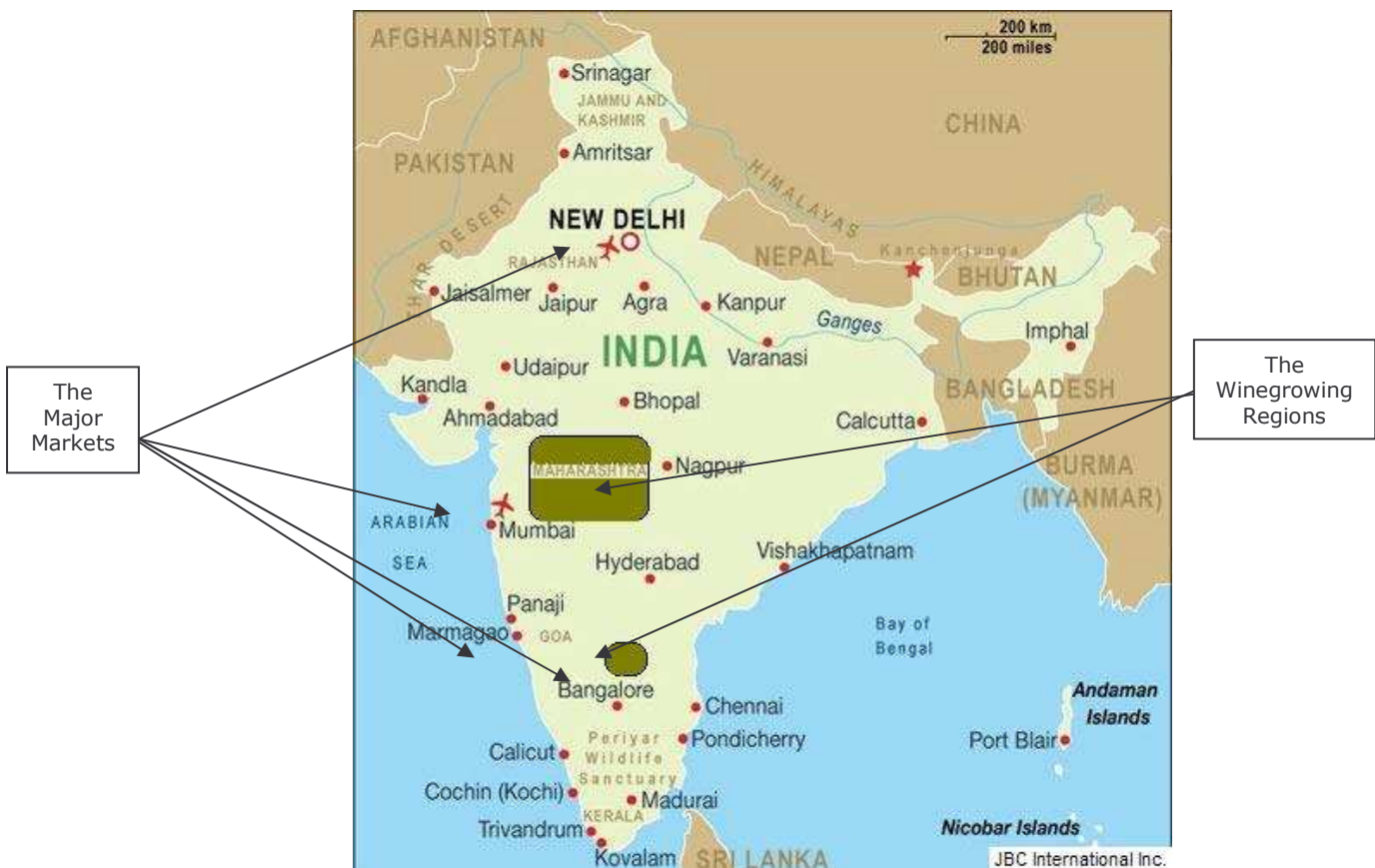




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# “Comprehensive Study of the Indian Wine Market”

*Conducted by JBC International Inc.  
On Behalf of the Wine Institute*



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**India – Wine** “Comprehensive Survey of the Indian Wine Market”

**Report Highlights:**

India presents tremendous opportunities and challenges for US wine exporters. Traditionally, wine does not figure greatly in Indian culture with very low per capita consumption rates. That said, while many impediments to the development of US wine sales in India remain, the country represents a vast and largely untapped market. In addition to the present market dynamics in India, wine consumption is rising at a rate of 20-25% per year. Also, demand for imported wine is increasing at similar levels and there is a definite market opportunity in India for U.S. wine producers. As California accounts for 95% of total U.S. wine exported, statewide producers are in a strong position to take advantage of opportunities in this emerging market.

Prepared by JBC International on behalf of Wine Institute

James Gore  
JBC International

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## I. Executive Summary

India is an emerging wine market in the truest of senses. Opportunities abound, with great potential for the growth of US wine exports in the bustling markets of Mumbai, New Delhi, and Bangalore. However, risk abounds as well in the form of a protectionist regime of alcohol control and taxation, an underdeveloped supply and distribution chain that threatens product integrity, and most importantly, a population that is largely unfamiliar with wine and its place in Indian life.

Opportunity or threat? That decision lies in the eye of the exporter. What cannot be refuted, however, is that the Indian wine market has shown impressive annual growth rates of 20-25%<sup>1</sup> for the last 6 years, and those rates are expected to continue and potentially increase in the coming years, following in line with good projections for the overall Indian economy and rising levels of disposable income.

This study details the development of a wine culture in India – an important factor in setting the foundation for long-term growth of U.S. wine exports to the country and region – and has been designed to serve as a guide for wineries and exporters interested in selling their products to the growing Indian market. The following pages include a current and projected market overview, and a detailed review of production, consumption, regulation, marketing, distribution, and trade policy. These pages are designed to serve as a relative blueprint for market entry, whereby wineries and exporters can utilize the content to make informed decisions as to the if, how, and when questions related to entering the Indian market. Section XI of this report offers a practical list of suggestions for those interested in exporting.

For clarity's sake, this study is presented through two primary sections of reporting. The first, and what is now being read, can be referred to as the "Indian Wine Market Report." The second section will be referred to as the "Reference Guide Section" and goes into specific detail on many of the areas highlighted in this Report section, as well as others that might be of importance to those seeking detailed information on specific areas of interest. The Reference Guide is divided into 3 areas: marketing, supply chain and trade. Furthermore, throughout this Report section, the reader will find directions of where to find further information about certain issues as well as reference notes that lead to data sources identified in the Reference Guide. These reference notes will appear in this report as (Ref. #).

Note: Specific information on sales, consumption, production, and imports for wine in India varies widely depending on the data source. Wineries, importers, distributors and retail shops in India – as privately held companies wary of giving away proprietary and competitive information – do not readily hand out detailed information on their company workings. It is therefore difficult to pinpoint specific levels of production and consumption because of improper acknowledgment of market specific data. Due to this variation in reporting, the authors of this study spent significant time conducting primary research in both the US and India before developing the wine market statistics and estimates contained in this report.

