecting a CAGR of 11.5% over the period. The market is valued at INR 160 billion in FY2025 and is projected to grow at a CAGR of 9.5% to reach around INR 252 billion by FY2030. This growth will be driven by increasing premiumization, rising awareness of craft and international spirits, and higher consumption in urban centers, supported by growing penetration through modern trade and HORECA channels.

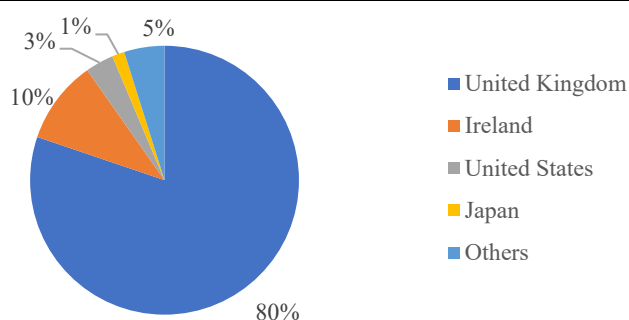
Exhibit 6.3: India Imported Spirits Market in India by Value and Volume, CAGR (Years in FY)



Source: Secondary Research (HSN Code: 2208), Secondary Research, The Knowledge Company Analysis

- **Whisky:** The Indian imported whisky market has grown steadily over the past few years. In FY2019, the market size was valued at around INR 69 billion. By FY2024, it had grown to approximately INR 117 billion, reflecting a CAGR of 12.5% over the period. The market is valued at INR 131 billion in FY2025 and is projected to grow at a CAGR of 9.3% to reach around INR 205 billion by FY2030. This growth will be driven by rising consumer aspiration, stronger preference for single malts and imported Scotch whiskies, increasing premiumization across urban centers, and wider reach through modern trade, duty-free outlets, and premium HORECA channels.

Exhibit 6.4: Top Countries for Wine Imports in India (FY 2025)



Source: Secondary Research (HSN Code: 220830), The Knowledge Company Analysis

As of FY2025, India's imported whisky segment is dominated by the United Kingdom, which contributed 80% of total import value, led by Scotch whisky, the most imported whisky in India. Ireland followed with a 10% share, while the United States accounted for 3%. The remaining share of imports was distributed among other countries such as Japan, Spain, and France, highlighting India's growing openness to diverse international whisky offerings and emerging craft segments. In FY 2025, Aspri Spirits ranked as the largest importer of Canadian whisky.

- Rum:** The Indian imported rum market was valued at INR 0.5 billion in FY2025 and is projected to grow at a CAGR of 20.1% to reach around INR 1.2 billion by FY2030. This growth will be driven by portfolio premiumization, rising consumer experimentation, and innovation in flavours and craft variants, supported by selective expansion through on-trade channels, modern retail, and duty-free outlets. As of FY2025, India's imported rum segment was dominated by United Kingdom, which accounted for 34% of total import value, followed by Bhutan at 15% and both Spain and Puerto Rico at 6%.
- Brandy:** The Indian imported brandy market was valued at INR 2.7 billion in FY2025 and is projected to grow at a CAGR of 6.2% to reach around INR 5.4 billion by FY2030. The strong growth is driven by rising premiumisation, higher consumer affluence, and increasing preference for high-quality international spirits. As of FY2025, India's imported brandy segment was dominated by France, which accounted for 83% of total import value, followed by United Kingdom at 7% and Singapore at 3%. In FY2025, Aspri Spirits ranked as the largest importers of Italian Brandy in India.
- Gin and Genever:** The Indian imported gin and genever market was valued at INR 5.6 billion in FY2025 and is projected to grow at a CAGR of 7.4% to reach around INR 8.0 billion by FY2030. This growth will be driven by rising consumer preference for premium and flavored gins, experimentation with craft variants and limited editions, and increasing adoption in urban lifestyle and cocktail culture, supported by wider availability through modern trade, duty-free outlets, and premium on-trade channels. As of FY2025, India's imported gin and genever segment was dominated by the United Kingdom, which accounted for 79% of total import value, followed by Japan at 6% and both the United Kingdom and Germany at 3% each. This distribution reflects growing interest in premium, craft, and botanical gins from global markets.
- Vodka:** The Indian imported vodka market was valued at INR 8.3 billion in FY2025 and is projected to grow at a CAGR of 7.7% to reach around INR 12 billion by FY2030. This growth will be driven by increasing consumer preference for premium and flavored vodkas, rising adoption in cocktail culture, and expanding availability through modern retail, duty-free outlets, and premium on-trade channels. As of FY2025, India's imported vodka segment was dominated by Sweden, which contributed 45% of total import value, followed by France at 20% and United Kingdom at 18%, reflecting strong demand for premium, flavored, and craft vodkas.
- Liqueurs, Cordials and others:** The Indian imported liqueurs, cordials and others market was valued at INR 10.8 billion in FY2025 and is projected to grow at a CAGR of 13.7% to reach around INR 20.5 billion by FY2030. This growth will be driven by increasing consumer interest in premium and flavored liqueurs, rising adoption in cocktail culture, and expanding availability through modern retail, duty-free outlets, and premium on-trade channels. As of FY2025, India's imported liqueurs and cordials segment was dominated by Germany, which contributed 62% of total import value, followed by United Kingdom at 11% and Ireland at 9%, reflecting strong demand for cream liqueurs, fruit-flavored variants, and other premium offerings. In FY 2025, Aspri Spirits emerged as the largest importers of Liqueurs in India.

[Signature]

Ankur Bisen
Senior Partner

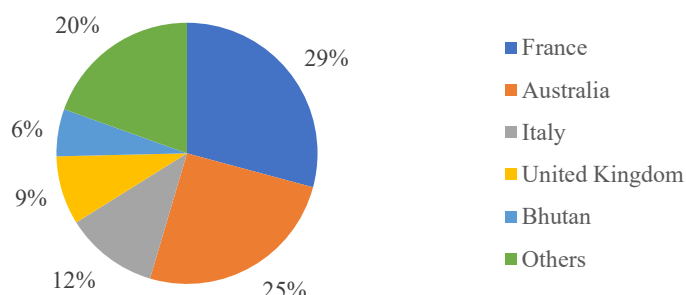


2. Wine

The Indian imported wine market has grown steadily over the past few years. In FY2019, the market size was valued at INR 5.2 billion. By FY2024, it had grown to approximately INR 7.7 billion, reflecting a CAGR of 8.2% over the period. The market was valued at INR 7.0 billion in FY2025 and is projected to grow at a CAGR of 7.0% to reach around INR 9.8 billion by FY2030. This growth will be driven by rising urban incomes and lifestyle aspirations, evolving demographics with increased female participation in social dining and gifting occasions, and greater availability of imported and sparkling wines in metropolitan markets.

In the imported wine category, France held a leading position with a 29% share, followed by Australia at 25%, Italy at 12%, and United Kingdom at 9%. The remaining share was sourced from regions such as Spain, Chile and South Africa. The category's growth is underpinned by expanding consumer exposure, evolving dining culture, and the rising appeal of global wine brands in India's metropolitan markets. In FY2025, Aspri Spirits emerged as the largest importer of BIO wines by volume and the third largest by value, commanding a market share of 7%. It is also ranked as the largest importer of wines from Portugal.

Exhibit 6.5: Top Countries for Wine Imports in India (FY 2025)

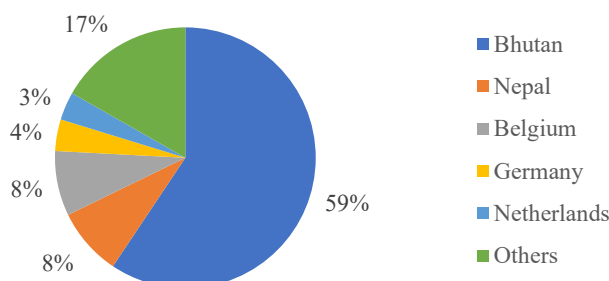


Source: Trade Map (HSN Code: 2204,2205), Secondary Research, The Knowledge Company Analysis

3. Beer

Imports of beer are gradually increasing, reflecting urban consumers' shift toward lighter, craft-oriented, and globally recognized beverages. Key importing countries include Bhutan, which accounted for 59% of India's imported beer value, followed by Nepal and Belgium at 8%. Germany and the Netherlands also contribute significantly through craft, wheat, and specialty beers, supporting the growing demand for premium and international brands.

