

INDIAN WINE MARKET: AT A GLANCE

Industry Size and Projected Growth: The current size of the total wine market in India stands at 1.2 million cases. Currently the Indian wine industry is growing at the rate of 25-30% per annum. The estimated CAGR is 25% in the premium wine segment for the next five years. By 2017, estimates say, that the market size will stand at 10 million cases of which imported wines will account for 2 million.

Current Market Size: According to recent reports current size of the domestic wine market for quality wines is 435,000 cases annually while the size of the imported wine market is 175,000 cases. The remaining nearly 590,000 cases comprise of the cheap entry-level domestic wines.

Main Wine Producers: The main wine producing companies in India are Chateau Indage, Sula Vineyards & Grover's Vineyards. Some of the latest entrants to in the wine market are major liquor companies like Diageo (Nilaya), Pernod-Ricard (Seagram's Nine Hills) and the UB group (Zinzi and Four Seasons).

Major Importers in the Indian Market: There are about 80 importers operating in the Indian wine market. Of these Brindco (New Delhi) and Sonarys (Mumbai) are the biggest.

Wine Consumption (Per Capita): The wine consumption per capita stands at 9ml per head.

Major Wine Consuming Markets: India's main wine consuming market lies in the cities of Mumbai, Delhi, Bangalore and the state of Goa. Other cities like Calcutta, Pune and Hyderabad are also catching up. Nearly 2 million people in India consume wine, with about 10% of this figure opting for wine as their preferred choice.

Excise Laws in India: Currently the basic customs duty/tariff is set at 150% of the assessment value (CIF value and + 1% assessment charge). There is also a 4% Special Additional Duty and an Education Cess of 3%. This is at the central level. Individual states in India also levy their own taxes and duties above this, as alcohol is a state subject.

Geographical Regions: India's main wine industry is located in Nasik around the Sahayadri hills and Narayangaon. A small amount of wine is also made in the south of India on the outskirts of the city of Bangalore.

Local Wine Grape varieties: The main varieties that are planted in India are the Cabernet Sauvignon, Shiraz, Merlot, Pinot Noir, Chenin Blanc, Sauvignon Blanc, Chardonnay and the Ugni Blanc.

Note: Tulleeho has compiled the above report on the basis of data from secondary sources.