## **II. Project Background**

The prime objective and focus of this study has been the creation of a “blueprint” for market entry, one which exposes the risks, while outlining the potential rewards for U.S. wine exports to India. This report serves as a critical educational resource for U.S. companies by:

1. Providing detailed information concerning the regulatory environment for wines in India and illuminating on existing trade barriers against wine imports from the United States. This analysis includes an identification of the challenges and strategies for entering the market and selling wines there;
2. Forecasting developments in India’s wine market, supply chain and distribution network, and trade activities; and
3. Reporting on where the market opportunities exist for imported wine by specific market, supply chain, importer and distributor throughout the country.

In addition to intensive US-based research, JBC International staff traveled to India for 21 days to conduct a practical, on-the-ground research study. During this visit, staff traveled to the retail markets of New Delhi, Mumbai, Goa, and Bangalore, the winemaking regions of Nashik and North Bangalore, and the port city of Nava Sheva. JBC staff conducted this India-based research through personal meetings with federal and state government officials, logistics providers and importers, and finally through physical visits to storage warehouses, vineyard land and wineries.

### III. Situation and Outlook

India is a trillion dollar economy with a total population of 1.1 billion people<sup>2</sup>. One has only to take a short trip to the country to experience first hand the increased growth and prosperity that has taken over the Indian economy. Whether it be the overwhelming presence of call centers and other outsourced service jobs, the increased number of Universities and Institutes to train its people, or the plethora of day laborers working on improving the business and transportation infrastructure, one can feel the progress that abounds in this country and its people.

Along with this overall progress and increase in economic activity, the wine market in India – for both domestically produced and imported wines – is on the rise. Consumption, product availability, disposable income, and education are all up. However, despite the strength of these indicators, those looking to introduce their product to India must do so with a firm understanding of the market dynamics, and the potential risk, of entering this emerging market. As an example of this risk, the Excise Department of the State of Maharashtra – whose capitol city is Mumbai – fiercely protects their emerging wine market and industry through its control of alcohol taxation, distribution and sale.

Overall, one cannot overstate the influence that India's federal, state and local policies have on controlling the Indian market, a factor that both encourages the growth of the Indian wine market and domestic industry while at the same time increasing the difficulty of US brands and their ability to penetrate into the marketplace..

The growth and activity of the Indian wine market offers a unique opportunity for US wine exporters to expand the reach and profitability of their portfolios; however, the cumulative effect of duties, taxes, special fees, and the regulations and restrictions on distribution, marketing, consumption and retail sales makes the prospect of selling wine sales in India a complex, costly, and oftentimes frustrating endeavor.

Put quite simply: anyone looking to increase wine sales to India should do so with a good understanding of the rewards and risks inherent within this emerging market.

## IV. Consumption and Market Analysis

### 1. Indian Wine Consumption

#### 1.1 Tastes, Preferences, and Presentation

The tastes and preferences of the Indian population err towards still wines, and more specifically, table wines. Though a market exists for champagne and sparkling wines, these varieties sell at a much lesser rate (8-10% market share)<sup>3</sup>. In general, slightly sweet wines and the varieties of Sauvignon Blanc, Chenin Blanc, Rieslings, and Gewürztraminer are fairly popular and also pair well with typical Indian dishes. Similarly, rose and blush have been projected as good fits for the Indian market. However, the majority of sales have stayed on traditional still red and white wines. In regards to presentation, wine producers have two different demographics in the Indian market upon which to focus: the upper class and the general consumer. While the upper class prefers the classic presentation, i.e. real cork, full bottle size, and dry red and white wines, the growing consumer class in India gravitates towards approachable wine packaging, i.e. screw caps, half bottle sizes, and sweet wines.

#### 1.2 2008 Value and Volume estimates

For 2008, the authors of this study estimate Indian wine consumption to be 1.1 million 9-liter<sup>4</sup> cases at a value of approximately US\$ 60 million<sup>5</sup>. With an annual growth rate of 20% to 25%, consumption in this emerging market is projected increase to 2.0 million cases by 2011 (consumption projections, conservatively, are 4.0 million cases by 2015 and 8.0 million cases by 2020). On a per capita basis, Indians consume about 9 milliliters annually (compared to 9000 milliliters in the U.S.)

#### 1.3 Upper class Indians as wine consumers

This level of growth in the Indian wine market is in large part driven by the upper class Indians, which is widely understood to be 2% of the population and therefore approximately 20-25 million people<sup>6</sup>. Many of these Indians have increasing levels of disposable income and international experience and lifestyles (either through studies, travel or work) that they have brought back to their country. These changing tastes and preferences, coupled with higher levels of disposable income and the increasing availability of domestic and imported wines, have resulted in the emergence of India as a viable wine market.

#### 1.4 Wine consumption in relation to that of Spirits and Beer

Indian alcohol consumption has traditionally focused on spirits and beer instead of wine. Annually, Indians consume 50 million cases of whiskey, 14 million cases of brandy, 25 million cases of rum, 110 million cases of beer, 200 million cases of country liquor, and 1 million cases of imported spirits (400,000 bottled imports and 600,000 bulk imports which are bottled in India). This long-standing dominance of spirits and beer as the alcohol beverages of choice among Indians has made it difficult for wine to take a place in the market; however, despite this structure wine is becoming more accepted, sought-after, and available.

#### 1.5 Indian wine consumption by location

The two largest and dominating markets in India are not regions, but rather the city-areas of greater Mumbai and Delhi. It is estimated that as much as 65% of total Indian wine consumption is accounted for in these two locations. This number reaches an estimated 80% when including other major cities such as Bangalore, Chennai, Kolkata (formerly Calcutta), Nashik, and Pune. This market dominance of Mumbai and Delhi ensures their place as the fulcrum points for any producer or distributor looking to increase sales to India. The city of Bangalore (with its high-tech industry inflows), and the State of Goa (with its high energy tourism sector), are a secondary, yet important focus for marketers as well. The cities of Kolkata, Chandigarh, Nashik and Pune are all important niche markets and should be followed and acted upon as appropriate. Chennai and Hyderabad have much potential due to

the growth of their IT industry but their government policies are not yet conducive to wine sales.

1.6 Indian Wine consumption - historical and projected  
(By volume)

<u>YEAR</u>	<u>TOTAL</u>	<u>DOMESTIC</u>	<u>IMPORTED</u>
<i>(Number of 9 Liter cases)</i>			
2004	550,000	470,000	80,000
2005	620,000	520,000	100,000
2006	750,000	630,000	120,000
2007	900,000	750,000	150,000
2008	1,100,000	920,000	180,000
2009	1,400,000	1,180,000	220,000
2010	1,700,000	1,440,000	260,000
2011	2,000,000	1,700,000	300,000
2015	4,000,000	3,400,000	600,000

\*Note: Figures exclude regional flavored fruit wines. Figures are consumption estimates

Analysis: The above figures for overall consumption are project through 2015. The market share for imports remains steady for this analysis (at approximately 15%). This market share, and its ability to increase, depends heavily on the level of protectionism enforced by the federal and state governments in India. Should certain onerous procedures and taxes be reduced (either voluntarily by India or through dispute settlement proceedings in the World Trade Organization) the import market share could rise significantly. As elaborated on in the regulation section of this report, current government measures to protect the nascent Indian wine industry have eliminated the ability of imports to compete with domestic producers in a fair and open marketplace.