Exhibit 6.6: Top Countries for Beer Imports in India (FY 2025)



Source: Trade Map (HSN Code: 2203), Secondary Research, The Knowledge Company Analysis

Aspri Spirits has developed a comprehensive portfolio of imported alcoholic beverages in India and South Asia, covering spirits, wines and beers across multiple categories, price points and consumption preferences.

Growing Significance of BIO/BII in Alco-beverages segment

The Indian premium and luxury alco-beverage market is witnessing a structural transformation, driven by rising disposable incomes, globalization, and increasing consumer awareness about authenticity and heritage. Central to this evolution is the distinction between Bottled-in-Origin (BIO) and Bottled-in-India (BII) spirits:

BIO (Bottled in Origin): Spirits and wines that are fully produced, distilled, matured, and bottled in the country of origin before being imported into India. These products, such as Scotch whisky, Irish whiskey, Cognac, or Tequila, carry strong geographical indication (GI) credentials, ensuring authenticity, quality, and traceable provenance.

BII (Bottled in India): Spirits where the base spirit is imported in bulk and bottled locally in India. This approach allows importers to reduce duties, customize blends, and price competitively while still offering premium experience. Examples include Indian whiskies blended with imported malt or locally bottled wines from imported grape varieties.

In FY2025 the total import value of BIO imports (spirits and wine) reached INR 50.3 billion, with whiskey dominating at INR 37.5 billion, followed by vodka (INR 3.0 billion), liqueurs (INR 1.7 billion), tequila (INR 2.2 billion), gin & genever (INR 1.5 billion), brandy (INR 1.3 billion), rum (INR 0.3 billion) and wine (INR 2.8 billion).

Over the last five years, India has observed a gradual shift from brown to white spirits, driven by younger urban consumers and the rising cocktail culture. Gin and tequila have emerged as high-growth categories, fueled by premiumization, global brand awareness, and lifestyle-oriented consumption.

Geotagged BIO Imports Driving Premiumization

BIO imports carry a geotag advantage, with consumers increasingly valuing origin-protected products. Popular examples include:

- **Whiskey:** Scotch from Speyside, Islay, and the Highlands; Irish whiskey from Ireland; Bourbon and Tennessee whiskey from the USA; Japanese whisky.
- **Tequila and Mezcal:** Originating from Jalisco and Oaxaca in Mexico.
- **Cognac & Armagnac:** Protected by AOC regulations in France.

Similarly, the wine segment is seeing rising BIO imports from established appellations: France (Bordeaux, Burgundy, Champagne), Italy (Tuscany, Piedmont, Veneto), Spain (Rioja, Priorat), and New World regions such as Australia (Barossa Valley), Chile (Casablanca Valley), Argentina (Mendoza), the USA (Napa Valley), and New Zealand (Marlborough). These imports cater to evolving Indian palates seeking authentic, terroir-driven experiences.

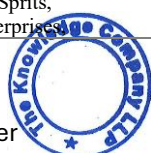
India's premium and luxury alco-beverage market is increasingly shaped by a dual trend:

- BIO imports driving authenticity, heritage, and geotagged recognition.
- BII offerings enabling premium experiences at accessible price points.

Players like Aspri Spirits, alongside global leaders, are leveraging BIO imports to strengthen portfolios in whiskey, tequila, liqueurs, gin, rum, and wine, catering to niche, high-end consumers. Simultaneously, BII products ensure that premiumization is accessible to a wider audience, creating a well-balanced market where globally recognized brands coexist with high-quality domestic offerings.

Exhibit.6.7: Category Wise Indian Premium & Luxury BIO Import- Spirits and Wine (FY 2025)

Total BIO Import		Whiskey Import		Vodka Import		Liqueurs Import	
Company	Share	Company	Share	Company	Share	Company	Share
Top 3 Players (Pernod Ricard, United Spirits, Bacardi India)	37-39%	Top 3 Players (Pernod Ricard, United Spirits, William Grant & Sons)	40-42%	Top 3 Players (Pernod Ricard, Bacardi India, Aspri Spirits)	48-50%	Top 3 Players (Aspri Spirits, United Spirits, Monika Enterprises)	67-69%
Next 5 Players (William Grant And Sons, Aspri Sprits, Monika Enterprises)	11-13%	Next 5 Players (Beam Global, Brown Forman, Bacardi India,	7-9%	Next 5 Players (Moët Hennessey, United Spirits, United	5-7%	Next 5 Players (Brown Forman, Pernod Ricard, Penguin Overseas,	5-7%



Beam Global Spirits, Brown Forman)		Monika Enterprises, United Wines)		Wines, Monika Enterprises)		Beam Global, United Wines)	
Total Import (in INR Bn)	50.3	Total Import (in INR Bn)	37.5	Total Import (in INR Bn)	3.0	Total Import (in INR Bn)	1.7

Tequila Import		Brandy Import		Gin & Genever Import		Rum Import		Wine Import	
Company	Share	Company	Share	Company	Share	Company	Share	Company	Share
Top 3 Players (Monika Enterprises, Bacardi India, United Spirits)	49-51%	Top 3 Players (Moët Hennessey, Vinland Pearl Spirits, Vathool Impex)	18-20%	Top 3 Players (Bacardi, United Spirits, William Grant & Sons)	46-48%	Top 3 Players (Pernod Ricard, United Spirits, Amrut Distilleries)	10-12%	Top 3 Players (Pernod Ricard, Moët Hennessey, Aspri Spirits)	32-33%
Next 5 Players (Berry Beverages, Aspri Spirits, Ask Agencies, United Wines, Moët Hennessey)	9-11%	Next 5 Players (Ask Agencies, Indospirit Beverages, Pernod Ricard, Monika Enterprises, Ian Macleod)	6-8%	Next 5 Players (Pernod Ricard, Beam Global Spirits, United Wines, Monika Enterprises)	10-12%	Next 5 Players (Ian Macleod Distilleries, Radico Khaitan, Penguin Overseas, Campari India, Bacardi India)	7-9%	Next 5 Players (Vinopolis Wines, Ask Agencies and Investments, Wine Park, Sonarys Co., Artisan Spirits)	18-19%
Total Import (in INR Bn)	2.2	Total Import (in INR Bn)	1.3	Total Import (in INR Bn)	1.5	Total Import (in INR Bn)	0.3	Total Import (in INR Bn)	2.8

Source: Primary & Secondary Research, The Knowledge Company Analysis. Data for Aspri Spirits includes Vinspri Distributors data

*Company wise share is calculated on CIF value

*Independent retailers/wholesalers/individuals are not considered in the valuation

*Data indicates for 2208, 2204, 2205 HS Code

Aspri Spirits maintains leadership in the premium alco beverage space being the top player in liqueur imports with a 57% market share, a top three position in vodka imports and in wine imports in FY 2025. Aspri Spirits hold a top five position in total BIO imports in FY 2025 demonstrating its dominant position in the imported premium alco-beverage segment.

Price segmentation of Luxury segment for Imported brands

Luxury price segment can be further segmented into price ranges INR 2,000-4,999 , INR 5,000-14,999, INR 15,000-49,999 and INR 50,000 and above to classify luxury spirits in the imported segment.

Exhibit 6.8: Key players and no. of Imported SKUs in different price segments

Key Players	No. of Imported SKUs in each Price Range				
	Upto INR 1,999	INR 2000-4,999	INR 5,000-14,999	INR 15,000-49,999	INR 50,000 & above
Aspri Spirits	~140	~154	~70	~2	~4
United Spirits Limited	~7	~13	~30	~6	~1
Radico Khaitan Limited	~5	-	~2	-	-
Allied Blenders and Distilleries	~1	~1	-	-	-
Sula Vineyards	~29	~13	-	-	-

Note: Segmentation done basis prices taken from Karnataka State Beverages Corporation Limited. No of brands and SKUs basis imported brands as in Karnataka Excise. The segmentation is done basis price ranges for 750 ml SKU. Aspri Spirits include data for Vinspri Distributors

Aspri Spirits holds the most extensive portfolio in the imported alco-beverage category, with over 200 SKUs above the price of INR 2,000, which is the highest among peers. It also has the highest no. of SKUs in the price ranges of INR 5,000-14,999 (~70 SKUs) and of INR 15,000-49,999 (~2 SKUs). This wide assortment reflects Aspri's strong focus on portfolio diversification and its strategic partnerships with leading global brands. By offering one of the broadest selections of high-end wines, spirits, and liqueurs, Aspri effectively caters to the growing demand for premium and experiential drinking occasions in the Indian market, positioning itself as a key enabler of the industry's premiumization trend.