1.7 Wine Consumption for 2008 according to Price Structure

	DOMESTIC	IMPORTED	TOTAL
<i>(Number of 9 Liter cases)</i>			
<i>Price per bottle</i>			
Under \$10	600,000	-	600,000
\$10 to under \$20	250,000	50,000	300,000
\$20 to under \$30	60,000	90,000	150,000
\$30 +	10,000	40,000	50,000
<b>Total</b>	<b>920,000</b>	<b>180,000</b>	<b>1,100,000</b>

Analysis: The market share of imports for high value wines soar as cost increases into the \$20 + range. Domestic wines are still unable to demand a high price (during the visit to India, the highest price domestic wine found by the authors of this report on a menu was \$23). Furthermore, the protectionist policies put in place at the federal and state level in India have had their desired effect of ensuring that cheap foreign wines cannot compete against domestics below \$10/bottle.



1.8 Wine consumption for 2008 by wine type (still wines)

Color	Table Wines (9L cases)		
	Domestic	Imports	Total
Red	480,000	120,000	600,000
White	420,000	50,000	470,000
Rose	20,000	10,000	30,000
<b>Total</b>	<b>920,000</b>	<b>180,000</b>	<b>1,100,000</b>

Analysis: Traditional red and white varietal wines have gained a foothold in the emerging Indian wine market. Rose wines have long been considered to be a good fit for the Indian consumer, as they are thought by many to fit well with the Indian cuisine and climate; however, they have consistently under-produced in the marketplace. The dominance of red and white still wines in the marketplace reinforces the assertion that the majority of wines sold in India are consumed by the upper 2% of the population. Not surprisingly, this upper class has focused its consumption on traditional wine types and styles.

1.9 Wine consumption data for imports

**Imports of Wine by India**

India Import Statistics							
Commodity: 2204, Wine Of Fresh Grapes, Incl Fortified; Grape Must O/T Heading 20.09							
Year To Date: January - November							
Partner Country	Unit	2005		2006		2007	
		USD	Quantity	USD	Quantity	USD	Quantity
World	L	6775880	1252348	9304230	1563110	14413326	2833442
France	L	3058019	472301	3939683	683768	6500437	867057
Australia	L	794271	198358	1123938	236340	2315211	804071
Italy	L	836427	138204	1275967	181825	1564735	254735
United States	L	416491	62164	683059	93898	693722	92024
South Africa	L	105043	46849	56070	7495	517056	343196
Chile	L	288118	64447	250131	38086	335294	78997
New Zealand	L	49367	7507	47574	5625	162757	27682
Argentina	L	100126	27340	318751	35370	160324	32075
Spain	L	159844	9994	84288	18284	151639	33389

Source: Global Trade Atlas: <http://www.worldtradestatistics.com/gta>

1.10 Import Market Shares by Country of Origin

- 1. France: 45%
- 2. Australia: 16%
- 3. Italy: 11%
- 4. US: 5%
- 5. S. Africa, Chile, New Zealand, Argentina and Spain all account for 1 - 3.5%

The United States, while low at 5%, has only one way to go...up. The California lifestyle is appreciated in Indian culture. Additionally, while the majority of wines are sold by France, the middle class of Indians have a palate that is more accustomed to new-world style wines.

1.11 Indian Importers (9L cases) Top 10<sup>7</sup>

*(See section XII for more detailed information about brands carried, contact information and a complete listing of importers)<sup>8</sup>*

- 1. Brindco 51,000
- 2. Sonarys 24,000
- 3. Moet Hennessey 18,000
- 4. Global Tax Free Traders 14,000
- 5. Hema Connosieur Coll 13,500
- 6. Pernod Ricard 12,000
- 7. Sula 7,000
- 8. Fine Wines&More 6,500
- 9. Mohan Bros 4,500
- 10. T &G Trading 4,500

Note: The current number of wine importers in India is estimated to be 80. Those on this list, especially the top four, are well engrained in the existing market.

**V. Indian Wine Production<sup>9</sup>**

While only six Indian wineries existed in 2000, the present number has grown to approximately 65. Some 85% of these wineries are located in the Indian State of Maharashtra, whose capitol is Mumbai. Most of these wineries lie on the Nashik, Pune, Baramati and Sangli belt - 250 km east of Mumbai - where table grapes have traditionally been grown and now an emerging emphasis has been placed on the production of vitis vinifera winegrape varieties. Although winegrapes are rather new to Indian farming, table grapes are not. India currently has approximately 150,000 acres of table grapes and only 7,000 -12,000 acres (this number is disputable) of winegrapes in production. Of this total for Indian production of winegrapes, the state of Maharashtra represents some 90%, Karnataka 7%, and the remaining 3% is divided between other regions. The majority of planted acres are in Syrah (Shiraz), Cabernet Sauvignon, Merlot, Chenin Blanc, Sauvignon Blanc, and Chardonnay.

1. Major Players

The major players and their production volumes are estimated as follows:

(9L cases)		
Domestic	2008 (estimate)	2010 (potential)
Chateau Indage	400,000	500,000
Sula	300,000	420,000
Grover Vineyards	100,000	150,000
Vinsura	25,000	40,000
Vintage Brands (Reveilo)	10,000	20,000
All Other	85,000	570,000
<b>Total</b>	<b>920,000</b>	<b>1,700,000</b>

2. Developing wineries and their projected volumes by 2010 are summarized here based on winery visits and reported plans

**Volumes by 2010**  
(9L cases)

Pernod Ricard: Nine Hills	100,000
United Spirits: Four Seasons, Zinzi	300,000
Chateau D’Ori	80,000

Others include: Diageo (Nilaya), Globus Wines (Miazma)  
John Distillers (Big Banyan-Goa), Deepak Roy (Valle De VIN)

### 3. Domestic Wine Producers<sup>10</sup>

#### **Chateau Indage**

Estimated Production: 400,000 Cases

Chateau Indage is the largest Indian winery by volume and value. It is known as one of the pioneers of the Indian wine industry and was launched in 1986 at Narayangaon, Maharashtra. They have achieved great success with their wine range of wines and their popularity among the Indian population. In addition to its proprietary label, Chateau Indage produces wine under the names Riviera, Figueira, Ivy and Chantilli.

[www.indagegroup.com](http://www.indagegroup.com)

#### **Sula Vineyards**

Estimated Production: 300,000 Cases

Sula Vineyards launched in 2000 with the simple strategy of offering high quality wines at multiple price points. After producing its first bottle of wine in 2000, Sula production rose to 85,000 cases in 2005, 220,000 cases in 2007, and is estimated to produce 300,000 cases in 2008.

[www.sulawines.com](http://www.sulawines.com)

#### **Grover Vineyards**

Estimated Production: 100,000 Cases

Grover Vineyards, north of Bangalore, was established in 1989 with a focus on delivering quality wines. Grover Vineyards has a successful French collaboration and exports 25% of its production every year (about 25,000 cases).

[www.groverwines.com](http://www.groverwines.com)

#### **Chateau d'Ori**

Estimated Production: N/A

Chateau d'Ori is the creation of Mr. Ranjit Dhuru, a successful Indian business man and Wine Lover. Mr. Dhuru, along with an active team of professionals, has leapt into the Indian wine industry with a focus on quality. Chateau D'Ori's vineyards are top-notch, and the newly built winery offers a first-rate combination of tradition and technology. Chateau D'Ori's wines have already made a splash in India, winning various medals for both their red and white varietal wines and the company is actively looking to expand its role in the emerging Indian wine industry. The Chateau d'Ori establishment consists of a single piece of well developed vineyards measuring one hundred acres at the base of the twin hills of Nhera-Ori at Dindori, Nashik. Another 300 acres are under development across the twin hills and will be ready by 2010.

<http://www.chateaudori.com>

#### **Vinsura**

Estimated Production: 25,000 Cases

Sankalp Winery Pvt. Ltd. was formed in 2003 by a group of Indian horticulturists from Nashik, Maharashtra. The winery is located inside the Vinchur Wine Park (Reference section #). Mr. Khadangle, Mr. Holkar and Mr. Nathe make the core management team. Mr. Khadangle has specialized in chemistry, Mr. K...Holkar is a horticulturist, and Mr. Nathe is a management expert.

[www.vinsuras.com](http://www.vinsuras.com)

**ND Wines**

Estimated Production: 50,000 Cases

ND Wines is located outside of Nashik and began its company operations as an exporter of Indian table grapes.

[www.ndwines.com](http://www.ndwines.com)

**Vintage Wines (Reveilo)**

Estimated Production: 11,000 Cases

Vintage Wines, located near Nashik, is known to produce high quality wines under the Reveilo label. Their production is reported to be small (near to 100,000 Liters) and they produce Reveilo Syrah, Cabernet Sauvignon, Chardonnay, and Chenin Blanc.

**UB Group (Zinzi & Four Seasons)**

Estimated Production: N/A

The company is looking to position its wine brands to gain advantage of the Indian market. The brand Zinzi is in the value-for-money category with products priced between Rs 275 and Rs 300.

Four Seasons, the UB brand to be launched after Zinzi, will be available in the premium Indian wine category with prices starting from Rs 375. The company expects the acreage of its total grape cultivation to increase to 2,500-3000 acres in the next 3-5 years at its winery in Roti village near Baramati.

<http://www.theubgroup.com>

**Seagram's - Nine Hills**

Estimated Production: N/A

Seagram's Nine Hills wine gets its name from the nine hills surrounding Nashik where the company's winery and the vineyards are located. The Nine Hills varietal range includes Shiraz, Cabernet Sauvignon, Chenin Blanc and Sauvignon Blanc. Pernod Ricard India, a Pernod Ricard Group Company, the world's second largest wine and spirits conglomerate, is a name that is synonymous with global wine brands such as Jacob's Creek (Australia), Montana (New Zealand), Mumm Champagne (France) and Mumm Napa Valley (USA).

[www.seagramindia.com](http://www.seagramindia.com)

**Vinicola Private Limited**

Estimated Production: N/A

Three decades ago, Vinicola was set up to make wine in the Indian State of Goa. Today, Vinicola produces a range of port, red and white wines using traditional techniques, and sells the resulting product largely in Goa.

**Flamingo Wines**

Estimated Production: N/A

Flamingo Wines is the second winery in the Vinchur Wine Park outside Nashik, and produces a reasonable range of wine.

4. Reported Vineyard Acreage and Production

The National Research Centre for Grapes in Pune, Maharashtra, has provided the following figures relative to grape and winegrape production in India for 2006 – 2007. In relation to how wineries get their grapes, it is reported that more than 4,000 farmers have joined contract farming schemes for planting winegrape varieties. Additionally, 46 new wineries have gone into production, and another 100 farmers are on their way to setting up small wineries. With these contracts, many wineries are bringing in viticulturalists to assist local producers in either planting new vineyards, or grafting over existing table grape vines to winegrape varieties.

Item	Data (2006-07)
Total area under grape cultivation	158888 Acres
Total area under wine grape cultivation (approx.)	7413 Acres
Total grape production	1582000 MT
Total wine grape production (approx.)	30,000 MT
Area under wine grape in Maharashtra (approx.)	6671 Acres
Area under wine grape in Karnataka (approx.)	494 Acres
Area under wine grape in other states (approx.)	247 Acres

5. In-country evaluation of Nashik winegrape growing area

Nashik is located 4 hours east of Mumbai by car. A short narrative follows regarding the impression of Nashik on one of the authors of this study.

“We arrived in Nashik just after sundown, and I couldn’t help but notice that the evening temperature dropped nicely down to 68 – 72 degrees (from 90 +) and that the area had the smell and feel of the Central Valley in California. I was told that the area sits at 800+ meters above sea level, which accounts for the temperature drop and lack of humidity that has been pervasive throughout India thus far. These hot days, cool nights, fertile soils, and dry air are reason enough that both table and wine grapes are grown in this area. In addition to grapes, over the next few days I found that Nasik producers grew many other crops, including onions, garlic, hay, wheat, some fruit and stone fruits, carrots, and much more in this area.

While staying at the Guest House for Chateau D’Ori, we were able to tour and evaluate their vineyards and winery construction. They currently have 100 acres of winegrapes under cultivation, including Cabernet Sauvignon, Merlot, Shiraz, Chenin Blanc, and Sauvignon Blanc. They have another 300 acres that will come into production in 2-3 years. The white varieties had already been harvested; however, the red varieties were still on the vine and quite mature. Their first planting of Cabernet and Merlot was on a high quadrilateral cordon trellis system. Their newer plantings (3-4 years old) were planted at a 4 ft. x 6 ft. vine spacing with a vertical trellis system. I tasted the grapes from all areas, and the taste was quite good. The Cabernet Sauvignon on the vertical system had good tannins and spice overtones. The merlot, as expected, was softer without much tannins or spice. The syrah, which is said to grow well in the area, was fruity but with lower acid and tannins than I’m used to in California. The soil was rocky and fertile, and the vineyard was at the foot of a series of hills where a nice breeze passed through regularly. Surprisingly, the Cabernet

Sauvignon that I saw had nice, uniform clusters centered perfectly in the fruiting/picking zone, and the canopy management was well attuned to the vines. I did see some nutrient deficiencies on some of the leaves, but one can find that anywhere in the world.

From what I'm told, farmers in this region have for many years produced table grapes, however, wine grapes are now offering a new opportunity for sales at a higher price – table grapes sell from 10-12 Rupees per kilogram (30 cents) and winegrapes for 28-38 Rupees per kilogram (1 dollar). When evaluating this price increase, one must take into account the increased costs of producing winegrapes; however, this increase in price is coupled with an active market demand for winegrapes, whereas table grapes are oftentimes in oversupply and produced as a loss-leader.