Aspri's portfolio includes associations with leading producers like Camus- the world's largest family-owned Cognac house (according to Difford's Guide), Concha y Toro- Latin America's leading wine producer (according to The National Restaurant, Pub & Bar Show), Champagne Nicolas Feuillatte- top-selling brand in France and the third top-selling brand by volume worldwide (according to Forbes), and others.

Import Duties on foreign alcoholic beverages

The import of foreign alcoholic beverages into India is regulated under the Customs Act, 1962, with duties applicable to both finished products, such as Scotch whisky bottled abroad, and bulk imports intended for bottling within India. The tariff framework also covers intermediate products, including undenatured ethyl alcohol with an alcohol content of 80% or higher, commonly used for blending with domestically produced beverages. Currently, import duties on spirits and wines remain at the WTO-bound ceiling of 150%, though ongoing Free Trade Agreement (FTA) negotiations with countries such as the United Kingdom, European Union, and Australia aim to rationalize these tariffs over the medium term.

Beyond customs duties, imported alcohol is additionally subject to state-specific excise duties and other local levies, usually calculated based on the MRP. The combined impact of high customs tariffs, state excise charges, and other regulatory costs has constrained the growth of the imported alcohol market, restricting it largely to a niche segment with limited consumer penetration. However, any future tariff reductions through trade agreements could potentially enhance market accessibility and encourage greater participation from international brands.

Exhibit 6.9: Import Duties on Alcohol Beverages

HSN Code	Commodities	Import Duties			
		2024-25	2023-24	2022-23	2018-19
2203	Beer Made from Malt	100%	100%	100%	100%
220421	Port and other red wines, Sherry and other white wines, and Others; In containers holding less than 2 litres	150%	150%	150%	150%
220422	Port and other red wines, Sherry and other white wines, and Others; in containers holding more than 2 litres but not more than 10 litres	150%	150%	150%	150%
220429	Other: Port and other red wines, Sherry and other white wines, and Others, in container holding more than 2 litres	150%	150%	150%	150%
220430	Other Grape Must	150%	150%	150%	150%
220510	Vermouth and Other Wine of Fresh Grapes Flavoured with Plants or Aromatic Substances; In Containers Holding 2 litres or less	150%	150%	150%	150%
220710	Undenatured Ethyl Alcohol of an Alcoholic Strength by Volume of 80% Vol. Or Higher	150%	150%	150%	150%
220720	Ethyl alcohol and other spirits, denatured - any strength	5%	5%	5%	5%
220820	Spirits obtained by distilling grape wine or grape marc; In containers holding 2 litres or less	150%	150%	150%	150%
220830	Whiskies: In containers holding 2 litres or less	150%	150%	150%	150%
220840	Rum and other spirits obtained by distilling fermented sugarcane product; In containers holding 2 litres or less	150%	150%	150%	150%
220850	Gin and Genever; In containers holding 2 litres or less	150%	150%	150%	150%
220860	Vodka	150%	150%	150%	150%

Source: The Knowledge Company Analysis

Data derived from Central Board of Indirect Taxes and Customs (CBIC)

Note: under HSN code 2208: Bourbon whisky 2 litres or less: India has reduced import duty on bourbon whisky to 50%.

Import Procedures & Regulatory Entry Framework

Company Set up & Registration

To import alcohol into India, a company must first be registered under the Companies Act, 2013 and obtain an Import-Export Code (IEC) from the DGFT. Since alcohol regulation is state-specific, the importer must also secure necessary excise licenses, such as an Alcohol Import License and Brand Registration, from the respective state authorities. Additionally, compliance with FSSAI regulations and India-specific labelling requirements, covering details like alcohol content, importer information, and health warnings, is mandatory. Once all these approvals are in place, the company can legally import, store, and distribute alcoholic beverages in India.

Product Identification

The product identification process for importing alcoholic beverages from international markets begins with comprehensive market research to identify gaps and opportunities within the target segment. Potential premium brands are evaluated based on quality standards, consumer demand, and alignment with market preferences.

Insights from global trends, trade exhibitions, industry forums, and professional networks inform the shortlisting of suitable brands.

Supplier Evaluation

After identifying potential products for import, the next step is a critical evaluation of prospective suppliers. This involves assessing their compliance with international trade laws, import/export regulations, and industry standards. Each supplier's ability to consistently meet quality requirements and align with business policies is carefully reviewed. Additionally, geopolitical and operational risks that could affect the reliability of the supply chain are analysed to mitigate potential disruptions and ensure a stable import process.

Negotiation & Commercial Finalisation

After evaluating and qualifying suppliers, the next step is commercial negotiation and finalization. Supplier proposals are analyzed against key criteria, including pricing, product quality, delivery capabilities, and adherence to regulatory and industry standards. During this phase, an annual procurement forecast and shipment plan are also prepared to streamline operations and optimize inventory management, ensuring a smooth and efficient import process.

Transportation & Custom Clearance

After finalizing commercial terms with the supplier, the next step is planning logistics and managing shipments. This involves selecting the appropriate route and mode of transportation—sea freight for bulk shipments or air freight for high-value consignments - and determining the port of entry and applicable Incoterms (CIF, FOB, CFR) to define responsibilities and costs.

A reliable freight forwarder is appointed to handle bookings, schedules, and shipping documentation, ensuring proper care of fragile or temperature-sensitive products. Cargo insurance is arranged to cover risks such as theft, damage, or spillage. All pre-shipment documents, including the commercial invoice, packing list, certificate of origin, and COA, must be prepared in advance.

Upon arrival at the Indian port, the Bill of Entry is filed, and inspections are conducted. The inspected inventory is stored in a bonded warehouse until excise and clearance formalities are completed.

Distribution & Retail

Once custom assessment is completed & duties & taxes are paid, the authority issue a custom release order. Following clearance, the goods are transferred to state-authorized warehouses or bottling facilities, where they undergo excise approvals, label registration, and consignment permits in accordance with state regulations. Comprehensive records are maintained to ensure full regulatory compliance. After all formalities are completed, the products are distributed to licensed wholesalers, retailers, or on-trade outlets, with proper documentation including invoices, stock transfer records, and excise challans. The extensive documentation requirements and variations across states not only underscore the critical importance of regulatory

Entry Barriers in the Imported Indian Alco-Beverage Market

Regulatory Complexity

In India, alcohol remains a state-regulated commodity, resulting in a fragmented and complex policy environment for importers. Each state follows its own excise framework, licensing norms, and tax structure, requiring multiple clearances and registrations in addition to the central import license. The exclusion of alcohol from the GST framework further adds to the compliance burden, as duties and pricing mechanisms differ widely across states. Consequently, the imported alcoholic beverage segment operates within one of the most tightly regulated and compliance-heavy markets globally. This high degree of regulatory fragmentation functions both as a barrier to entry and a competitive moat, benefiting established importers with strong state-level networks while posing significant challenges for new entrants attempting to scale operations nationally.

Limited Distribution and Market Access

Entering India's retail and on-trade alcohol market presents significant challenges for new importers due to the highly controlled and fragmented distribution landscape. Success in these channels depends on building strong relationships with distributors, wholesalers, and high-end retail outlets, networks that are already dominated by established players. Securing shelf space, bar listings, and premium placements is often resource-intensive, while state-specific restrictions on the number of licensees further limit market penetration. In several states, such as Delhi, Tamil Nadu, and Kerala, government monopolies over retail create additional barriers for private businesses, and in states permitting private retail, the tightly regulated number of licensed outlets intensifies competition and raises costs. Moreover, direct-to-consumer sales via e-commerce remain largely restricted,

preventing new entrants from leveraging digital platforms to expand reach. Collectively, these factors create high entry barriers, making it difficult for new importers to establish a robust supply chain, scale operations, and efficiently access consumers.

Illicit Market & Counterfeit Products

The prevalence of illicit liquor, smuggling, and counterfeit products poses a significant threat to the legal alcohol industry. Price-sensitive consumers often opt for unregulated alternatives, resulting in revenue loss and potential health risks. Counterfeit products also erode brand equity and consumer trust, with enforcement mechanisms varying widely across states, further complicating market entry.

Advertising & Marketing Constraints

Alcohol marketing is heavily restricted across television, print, and digital media. Companies often resort to brand extension strategies, promoting non-alcoholic products to maintain visibility. While compliant, such approaches are resource-intensive and less effective in building direct brand recognition. Restrictions on event sponsorships further limit consumer engagement, requiring new entrants to invest heavily in alternative marketing strategies.

Brand Recognition & Consumer Awareness

Brand recognition and consumer awareness represent a substantial barrier for new importers seeking to enter the Indian premium and luxury alcohol market. Unlike mass-market products, imported premium spirits and wines derive much of their value from aspirational appeal, brand heritage, and established reputation, which influence consumer trust and purchasing decisions. New entrants must invest heavily in marketing campaigns, consumer education, and promotional activities to build credibility and stimulate demand.

However, the Indian market imposes strict regulatory constraints on alcohol advertising, including limitations on print, digital, and broadcast promotions, as well as surrogate advertising rules. Experiential marketing initiatives, such as tasting events, brand activations, and in-bar promotions, must navigate these complex regulations to avoid legal violations. Consequently, creating brand awareness becomes not only cost-intensive but also operationally challenging, delaying market penetration. For new importers, this translates into higher upfront investment, slower brand adoption, and an extended timeline to achieve meaningful sales, making it a critical barrier to successfully establishing a foothold in India's premium and luxury alcohol segment.

High Competition from Established Players

The market is dominated by established players like United Spirits (Diageo), Pernod Ricard, Radico Khaitan, and Allied Blenders & Distillers, which benefit from strong brand loyalty, established distribution networks, and deep regulatory knowledge. Premium segments also face competition from imported brands, making it challenging for new entrants to compete on price, availability, and consumer preference. Substantial investment in branding, marketing, and partnerships is necessary to gain market foothold.

Social & Cultural Factors

Cultural and societal attitudes toward alcohol consumption in India pose a significant barrier for importers of premium and luxury beverages. Religious beliefs, public health concerns, and advocacy by conservative groups often lead to stricter regulations, sudden policy changes, higher excise duties, or even temporary bans, creating an unpredictable business environment. Varying legal drinking ages across states, ranging from 18 to 25 years, further restrict the potential consumer base and complicate marketing and distribution strategies. Additionally, negative perceptions of alcohol consumption in certain segments of society can limit adoption of premium and luxury brands, making it challenging for new importers to generate demand and build a consistent market presence. These cultural and regulatory factors collectively increase market entry risks and operational uncertainty for high-end imported alcohol. However, these constraints are gradually easing in urban centres, where cultural liberalization, rising disposable incomes, and exposure to global lifestyles are reshaping attitudes toward alcohol. As a result, a growing cohort of urban, aspirational consumers is driving demand for premium and imported beverages, slowly offsetting traditional barriers and supporting the long-term growth potential of India's high-end alcohol segment.

Logistics & Supply Chain Challenges

Logistics and supply chain challenges pose a significant barrier for new importers entering India's premium and luxury alcohol market. Imported spirits and wines are high-value, fragile, and often require careful handling, temperature control, and secure transportation to maintain product quality and brand reputation. Establishing a reliable supply chain involves coordinating international shipping, customs clearance, bonded warehousing, and state-specific excise compliance, all of which are complex and resource-intensive.

For new entrants, the absence of established logistics networks and trusted partners increases the risk of delays, product damage, or regulatory non-compliance, which can quickly undermine consumer confidence. Additionally,

any disruption in supply from the international market, such as production delays, export restrictions, or shipping bottlenecks, can interrupt consistent product availability, negatively impact brand perception and resulting in potential customer loss. Last-mile distribution to licensed retail outlets, premium bars, and on-trade venues is further complicated by state-specific regulations, limited licensed transporters, and variable infrastructure quality. These operational and external risks collectively create a substantial bottleneck for new importers trying to establish a dependable presence in India's premium and luxury alcohol segment.

Key Trends in the Indian imported Alco-bev market

Premiumisation and Diversification of Imported Spirits

Imported spirits are at the centre of India's premiumisation trend. Blended Scotch volumes doubled between 2020 and 2024, supported by resilient demand for brands like Johnnie Walker Red, Teacher's Highland Cream, and Ballantine's. Imported gins (Bombay Sapphire, Tanqueray, Beefeater) recorded a robust 27% CAGR between FY2019 and FY2024, driven by rising cocktail culture and the growing popularity of mixology-led consumption.

Consumptions of Premium & Luxury Import Alco-Bev beyond Metro Cities

At a broader level, India's imported alcohol market is undergoing a steady transformation from a metro-centric concentration to a more widespread, multi-regional pattern of consumption. Traditional strongholds such as Mumbai, Delhi, Bengaluru, and Goa remain the dominant centers, yet demand is increasingly diversifying into growing urban clusters like Pune, Hyderabad, Chennai, Chandigarh, Jaipur, Kolkata, Noida, Lucknow, etc. These cities are witnessing rising interest in premium and international labels as consumers become more aspirational, travel more frequently, and seek global experiences in their local markets. The expansion of premium retail stores, modern bars, and fine-dining outlets has further strengthened access and awareness of imported alcohol across newer regions. Overall, this shift signifies a broader cultural and economic evolution in India, where consumption of imported beverages is no longer limited to elite metropolitan circles but is gradually becoming a defining feature of the country's modern, upwardly mobile urban lifestyle.

Moderate Trading-Up and Experimentation Across Categories

Consumers are drinking less frequently but opting for higher-quality choices, prioritizing value over volume. This trend benefits imported spirits and wines, as younger urban consumers explore global flavors such as tequila, agave-based spirits, and sake. Likewise, imported fortified wines and aperitifs, though still niche, reflect the premium curiosity of affluent segments.

Regulatory Framework for Distribution and Sale of Spirits and Wine in India – Analysis of Compliance Differentiators

Globally, the alco-beverage industry operates under stringent public health driven regulatory regimes designed to balance economic activity with responsible consumption. Governments across major markets enforce policies governing production, marketing, and consumption to minimize health risks and misuse. These frameworks generally include:

- **Strict control on production and distribution** to ensure traceability and quality assurance.
- **Taxation policies** that act as both revenue sources and consumption deterrents.
- **Marketing and advertising restrictions** to prevent underage or irresponsible consumption.
- **Drink-driving regulations** with defined blood alcohol concentration (BAC) limits.
- **Mandatory labeling norms**, including health warnings and alcohol content disclosure.

The regulatory framework governing the distribution and sale of alcoholic beverages in India is one of the most complex and fragmented in the world. Unlike most industries, alcohol is regulated at the state level, resulting in divergent excise structures, licensing requirements, and taxation mechanisms across regions. This decentralized approach creates significant compliance and operational challenges for both domestic and international players.

Fragmented Regulatory and Licensing Structure

Each state operates under its own excise policy, determining parameters such as manufacturing permissions, distribution models, retail operations, and taxation. Obtaining licenses for manufacturing, bottling, warehousing, distribution, and retailing is bureaucratic, time-intensive, and financially demanding, often involving multiple clearances and recurring renewal obligations. Furthermore, prohibition in states such as Gujarat, Bihar, and Nagaland restricts market accessibility.

Alcohol remains outside the Goods and Services Tax (GST) regime, leading to variations in excise duty, label registration fees, and import/export levies. The lack of uniformity increases compliance costs and complicates

interstate movement of products. Companies must navigate a multi-layered approval process that includes state excise departments, customs authorities, food safety regulators, and port officials.

Compliance Differentiators: AEO-T2 Certification and Customs Efficiency

In addition to excise-related compliance, importers and distributors in India are increasingly focusing on trade facilitation and customs compliance to enhance efficiency.