Many local vineyards already use a native rootstock called Dogridge, and then graft their table grape clones over to winegrape varieties, including Shiraz, Cabernet Sauvignon, Merlot, Zinfandel, Pinot Noir, Chenin Blanc, Sauvignon Blanc, Chardonnay, and Viognier.

In Dindori, an elite area of Nasik, land is sold for 8-10 lakh per acre (US\$ 18,000-23,000). This same land was sold for 2-3 lakh (US\$ 4,500-7,000) a mere 4 years ago. Harvest begins in January for whites and extends through early March. For red varieties, harvest can begin as early as late February and is usually completed by mid-April. The vines in this area of India do not go dormant, and therefore need to be double pruned so as not to produce 2 crops each year. The first pruning will take place within 1-2 months of harvest, and then there will be a second pruning 100-120 days prior to harvest.

This inability for vines to go dormant is said to drastically reduce the life cycle of the vine. With two crops per year (on table grapes), the vines are said to produce for approximately 15-20 years. For wine grapes (with one harvest/year), this life cycle is expected to reach 25-35 years. In California and other wine producing countries, without taking into consideration disease and pest variation it is common for vines to produce for 40-60 years, with some vines still in production that reach 100 years plus. The vines in Nasik are susceptible to powdery mildew, but I have been told that there are not too many other pest problems.

## 6. Domestic Wine Industry Support from the Government of India (GOI)

The GOI provide support to the nascent Indian wine industry in the following ways:

1. Direct subsidies for winery development – payment for to 25-33% of the start-up costs for capital investments of wineries (to a cap of US\$ 160,000).
2. Capacity building initiatives – technical trainings on viticulture, enology, and winery development
3. Research Assistance – rootstock trials, variety selection, pest/disease management research
4. Laboratory development assistance – for wine analysis
5. Proposed formation of a National Wine Board, which will be arranged as a Private-Public Partnership that will support growth initiatives for the Indian Wine Industry

## VI. Trade Policy Review

When looking at the trade policy of India, one must first understand that the Indian government is a highly protectionist regime. As the Indian economy continues to grow at astounding rates, and the resulting consumer class emerges, more and more countries are working to improve the market access for their products, both agriculture and otherwise, into this expanding market. The Indian government and its people see this combination of national growth and interest from abroad and have taken action to support and supply their own emerging demand from within. This national demand for products such as wine has encouraged the development of a domestic wine industry and the Indian government has taken significant strides in developing its trade policies to protect its nascent industry.

Trade Policy disputes have emerged due to the fact that India, in order to reap the benefits of expanding global trade, became a member of the World Trade Organization (WTO) in 1995. As a member of the WTO, India committed itself to specific bound tariff rates for all products that would not be exceeded. Despite this commitment, India (at both the Federal and State level) has enacted highly protectionist policies that negate their concessions to the WTO and ultimately function as price distorting trade barriers for wine.

At a federal level, the main policy has been to charge customs duties in excess of the bound levels with an emphasis on additional duties, extra additional duties, and other taxes. These fees are charged on top of the basic duty and result in higher-than-agreed-upon-tariffs.

At the state level, India risks multiple WTO disputes<sup>11</sup> due to serious concerns raised by the European Union, United States, and other wine producing countries who accuse Indian states of violating the international provisions of National Treatment, whereby "individuals and firms of foreign countries are afforded the same competitive opportunities as are available to domestic individuals and firms."<sup>1</sup> As an example of this dispute, the Excise Department of the state of Maharashtra charges a 200% 'special fee' on imported wine. The Indian Government (state and federal) asserts that this fee is designed to offset the cost of domestic excise taxes charged upon local producers; however, the Maharashtra State Government has provided an excise tax exemption for local wine producers<sup>2</sup>.

Under this example, the state government of Maharashtra is claiming that excise taxes levied on local wine producers (which they are exempt from paying) provides justification for charging a 200% fee on wines originating outside the state but sold within its boundaries.

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<sup>1</sup> [www.international.gc.ca/trade-agreements-accords-commerciaux/ressources/fcm/annexC.aspx](http://www.international.gc.ca/trade-agreements-accords-commerciaux/ressources/fcm/annexC.aspx)

<sup>2</sup> Maharashtra grape processing industry policy of 2001



## VII. Regulations<sup>12</sup>

Given the traditionally closed nature of the Indian import market, its high import duties, the multitude of state taxes and complex state licensing/approval process, the existing market for imported spirits, exporting wine to India can be a regulatory adventure. Despite the high duties and other policy bottlenecks, however, there has been considerable interest from foreign wine producers/exporters in the past few years.

### 1. The Indian Constitution: promoting prohibition of alcohol consumption<sup>13</sup>

Mahatma Gandhi, the Father of independent India, was a teetotaler as was Dr. Bhimrao Ramji Ambedkar, both who gave shape to the Indian Constitution. They thought it fit for the states to be given the power under Section 47 of the Indian Constitution so that "The State shall regard the raising of the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties and, in particular, ***the State shall Endeavour to bring about prohibition of the consumption*** except for medicinal purposes of intoxicating drinks and of drugs which are injurious to health."

### 2. State authority over alcohol production, distribution, and sale

Control over selling, distribution, and pricing of alcoholic beverages belongs to state governments under Section 47 of the Directive Principles of the Indian Constitution. India is a federal nation, and like the U.S., the Central government has empowered states to generate revenue and control sales. Alcohol sales fall into this category. Each state therefore determines its own excise policy which is declared annually between March and April.

## VIII. Central Import Policy & Regulations (federal)

### 1. Customs Duties

The Indian Central Government declares the customs duties applicable for all products during the union budget which published during the last week of February.

Currently, the basic customs duty/tariff is set at 150% of the assessment value (CIF Value +1% assessment charges). There is also a 4% Special Additional Duty and an Education Cess of 3%.

#### 1.1 Exemption of federal customs duties for specific entities<sup>14</sup>

In 2003, the Directorate General of Foreign Trade (DGFT) in India announced that Hotels (3 Star and above) and other service providers in the tourism sector could receive a duty-free import entitlement equivalent to 5% of their average foreign exchange earnings (over the preceding three years for beverages and spirits classified in chapter 22 of the ITC HS classification). Despite receiving this "duty-free import entitlement" for many years, hotels and other beneficiaries have not passed these savings onto the consumers, and have instead used this entitlement to increase profit margins. During this last year, the Government of India (GOI) threatened to remove this entitlement; however, the Hotels and other entities have pledged to reduce prices and the GOI has not pushed the matter further.

#### 1.2 Recent Changes in Customs Duties

On July 3<sup>rd</sup>, 2007 the government completely eliminated an Additional Customs Duty that had been in force on wines, instead giving its states the power to institute "special fees" on beverage alcohol. During that same time the basic import duty increased from the 100% to 150%. The decision to change this duty structure was made to ease tension in the WTO after the European Union and U.S. filed for dispute settlement hearings against the system. The first Indian state to act on this mandate was Maharashtra, whose capitol is Mumbai and leads India in wine production, consumption, and sales. The Maharashtra State Excise Department ultimately settled on a special fee of 200% of the accessible value of the wine.