- Authorized Economic Operator (AEO-T2) certification, granted by Central Board of Indirect Taxes and Customs, serves as a key differentiator for importers, including alco-beverage companies. Holders of AEO-T2 status benefit from faster customs clearance, reduced inspection rates, direct port delivery (DPD), waiver of seal verification, reduced bank guarantee requirements, and priority processing, enabling smoother logistics and lower inventory holding costs. Vinspri Distributors (subsidiary of Aspri Spirits) is the only alco-beverage player in India to hold an AEO-T2 certification as of October 2025.
- This certification helps streamline the movement of imported wines and spirits, which often face complex customs procedures at ports due to stringent labeling, classification (HS code), and excise documentation requirements.

Companies with robust compliance systems and AEO-T2 accreditation gain a competitive advantage by reducing lead times, minimizing demurrage costs, and ensuring product availability across key markets.

Key FTAs with Other Countries Driving Growth of Imports

India's ongoing Free Trade Agreement (FTA) negotiations with major trading partners such as the United Kingdom (UK), European Union (EU), and Australia are poised to reshape the country's alcoholic beverage landscape. These agreements, covering products under HSN Codes 2208 and 2204 (spirits, wines, and liqueurs), aim to reduce tariff barriers, enhance market access, and simplify regulatory compliance, collectively driving growth in imports and foreign brand penetration in India.

India-UK Free Trade Agreement (FTA)

The proposed India-UK FTA is in its advanced stages, with one of its central objectives being the reduction of import duties on Scotch whisky, which currently faces a steep 150% customs tariff. The UK is advocating for a significant duty cut to improve Scotch's affordability and accessibility in India. However, Indian domestic manufacturers, represented by the Confederation of Indian Alcoholic Beverage Companies (CIABC), have recommended a phased reduction over a 10-year period to safeguard local producers from sudden competitive pressure.

In parallel, India seeks reciprocal benefits, particularly improved market access for Indian-made whiskies and premium spirits in the UK. A balanced agreement is expected to promote mutual trade while ensuring that domestic interests remain protected.

India-EU Free Trade Agreement (FTA)

Negotiations under the India-EU FTA focus on gradually lowering tariffs on European alcoholic beverages, including whisky, wine, and liqueurs, which currently attract 100–150% import duties. While India has shown readiness for a phased tariff rationalization, it continues to express concerns regarding non-tariff barriers such as the EU's carbon and sustainability compliance regulations.

Once implemented, the agreement is expected to increase the availability of European brands in India, while simultaneously enhancing export opportunities for Indian spirits to EU markets. This reciprocal trade expansion could help strengthen bilateral economic relations and drive greater product diversification in the Indian alco-beverage segment.

India-Australia Economic Cooperation and Trade Agreement (ECTA)

The India-Australia ECTA represents a key milestone toward improving market access and regulatory alignment for alcoholic beverages. Both countries have agreed to address issues related to maturation rules for whisky and other import standards that have historically restricted trade flows. The agreement is expected to facilitate greater inflow of premium Australian wines and spirits into the Indian market, providing consumers with broader choices while strengthening retail and distribution networks.

Collectively, India's FTAs with the UK, EU, and Australia mark a significant step toward the liberalization of the alcoholic beverage sector. Any reduction in duties through these FTAs is expected to materially enhance the competitiveness of imported categories and accelerate premiumisation trends. At the same time, these agreements create new export pathways for Indian producers, supporting global brand building and competitiveness.

The success of these FTAs will hinge on India's ability to balance trade openness with domestic industry protection, ensuring long-term sustainability, consumer benefit, and a well-regulated market environment in the evolving beverage landscape. Apart from these, India is also engaged in ongoing trade discussions with countries such as Chile and USA with respect to trade liberalization, tariff rationalization, and market access across multiple sectors.

Bonded Warehousing and Working Capital Structures

Bonded Warehousing Practices

Bonded warehouses, licensed and supervised by the Customs Department, play a critical role in the alcoholic beverage (alco-bev) supply chain by allowing importers to store goods without immediate payment of customs duties. Duties and taxes become payable only when goods are cleared for sale into the domestic market, providing a significant working capital advantage.

In the alco-bev sector, where products such as whisky require extended aging or delayed release, bonded warehousing offers both financial and operational flexibility. Importers can conduct quality checks, undertake blending or labelling within the bond, and even re-export consignments without duty payment if required. Port-based bonded warehouses such as JNPT (Mumbai) and Delhi ICD are key hubs for international alco-bev trade, offering integrated customs and excise supervision. These facilities enable importers to manage inventory efficiently, consolidate shipments, and execute just-in-time dispatches across multiple states based on demand and regulatory clearances.

Overall, bonded warehousing reduces capital lock-up by deferring duty payments, potentially cutting financing costs by 20-30% compared to non-bonded storage, and ensures smoother cash flow management for importers and distributors.

Working Capital Dynamics

Working capital structures in the alco-bev import segment are closely linked to warehousing and excise clearance mechanisms. In non-bonded operations, duties are payable upfront before goods can be transported or sold within a state, leading to higher cash flow pressure and extended capital lock-in. Conversely, bonded warehousing allows importers to align duty outflows with actual sales, thereby optimizing liquidity and improving financial efficiency.

Premium and international alco-bev brands typically maintain centralized import hubs with bonded facilities, which serve as staging points for state-wise distribution. This model helps minimize the overall working capital cycle while maintaining supply flexibility amid varying state excise timelines.

Role of travel retail, HORECA as disproportionate channels for premium imported spirits

While traditional retail remains the primary driver of alcoholic beverage volumes in India, travel retail, embassy sales, and HORECA (Hotels, Restaurants, and Cafés) channels contribute disproportionately to the sales and visibility of premium imported spirits. These segments serve as critical gateways for high-end brands, offering both duty advantages and targeted exposure to affluent, brand-conscious consumers.

- **Travel Retail (Duty-Free):**

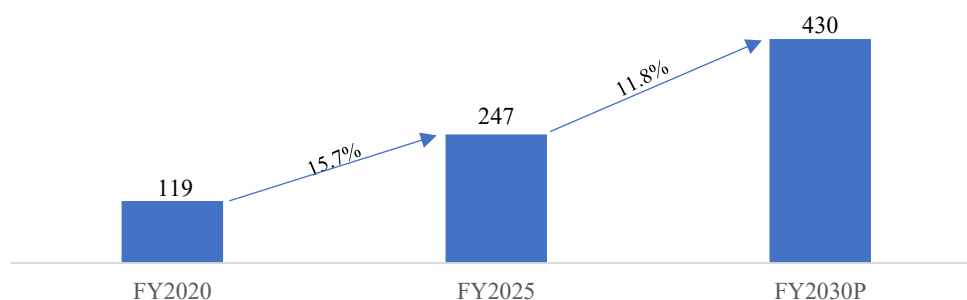
The Indian Travel retail market was valued at INR 119 billion in FY2020, valued at INR 247 billion in FY2025 with a CAGR of 15.7%, and projected to reach INR 430 billion by FY2030 at a CAGR of 11.80%. This market encompasses airport outlets, airline lounges, and other travel-exclusive retail points offering a wide range of domestic and international products, including premium spirits, wines, and other alcoholic beverages. Duty-free and travel retail represent a distinct, high-margin segment within the alcoholic beverages value chain, benefiting from premium pricing, strong brand visibility, and affluent traveller demographics. Within this space, duty-free liquor remains one of the leading revenue-generating categories, typically contributing around 35-40% of total travel retail market.

Whisky dominates this channel, accounting for nearly 74% of sales, reflecting strong demand among travellers for gifting and personal consumption. Duty-free pricing and curated product assortments make this segment a key trial and conversion point for premium and ultra-premium labels, particularly Bottled-in-Origin (BIO) spirits such as Scotch, Cognac, and single malts.

By providing travellers with convenient access to these products, the segment plays a crucial role in helping domestic and international brands create awareness, establish aspirational appeal, and stimulate demand among a

growing base of affluent and frequent travellers. Duty-free channels, in particular, act as high-visibility touchpoints where competitive pricing, brand promotions, and product variety encourage both immediate purchases and influence broader consumption habits. As a result, the Travel & Duty-Free market is increasingly serving as a strategic platform for expanding India's alcoholic beverages market, shaping consumer preferences, and driving long-term growth for both domestic and global brands.