2. Effect of customs duties and federal taxes on product cost

This data assumes a CIF value range of \$10 – \$1,000

<b>CIF</b>	<b>CIF Value</b>	<b>\$10.00</b>	<b>\$25.00</b>	<b>\$50.00</b>	<b>\$75.00</b>	<b>\$100.00</b>	<b>\$250.00</b>	<b>\$500.00</b>	<b>\$1,000.00</b>
<b>AV</b>	<b>Assessable Value (CIF+ 1% CIF)</b>	<b>\$10.10</b>	<b>\$25.25</b>	<b>\$50.50</b>	<b>\$75.75</b>	<b>\$101.00</b>	<b>\$252.50</b>	<b>\$505.00</b>	<b>\$1,010.00</b>
<b>BD</b>	<b>Basic Duty (150% of Assessable Value)</b>	\$15.15	\$37.88	\$75.75	\$113.63	\$151.50	\$378.75	\$757.50	\$1,515.00
<b>EAD</b>	<b>Extra Additional Duty (4% of Assessable Value)</b>	\$0.40	\$1.01	\$2.02	\$3.03	\$4.04	\$10.10	\$20.20	\$40.40
<b>EC</b>	<b>Education Cess (3% of Assessable Value)</b>	\$0.30	\$0.75	\$1.50	\$2.25	\$3.00	\$7.50	\$15.00	\$30.00
	<b>Total Cost with Federal taxes included (CIF+BD+EAD+EC)</b>	<b>\$25.85</b>	<b>\$64.64</b>	<b>\$129.27</b>	<b>\$193.91</b>	<b>\$258.54</b>	<b>\$646.35</b>	<b>\$1,292.70</b>	<b>\$2,585.40</b>

3. Value Added Tax (VAT)

The government has progressively shifted from a policy of charging Sales Tax (Central and Local) to a nationwide one-point VAT during the last 3-4 years. A uniform 20% is charged on the total cost of the product which includes the customs and excise duty and is charged to the final customer at the point of purchase.

3.1 Deviations from the 20% standard VAT

The City of Chandigarh was an exception, deciding to add wine to its list of exceptions and imposes only 4% as its VAT on wine. Maharashtra, for more than 10 years, had charged a VAT of 4% on wine; however, at the introduction of the federal 20% VAT on all products the state government decided to follow course.

4. Storage Regulations

Imported wines and all other alcoholic beverages must be stored at a government approved custom bonded warehouse. The wines can be released from the bonded warehouse for distribution only after the importer/distributor meets all the mandatory requirements of the state where they plan to market and/or sell the product.

### 5. Labeling Regulations

Imported wines, often referred to as "bottled in origin (BIO)," are subject to the labeling provisions of the Standards and Weight and Measures (Packaged Commodities) Rule of 1997.

The labeling declaration on a wine bottle should include:

1. Name and address of the importer.
2. Generic or common name of the packaged commodity
3. Net quantity in terms of standard units of weights and measures. In case of wine it should be milliliters or liters.

In addition, the Standards and Weights and Measures (National Standards) Rules of 1988 prescribe that the alcoholic strength be declared on the label as percentage of volume and stated as "xx % Vol".

### 6. The Bureau of Indian Standards (BIS)

Although the Bureau of Indian Standards (BIS) prescribes standards for various alcoholic beverages, these specifications are not mandatory for imported products.

## IX. State Government Regulations on Imported Wines

Each of India's 29 states and 6 union territories has its own rules & regulations for alcohol control. In many states, the collection of excise taxes on alcohol and tobacco products represents the majority of a state's yearly revenue.

### Special Fees

#### 1. History of differing methods of alcohol control in specific states

Gujarat is a prominent state which enforces total prohibition. Many states like Haryana, Tamil Nadu and Andhra Pradesh briefly instated prohibition but repealed it when loss of revenues and increased bootlegging proved the policy ineffective.

States like Uttar Pradesh and Tamil Nadu controls imports by refusing to issue an excise Transport Permit. The Transport permit is the distribution authorization form that allows goods to be released from warehouses and delivered to designated customers, be they hotels or other authorized retail outlets.

Many states like Kerala do not allow retail sales of imported wines. The states of Punjab and Himachal Pradesh are more liberal in their rules and procedures but maintain high excise duties.

#### 2. Possession of alcohol:

Every state has its own laws dealing with the amount alcohol a family can store in their homes without acquiring an excise license. No state allows maintaining a wine cellar with 100+ wines without this license.

#### 3. Marketing Regulations<sup>15</sup>

Marketing of alcoholic beverages, including wine, is largely a state subject in India. The state governments heavily depend on revenues from the liquor industry. Every state (29 in number) and Union Territory (8 in number) has its own excise policy on manufacturing and marketing of alcoholic beverages that includes warehousing, distribution, retailing, and labeling and disclosure requirements. The state excise policy is reviewed annually, and the State Excise Department monitors and implements the excise regulations.

Several states have come out with explicit excise policies for marketing and distribution of imported alcoholic beverages, including wines. However, there are some states (Tamil Nadu, Rajasthan, Kerala) that do. This lack of direction by the state government makes it increasingly difficult to attain licensing clearance for the marketing of imported wines in these states.

#### 4. Constraints on marketing

Example: Delhi

The State/Union Territory of Delhi has a unique retail market. There are four parastatal (gov't supported but independent) retailers who dominate the alcohol/tobacco sales sector. The four entities are DSIDC, DTTDC, Delhi Consumer Cooperative Society, and the DS Civil Supplies Corporation. Up until 2004, alcohol was only sold in these parastatal retail marts; however, decentralization has led to the allowance of private retailers over the last 4 years. In Delhi, there are approximately 400 retail stores for alcohol products. 75% of those stores are government owned, while the remaining 25% are privately owned. DSIDC has 86 stores that sell IMFL (Indian Made Foreign Liquor), and only 13 of these sell IFL (Imported Foreign Liquor).

In Delhi, it is prohibited to promote/advertise alcohol products; therefore, many companies engage in surrogate advertising, in which they advertise their brand names without referencing alcohol (a common example is for a company to say "Brand XXX Whiskey" but have no mention or picture of the whiskey). In Delhi, as in many other Indian states, the excise department engages in price fixing, where they set an MRP (Maximum Retail Price) for each wine brand which is printed on the back label of wines. In the parastatal retail stores, only 3-4% of all alcohol sales are from wine. The normal price range for wines sold in these markets is from 300 – 2,000 rupees (US\$ 7.50 – 10.00). According to officials from these stores, 20% of total wine sales in these markets come from imported wines.