Exhibit 6.10: Indian Travel Retail Market (in INR Bn.) and CAGR (Years in FY



Source: Primary & Secondary research, The Knowledge Company Analysis

- **HORECA (Hotels, Restaurants, and Cafés):**

The HORECA segment accounts for 40-45% of total imported spirits sales and serves as a cornerstone for experiential brand building. Luxury hotels, fine dining restaurants, and premium bars drive on-trade consumption through curated cocktail menus, tasting sessions, and exclusive launch events.

Unlike the off-trade retail segment (which represents 55-60% of sales), HORECA channels emphasize experiential consumption, reinforcing brand aspiration and visibility among high-spending consumers. Premium spirits, particularly whiskies, gins, and liqueurs, benefit from the storytelling and craftsmanship appeal that HORECA venues effectively showcase.

7. Competitive Landscaping

Indian Alco-beverage Market

The alcoholic beverage market in India is dominated by strong players across different segments, including IMFL, wine, beer and imported spirits. Key players in the western spirits category include IMFL-centric players such as United Spirits whose domestic manufacturing scale anchors category volumes, as well as Import-led distributors such as Aspri Spirits, whose curated premium portfolios broaden consumer choice and help accelerate category premiumisation in India. The industry operates within a highly regulated environment, with each state functioning as a distinct market due to variations in excise policies, pricing structures, and distribution models. In addition, the increasing demand for imported spirits underscores the premiumization trend, where consumers are willing to spend more on high-quality, globally acclaimed brands. This presents significant opportunities for international liquor companies and importers to strengthen their presence in the Indian market through strategic brand positioning, marketing initiatives, and expanded distribution networks.

Exhibit 7.1 Brief profile of the key players

Company	Year of Establishment	No. of Brands				Number of States and UT	International Presence
		FY 2023	FY 2024	FY 2025	FY Q1 2026		
Aspri Spirits	2004	258	248	247	149	30+	8
United Spirits	1826	15+	28+	50+	50+	34	24
Radico Khaitan	1943	17	25+	24	22	30	100
Allied Blenders and Distillers	1988	15	17	25	25	30+	30
Sula Vineyards	1996	16	16	14	14	30	29

Source: Annual Reports, Company Websites, Aspri Spirits data from company. The Knowledge Company Analysis

Note: Aspri Spirits includes data for Vinspri Distributors

International Presence- no. of countries the player has presence in

Exhibit 7.2: Key players presence across categories (FY)

Company	Product Categories								No. of SKUs			
	Whisky	Rum	Brandy	Vodka	Gin	Wine	Beer	Tequila	2023	2024	2025	Q1 2026
Aspri Spirits	✓	✓	✓	✓	✓	✓	✓	✓	1,053	899	962	638
United Spirits	✓	✓		✓	✓			✓	NA	NA	~1,700	NA
Radico Khaitan	✓	✓	✓	✓	✓				NA	NA	NA	NA
Allied Blenders and Distillers	✓	✓	✓	✓	✓				NA	NA	NA	NA
Sula Vineyards						✓			NA	51	68	69

Source: Annual Reports, Company Website. The Knowledge Company Analysis

Note: Aspri Spirits includes data for Vinspri Distributors

SKU data for United Spirits and Sula Vineyards are from annual report and investor presentation FY 2025 and data for Aspri Spirits is from the company.

Established in 2004, Aspri Spirits is an integrated marketing development and distribution partner for global alco-beverage brands in India and South Asia. They are the largest alco-beverage distribution company in India, in terms of brand portfolio size with 323 brands as of Sept 30, 2025. They have a presence in all major categories including whiskey, rum, brandy, vodka, gin, wine, beer, and tequila. Aspri Spirits' portfolio of 835 stock keeping units come from 89 suppliers across 36 countries, as of September 30, 2025. This extensive range enables them to serve a diverse consumer base and multiple market segments, while maintaining a consistent focus on premium and luxury products that offer higher realisations and long-term growth potential, with the luxury alco-beverage market projected to grow at a CAGR of 16.8% by FY 2030 to a total addressable market of INR 29 billion.

Exhibit 7.3 Business Models- Import/Distribution Vs Manufacturing

Aspect	Import/Distribution	Manufacturing
Core Activity	Importing international brands (spirits, wines, beers) and distributing them through licensed state networks	Producing alcoholic beverages locally which includes IMFL, beer, country liquor, and premium craft segments.
Consumer Segment	Primarily premium to luxury segments	Majority share of mass to mid-premium segments. However, premiumization is growing in select categories
Revenue Model and Brand Ownership	Margin earned on distribution and brand representation, import of international brands where ownership lies with foreign suppliers	Own and build domestic brands and value is generated through volume production, brand ownership, and long-term brand equity.
Capital Intensity	Low- requires working capital and logistics setup but no heavy manufacturing investment.	High- requires distillery/brewery setup, equipment, regulatory licenses, and compliance costs.
Licensing	Require warehouse licenses, import permits, and state-wise distribution approvals.	Requires distillery/brewery licenses, bottling permissions, and excise approvals for each production step.
Customs & Excise	Subject to import duties, customs clearances, and state excise regulations.	Subject to central and state excise duties, production quotas, and taxation at multiple levels.

Source: Secondary Research and The Knowledge Company Analysis

Aspri Spirits manages the entire value chain for imported premium spirits, focusing on finished goods, import operations and end-to-end supply chain efficiency. The company oversees full customs clearance, duty payment planning, bonded warehousing, and inventory tracking across bonded and clear stock, while ensuring all import documentation, GI and label approvals, and state-specific compliance requirements are met.

The company also manages state-wise distribution networks and SKU allocation by state based on demand patterns, seasonality, and regulatory quotas, moving products efficiently from bonded warehouses to state depots. The company also operates last-mile logistics including loaders, transporters, and delivery partners and tracks product returns and unsold inventories. It also undertakes detailed demand forecasting and pricing decisions, prioritizing premium SKUs in high-realisation markets. Marketing includes focus on digital campaigns, influencer collaborations, premium event sponsorships, point-of-sale materials, sampling initiatives, and brand storytelling that highlights the heritage and exclusivity of its imported portfolio.

the product portfolios of key players in India's alcoholic beverage industry span a broad spectrum of price points and categories that include a mix of core volume brands, premium extensions, imported spirits, and locally bottled international labels, reflecting both legacy strengths and evolving consumer preferences. A large share of revenue still comes from core IMFL volumes while premium and super-premium spirits increasingly contribute higher-margin growth especially for multinationals and legacy firms that have invested in upscale brand extensions as well as BII and BIO imports. Many companies also earn from contract manufacturing, third-party bottling, exports and specialized segments such as single-malt or craft offerings.

India has traditionally been a spirits-dominated alcoholic beverage market and is witnessing a gradual shift in consumption patterns, with imported spirits gaining traction despite their relatively small market share. This steady growth reflects rising consumer preference for premium and internationally recognized brands, driven by globalization, increasing disposable incomes, urbanization, and evolving lifestyle choices.

Exhibit 7.4: Alco-Bev Volume mix of Key players (FY)

Key Players	2023		2024		2025		Q1 2026	
	Spirits	Others	Spirits	Others	Spirits	Others	Spirits	Others
Aspri Spirits	67.53%	32.47%	72.66%	27.34%	79.18%	20.82%	78.70%	21.30%
United Spirits	100.00%	-	100.00%	-	100.00%	-	100.00%	-
Radico Khaitan	100.00%	-	100.00%	-	100.00%	-	100.00%	-
Allied Blender and Distillers	100.00%	-	100.00%	-	100.00%	-	100.00%	-
Sula Vineyards	-	100.00%	-	100.00%	-	100.00%	-	100.00%

Source: Annual Reports, Company Websites, Aspri Spirits data from company The Knowledge Company Analysis

Note: Aspri Spirits includes data for Vinspri Distributors

*Spirits include whisky, rum, brandy & cognac, tequila, gin, liqueur, vodka and Others include wine and beer

The Indian alcoholic beverages market is showcasing a positive acceleration marked by increase in sales volumes among leading industry players. However, the industry is undergoing a marked shift towards premiumization and luxury consumption with consumers increasingly gravitating towards higher-quality and aspirational brands across categories, including imported spirits. Increasing disposable incomes, urbanization, and global exposure have driven consumers to trade up for premium, craft, and imported labels that offer superior quality, authenticity, and status appeal. This transformation has redefined the growth pattern of the industry from being primarily volume-driven to becoming increasingly value-led.