At the DSIDC stores, the retailer's take is only said to be 20 rupees/bottle (50 cents), and they have approximately 400 wine brands. The DTTDC stores sell on consignment, where they give a product 2 months to sell or be repurchased by the distributor. DTTDC has 106 stores and only 4-6 that have foreign liquor and a total of 200-300 brands of wine. It is common understanding amongst the population that women will not enter these liquor stores. Similarly, many men who buy alcohol will go to a store from a different neighborhood in order to avoid being identified by locals as someone who purchases alcohol.

It seems that two areas outside of Delhi – Gurgaon and Noida – are better places to sell wines to the local population.

#### 5. Wholesale/Distribution License

In several states, the importer/distributor has to apply for a foreign liquor-marketing license (FL-1 license) to the state excise department. The importer has to have a registered office in the state and other requirements that may vary from state to state. The FL-1 licensee has to pay a fixed fee every year. The importer may also use the services of an approved FL-1 licensed distributor (market intermediaries) for marketing their product in the state. In Karnataka, a state owned entity 'Karnataka State Beverage Corporation Ltd. (KSBCL) has monopoly marketing/distribution rights, and the importer has to market all their products through KSBCL.

#### 6. Brand/Label Registration

After the importer has acquired the wholesale license (or approved licensed distributor) he/she must apply for the brand (and label in some cases) registration with the state excise department for marketing of the brand/label in the state. The state excise department charges a fixed registration fee, and the registration has to be renewed every year.

At the time of registration, the state excise department provides guidelines on the specific labeling requirements for sale. The state specific labeling regulations may include

1. 'Alcohol Consumption is Injurious to Health' in English (and local language in some states)
2. 'For Sale in the state of xxxxxxxx only'.
3. Maximum Retail Price Rs. xxx.xx only.

Upon registration of the brand, the licensed wholesaler/distributor can market their product in the state, either through the government approved retail outlets or hotels and restaurants that have license to serve liquor. In Karnataka, the importer has to apply to the KSBCL for the registration of the brand.

### 7. Transport Permit

Upon receiving an order from a buyer (hotel or retailer), the licensed wholesaler/distributor places a request for transport permit or order with the excise department to allow transfer of the specified quantity (no of bottles/ cases) of the product from the custom bonded warehouse to the retailer/hotel.

The state excise department will issue the transport permit after receiving the payment of state excise duty, vend fee, and other taxes as the case may be in that state. Upon presentation of the transport permit, the bonded warehouse will release the specified quantity of wine to the retailer/hotel and the licensed distributors will transfer the product to the retailer/hotel.

### 8. State Government support of the domestic wine industry

#### 8.1 Exemption on Excise Taxes<sup>16</sup>

See Maharashtra State Excise Policy of 2001 (pg. 15)

#### 8.2 State Subsidization Wine Parks<sup>17</sup>

The Government of Maharashtra nominated Maharashtra Industrial Development Corporation (MIDC) as the nodal agency for establishment of the grape wine parks in the state and would coordinate efforts of various organizations from central and state agencies and the stakeholders such as farmers, processors, service providers etc. Under this policy two wine parks have been established by MIDC. Additionally, a Grape Processing and Research Institute (GPRI) has been established. The objectives of GPRI are:

1. To give formal training to farmers through courses. The successful candidates are awarded certificates, diplomas and degrees in winegrape cultivation, winemaking, and wine marketing.
2. To set up grape vine nurseries to provide authentic plant material to growers.
3. To manufacture standard wines on a small scale to provide demonstrations.
4. To set up a quality control laboratory for wines.
5. To impart wine blending techniques.
6. To explore domestic and international markets
7. To help farmers by setting up of a 'Mother Unit' for manufacture of wines.

## X. SUPPLY/DISTRIBUTION CHAIN SPECIFICS TO POINT OF SALE<sup>18</sup>

The transport infrastructure of India, although improving, limits the quality and effectiveness of wine distribution.

### 1. Shipping

Ordering can be done on a full container load or limited container load basis. Consolidation is also common. Nava Sheva port in Mumbai is the preferred port although goods may be received elsewhere. If shipping from the West Coast of the United States, there is a common transshipment point at Singapore before trade will arrive at the Port of Nava Sheva in Mumbai. When shipping from the East Coast of the United States, there are direct shipments to Nava Sheva.

Reefers (refrigerated container units) are scarcely used due to their cost; however, they are increasingly being used for higher value wines. It is also beneficial for importers to secure a cargo space toward the middle of the hull and away from engine rooms where the temperature is naturally cooler. To ensure wine integrity for non-refrigerated containers the Bill of Lading should include the directions, **"Under deck; away from engine."** Many importers also time their shipments with the season to avoid summer heat (March-August) and limit product deterioration.

### 2. Customs Clearance and Storage

Customs stores cargo awaiting clearance in bonded warehouses. Public warehouses with customs-certified facilities are also used. Once a Bill of Entry is made the material is held in a customs bonded warehouse where it may be kept without paying demurrage for 90 days with 15% per annum interest<sup>19</sup>. Customs authorities are now demanding bank guarantees for the goods in said warehouses.

Warehouse stored cargo is set in the charge of a customs officer and the warehouse must be insured. A release can be made against the payment of duty and any interest thereof. For a duty free release the necessary documents such as a duty free seller's license or a letter from the ministry are required. The goods can be kept in an excise warehouse where the bonder is registered with the excise department as a seller and has furnished a list of brands and labels. Before the release of the material to the destination's retail, hotel or embassy store, a Transport Permit (TP) has to be issued. In Delhi, the Excise Department issues holograms with numberings to avoid unlawful movement of material. The material can be transported only to the specified destination.