In particular, the imported spirits segment has emerged as a key beneficiary of this shift, with categories such as Scotch, single malts, premium vodka, and artisanal gins registering steady growth. This evolution highlights a maturing market where long-term value creation is anchored in premium positioning, consumer experience, and brand equity rather than utter sales volume. For instance, Aspri Spirits follows a value-driven rather than a volume-led model, focusing on premium and luxury segments. Their strategy centres on curating niche, high-margin products, strengthening its presence in the premium on-trade and retail channels and aligning closely with India's growing preference for quality over quantity in alcoholic beverages.

Exhibit 7.5 Key players and their volume trends (in Litres) (FY)

Company	2023	2024	2025	Q1 2026	CAGR (2023-25)
Aspri Spirits	21,72,450	22,17,336	24,48,295	5,75,095	4.82%
United Spirits	65,25,00,000	55,26,00,000	57,51,00,000	NA	-6.12%
Radico Khaitan	25,38,00,000	25,83,00,000	28,22,40,000	8,74,80,000	5.45%
Allied Blenders and Distillers	28,98,00,000	28,53,00,000	29,79,00,000	NA	1.39%
Sula Vineyards	94,50,000+	1,02,60,000+	96,30,000+	NA	NA

Source: Annual reports and Investor Presentation, Aspri Spirits data from company. The Knowledge Company Analysis

Note: Aspri Spirits includes data for Vinspri Distributors, Volume data is converted to litres from million cases for all players except Aspri Spirits.

Exhibit 7.6 Retail penetration of key players

Company	Retail outlets
Aspri Spirits	17,000+
United Spirits	~55,000 retail and 39,000 on premise outlets
Radico Khaitan	1,00,000 Retail and 10,000 on Premise outlets
Allied Blender and Distillers	79,329
Sula Vineyards	51 distributors, 12 corporations, 3 Defence units, 6 Company depots

Source: Annual reports, The Knowledge Company Analysis

Note: Aspri Spirits includes data for Vinspri Distributors

In the Indian alcoholic beverage industry, realisation per case has become a key performance indicator reflecting the industry's ongoing shift from a volume led to a value-driven growth model. Traditionally, dominated by mass-market and low-priced segments, the industry's average realisation per case is now being lifted by the rapid expansion of premium and imported spirit categories. Imported spirits which includes scotch, single malts, premium vodka, craft gins etc. command significantly higher price points and margins compared to domestic value brands thereby elevating the overall blended realisation for players with strong premium portfolios. Aspri Spirits primarily focuses on luxury and premium categories with a Net Realisation Per Case of INR 17,666 per case in FY 2025, as compared to the industry average of approximately INR 1,000 to INR 2,000 per case, which was the highest across the alco-beverage industry in India for FY 2025, amongst the selected peers. This contrast highlights that value growth is increasingly being driven by product mix improvements rather than pure volume expansion. As consumer demand tilts toward higher-priced, experiential, and globally recognized brands, players focusing on premium and luxury segments are achieving stronger profitability and brand equity even with relatively lower sales volume, underscoring the structural transformation of the industry toward sustainable, value led growth.

Exhibit 7.7 Net Realisation Per Case of the key players (FY)

Company	2023	2024	2025	Q1 2026
Aspri Spirits	16,237	17,607	17,666	18,976
United spirits	1,605	1,740	1,810	NA
Radico Khaitan	991	1,128	1,180	NA
Allied Blender and Distillers	930	978	1,008	NA
Sula Vineyards	NA	NA	NA	NA

Source: Annual reports, Investor Presentations and The Knowledge Company Analysis

Note: Aspri Spirits includes data for Vinspri Distributors

Exhibit 7.8 Geographic Sales Mix (Volume) from regions of Delhi, Maharashtra & Karnataka (FY)

Company	2023	2024	2025	Q1 2026
Aspri Spirits	46.81%	46.49%	48.71%	61.37%
United spirits	NA	NA	NA	NA
Radico Khaitan	NA	NA	NA	NA
Allied Blender and Distillers	NA	NA	NA	NA
Sula Vineyards	NA	NA	NA	NA

Source: Annual reports, Investor Presentations and The Knowledge Company Analysis

Note: Aspri Spirits includes data for Vinspri Distributors

Key alco-bev players are expanding their reach across regions and cities. Aspri Spirits had 48.71% of its volumes derived from the regions of Delhi, Maharashtra &, Karnataka for FY 2025.

8. Financial Benchmarking

8.1 Revenue from Operations

Revenue from operations represents the earnings derived from a company's primary business functions, such as selling products or delivering services, and does not include income from non-core sources like interest or investments. It serves as a crucial indicator of the company's operational performance and financial strength. Revenue from operations for Aspri Spirits grew from INR 3,782.52 in FY 2023 million to INR 4,606.79 million in FY 2025 at a CAGR of 10.36% over the period.

Exhibit 8.1: Revenue from Operations (in INR Mn) (FY)

Key Players	2023	2024	2025	Q1 2026	CAGR 2023-2025
Aspri Spirits	3,782.52	4,187.31	4,606.79	1,195.61	10.36%
United Spirits	2,78,160.00	2,60,180.00	2,72,760.00	62,950.00	-0.98%
Radico Khaitan	1,27,439.11	1,54,838.82	1,70,985.36	53,135.20	15.83%
Allied Blenders and Distillers	71,056.80	76,685.70	80,731.55	17,763.70	6.59%
Sula Vineyards	5,534.70	6,086.50	6,193.80	1,182.90	5.79%

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available

All figures are consolidated

8.2 EBITDA and EBITDA Margin

EBITDA is primarily utilized for comparing companies and standardizing business performance against industry averages. It serves as a tool for assessing the profitability of one business relative to another, aiding in the calculation of cash flow. A negative EBITDA indicates poor cash flow for the company. EBITDA margin measures a company's earnings before interest, taxes, depreciation, and amortization as a percentage of total revenue. It reflects a firm's operational profitability by excluding non-operating expenses and accounting practices. EBITDA of Aspri Spirits stood at INR 374.43 million with EBITDA margin of 8.13% in FY 2025.

Exhibit 8.2: EBITDA (in INR Mn) and EBITDA Margin (%) for key players (FY)

Key Players	2023		2024		2025		Q1 2026	
	EBITDA	EBITDA Margin	EBITDA	EBITDA Margin	EBITDA	EBITDA Margin	EBITDA	EBITDA Margin
Aspri Spirits	373.93	9.89%	352.69	8.42%	374.43	8.13%	154.37	12.91%
United Spirits	16,660.00	5.99%	22,080.00	8.49%	25,070.00	9.19%	6,960.00	11.06%
Radico Khaitan	3,837.33	3.01%	5,213.76	3.37%	6,789.76	3.97%	2,270.00	4.27%
Allied Blenders and Distillers	1,960.60	2.76%	2,483.08	3.17%	4,514.28	5.59%	1,186.77	6.68%
Sula Vineyards	1,609.60	29.08%	1,835.70	30.16%	1,530.00	24.70%	192.80	16.30%

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

EBITDA = Finance Cost + D&A + PBT

EBITDA Margin = (EBITDA/Revenue from operations)*100

NA: Not Available, Na(1): Can't be calculated. All figures are consolidated

8.3 PAT (Profit After Tax) and PAT Margin

Profit After Tax (PAT) represents the net earnings a company retains after covering all its operating and non-operating expenses, interest, depreciation, and taxes. It is a key measure of a company's overall profitability. PAT margin expresses this profit as a percentage of revenue from operations, indicating how efficiently a company converts its revenue into bottom-line profit. A higher PAT margin reflects stronger financial performance and better cost control. PAT of Aspri Spirits was recorded at INR 174.36 million with PAT margin of 3.78% in FY 2025.

Exhibit 8.3: PAT (in INR Mn) and PAT Margin (%) for key players (FY)

Key Players	2023		2024		2025		Q1 2026	
	PAT	PAT Margin	PAT	PAT Margin	PAT	PAT Margin	PAT	PAT Margin
Aspri Spirits	195.17	5.16%	155.35	3.71%	174.36	3.78%	98.44	8.23%
United Spirits	11,260.00	4.05%	14,080.00	5.41%	15,820.00	5.80%	4,170.00	6.62%
Radico Khaitan	2,203.51	1.73%	2,621.75	1.69%	3,456.11	2.02%	1,305.21	2.46%
Allied Blenders and Distillers	16.00	0.02%	18.29	0.02%	1,948.46	2.41%	558.34	3.14%
Sula Vineyards	840.50	15.19%	933.10	15.33%	702.00	11.33%	19.40	1.64%

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available, Na(1): Can't be calculated

PAT Margin = (Reported PAT / Revenue from operations) * 100

8.4 Return on Equity

Return on Equity (ROE) assesses a company's profitability by measuring its ability to generate profit from shareholders' equity. ROE offers critical insights into how well a company leverages investor funds to produce earnings and is a significant indicator of financial performance and management effectiveness. Aspri Spirits recorded ROE of 23.66% in FY 2025.

Exhibit 8.4: Return on Equity for key players (FY)

Key Players	2023	2024	2025	Q1 2026
Aspri Spirits	46.09%	27.44%	23.66%	15.23%
United Spirits	18.77%	19.77%	19.52%	NA
Radico Khaitan	9.98%	10.75%	12.55%	NA
Allied Blenders and Distillers	0.39%	0.45%	12.47%	NA
Sula Vineyards	15.80%	16.97%	11.97%	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

NA: Not Available

ROE = (PAT / Shareholder's Equity) * 100

8.5 Return on Capital Employed

ROCE (Return on capital employed) indicates the company's efficiency because it measures the company's profitability after factoring in the capital that has been used to achieve that profitability. ROCE is a better gauge for the performance or profitability. Aspri Spirits recorded the second highest ROCE among its peers at 19.61% in FY 2025.

Exhibit 8.5: Return on Capital Employed for key players (FY)

Key Players	2023	2024	2025	Q1 2026
Aspri Spirits	29.81%	20.36%	19.61%	9.18%
United Spirits	22.37%	26.17%	25.91%	NA
Radico Khaitan	10.56%	12.51%	15.38%	NA
Allied Blenders and Distillers	11.76%	14.94%	15.83%	NA
Sula Vineyards	18.39%	17.38%	13.09%	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

All figures are consolidated

NA: Not Available

Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as sum of shareholders equity, total borrowings (current and non-current), and total lease liabilities.

8.6 Working Capital Days

Working capital days measure the number of days a company's cash is tied up in its operating cycle, indicating how efficiently it manages its receivables days, inventory days, and payable days. This metric reflects the time it takes to convert net working capital into revenue. Aspri Spirits reported working capital days of 62 in FY 2025.

Exhibit 8.6: Working Capital Days (FY)

Key Players	2023	2024	2025	Q1 FY 2026
Aspri Spirits	47	54	62	52
United Spirits	34	49	60	NA

Radico Khaitan	22	20	21	NA
Allied Blenders and Distillers	-6	-6	35	NA
Sula Vineyards	101	70	95	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

Working Capital Days= (Working capital/Revenues from operations) * 365; Working capital = Current assets - Current liabilities.

8.7 Net Debt

Net Debt represents the aggregate borrowings of the company after deducting lease liabilities, reflecting the net financial obligations that the company is required to service. It is a key indicator of the company's leverage position and ability to meet long-term funding commitments. Net Debt of Aspri Spirits reduced from INR 1,040.47 million in FY 2024 to INR 1,028.81 million in FY2025.

Exhibit 8.7: Net Debt (in INR Mn)

Key Players	2023	2024	2025	Q1 2026
Aspri Spirits	753.86	1,040.47	1,028.81	948.40
United Spirits	680.00	-7,870.00	-8,480.00	NA
Radico Khaitan	6,315.64	7,321.07	7,102.69	NA
Allied Blenders and Distillers	7,651.04	8,074.57	8,171.58	NA
Sula Vineyards	1,862.60	2,270.80	3,080.30	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

Net Debt=Total Borrowings +Total Lease Liabilities -Cash and cash equivalents

Total Borrowings = Current Borrowings + Non-Current Borrowings

Total Lease Liabilities =Current Lease Liabilities + Non-Current Lease Liabilities

8.8 Net Worth

Net worth represents the shareholders' equity of the Company, calculated as the excess of total assets over total liabilities. It reflects the Company's capital base, financial strength, and capacity to absorb business risks.

Exhibit 8.8: Net Worth (in INR Mn)

Key Players	2023	2024	2025	Q1 2026
Aspri Spirits	423.46	566.10	736.79	646.55
United Spirits	59,990.00	71,210.00	81,040.00	NA
Radico Khaitan	22,078.95	24,396.18	27,537.11	NA
Allied Blenders and Distillers	4,061.03	4,069.28	15,629.22	NA
Sula Vineyards	5,320.40	5,500.00	5,862.70	NA

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports

Networth =Total Shareholder's Equity

8.9 Export and Domestic Sales

In the alcoholic beverages industry, revenue is typically derived from both domestic and export sales. Domestic sales account for majority of the revenue, driven by strong local demand, established distribution networks, and state-specific excise regulations. Export sales, though smaller in share, offer opportunities for global brand recognition, market diversification, and access to premium segments in international markets. Aspri Spirits recorded highest export revenue share at 14.56% among its peers in FY 2025.

Exhibit 8.9: Export and Domestic Sales of key players (in INR Mn) (FY 2025)

Key Players	Revenue from operations	Revenue from Exports	Export Revenue (%)	Domestic Revenue	Domestic Revenue (%)
Aspri Spirits	4,606.79	670.56	14.56%	3,936.23	85.44%
United Spirits	2,72,760.00	1,810.00	0.66%	2,70,390.00	99.13%
Radico Khaitan**	1,70,985.36	2,925.44	1.71%	45,586.11	26.66%
Allied Blenders and Distillers	80,731.55	2,017.24	2.50%	78,433.71	97.15%
Sula Vineyards	6,193.80	45.20	0.73%	6,148.60	99.27%

In Q1 2026, Export revenue for Aspri spirits stood at INR 160.07 million with 13.39% revenue share and achieved domestic revenue of INR 1,035.54 million with revenue share of 86.81 %.

Source: Annual Reports, Secondary Research, The Knowledge Company Analysis, MCA reports,

NA: Not Available Note: * Data pertains to FY 2024 , ** Domestic Revenue excludes Excise Duty

Glossary

ABV: Alcohol by volume
APC: Alcohol per capita
ASA: Advertising Standards Authority
ASCI: Advertising Standards Council of India
BAC: Blood Alcohol Concentration
BN: Billion
CAGR: Compounded Annual Growth Rate
CAP: Committee of Advertising Practice
CCPA: Central Consumer Protection Authority
CIABC: Confederation of Indian Alcoholic Beverages
COGS: Cost of Goods Sold
CSP: French Public Health Code (Code de la Santé Publique)
CY: Calendar Year
DTC: Direct-to-Consumer
EDP: Ex-Distillery Price
FAA: Federal Alcohol Administration Act
FSA: Food Standards Agency
FSSAI: Food Safety and Standards Authority of India
FY: Financial Year
GDP: Gross Domestic Product
GNDI: Gross National Disposable Income
GNI: Gross National Income
GST: Goods and Services Tax
GVA: Gross Value Added
HSN Code: Harmonized System Nomenclature Code (Used in trade tables)
IESCMS: Integrated Excise Supply Chain Management System
IMFL: Indian Made Foreign Liquor
IMF: International Monetary Fund
MLDA: Minimum Legal Drinking Age
MRP: Maximum Retail Prices
MN: Million
NHS: National Health Service (Implied in UK regulatory section)
NIAAA: National Institute on Alcohol Abuse and Alcoholism



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PFCE: Private Final Consumption Expenditure

PL: Proof Litre (Used in excise calculations)

POS: Point-of-Sale

PPP: Purchasing Power Parity

RBI: Reserve Bank of India

Real GDP: Real Gross Domestic Product

RTD: Ready-to-Drink

SAMHSA: Substance Abuse and Mental Health Services Administration

TTB: Tobacco Tax and Trade Bureau

TN: Trillion

USL: United Spirits Ltd

VAT: Value Added Tax

WHO: World Health Organisation

WSP: Wholesale Price



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