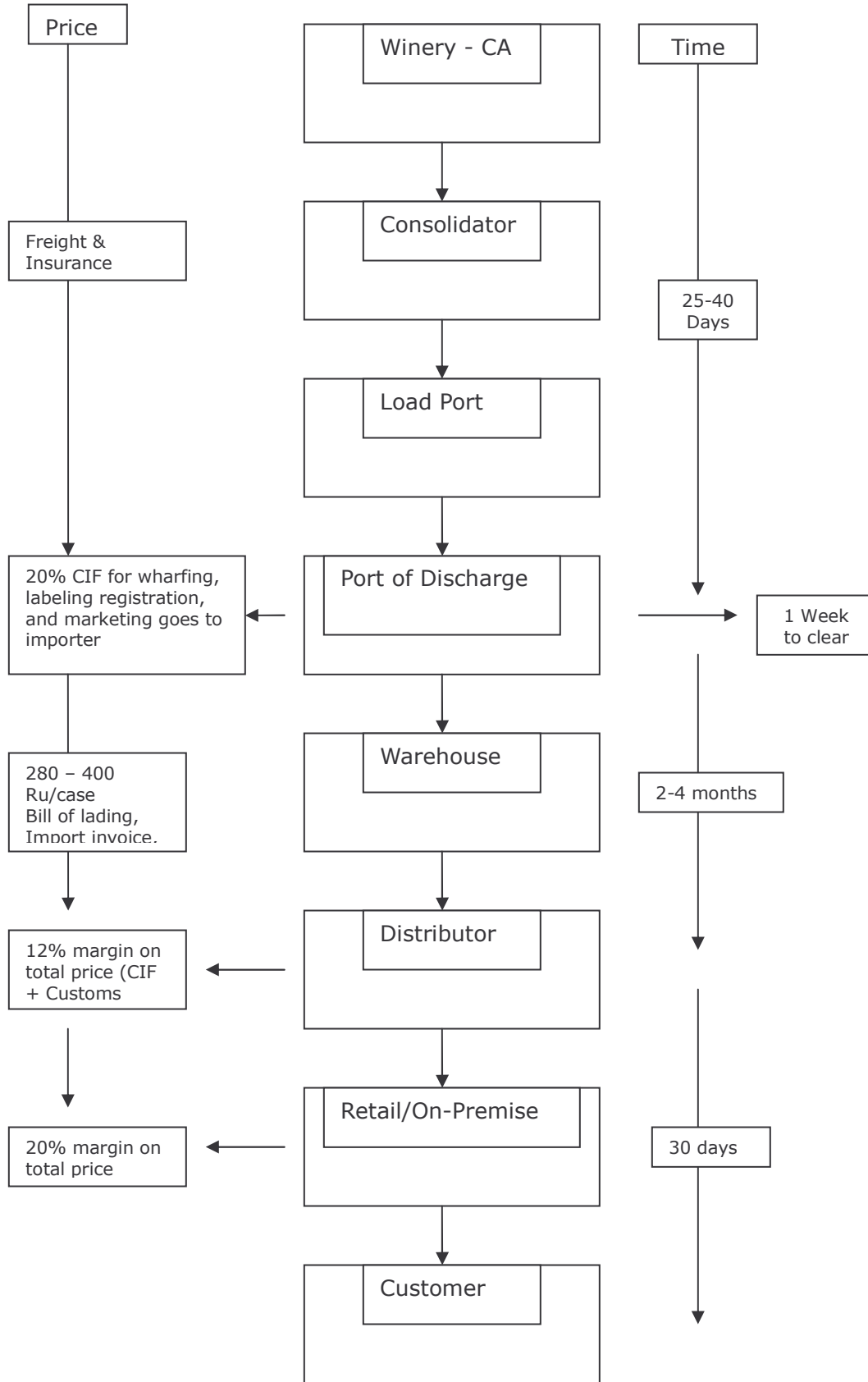
### 3. Storage and product integrity<sup>20</sup>

There exists many customs bonded warehouses throughout India but they are primarily located in Delhi and Mumbai. What is not consistent is the quality of wine storage amongst warehouses. Almost all service providers will state that they have temperature controlled warehouses; however, many do not and those that do are often rumored to turn off the air conditioning at night to reduce cost. To highlight this variance in quality control, the authors of this report visited two warehouses with extremely different practices for wine. One of the warehouses was a medium sized brick structure with corrugated metal roofing and limited insulation. There was dust covering all of the wine with no effective divisions in the structure for differing wine lots and the temperature was probably 95 degrees Fahrenheit inside. Another warehouse had a large space with good insulation and an air conditioning system that had multiple vent locations to ensure equal temperature across various locations. There was adequate space between lots and separate rooms for specific lots according to importer, brand, and style. This warehouse provider had even taken the assurance of quality control a step further, whereby he had purchased a tamperproof temperature monitoring system that allowed customers to see (via logging onto a computer website) the temperature variance



over specific time periods. This warehouse provider could definitely be considered a preferred provider. In light of these variances in storage conditions, wineries and exporters should be sure to demand that importers ensure the quality of storage conditions, or potentially risk a loss of product quality.

\*The diagram on the following page illustrates the supply/distribution/regulatory chain that US wine must travel through to reach the Indian Consumer.



## Indian Wine Importers

### Reviews of the Top 10 Wine Importers in India (by Volume)<sup>21</sup>

*Followed by a complete listing of wine importers in India*

1. Brindco Ltd.

<b>Name:</b>	Brindco Ltd.
<b>Address :</b>	S 53 Okhla Industrial Area, Phase II New Delhi-110020 26918707 / 41616424
<b>Website :</b>	<a href="http://www.brindco.com">www.brindco.com</a>
<b>C.E.O :</b>	Aman Dhall
<b>Contact person :</b>	Aman Dhall
<b>Estb. In :</b>	2001
<b>Major Brands:</b>	Villa Maria, Craggy Range Viña Tarapaca, Calina, Baron Philippe de Rothschild, Almaviva, Kendall Jackson, Caymus, Joseph Phelps, Cakebread Cellars, Benziger, Jordan Vineyards, Stag's Leap Cellars, Duckhorn, St. Francis Vineyards, Francis Ford Coppola Wines, Shafer Vineyards, Rupert & Rothschild, Meerlust, Bodega Norton, Brands of Coonawarra, Mount Pleasant, Leeuwin Estate, D'Arenberg, Clarendon Hills, Peter Lehman, Penley Estate, Maison Louis Jadot, E Guigal, Henri Bourgeois, Domaine Schlumberger, Gunderloch, Dr Loosen, Frescobaldi, Marchesi de Barolo, Allegrini, Gaja, Masi, Planeta, Tasca d'Almarita
<b>Description About the Company :</b>	Importer of wines, spirits & beer and undertakes distribution across India. Has a dedicated "Wine Division" with two Sommeliers. Acts as an Importer as well as Distributor holds valid Import Licenses as well as State Trading Licenses. It has bonded temperature controlled warehouses in Delhi, Mumbai and Goa. Has contracted wineries, one in Chile and the other in Australia
<b>Distribution: (National, local, regional)</b>	National- 9 Office across India. 134 Employees
<b>Market : (Retail, HoReCa, Wholesale)</b>	Retail as well HORECA. (80%)
<b>No. of Cases sold in 2007-08 :</b>	51,000 Cases (9L)

2. Sonarys Co Brands Pvt. Ltd.

<b>Name:</b>	Sonarys Co Brands Pvt. Ltd.
<b>Address :</b>	G-12, Creative Industrial Estate, N.M Joshi Marg, Mumbai- 400011 22-66669111 / 22-66669100
<b>Website :</b>	<a href="http://www.sansula.com">www.sansula.com</a>
<b>C.E.O :</b>	Sanjay Menon
<b>Contact person :</b>	Jaidev Chatterjee
<b>Estb. In :</b>	1974 in alcobev products

<b>Major Brands:</b>	J & F Lurton, Lindemans, Penfolds, Rosemont, Arrowood, Clos du Val, Robert Mondavi, Calitera, Montes, Faively, <u>Domaine La Chevaliere</u> , Hugel, Pascal Jolivet, Paul; Jaboulet Aine, Domaine Laroche, Antinori, Garofoli, Villa Girardi, Springfield Estate, Enate
<b>Description About the Company :</b>	The business was concentrated more on beer and spirits until 10 years ago. It has the first privately owned Public Bonded Warehouse in the country. They have their own warehouses in Delhi and Bombay.
<b>Distribution: (National, local, regional)</b>	National
<b>Market : (Retail, HoReCa, Wholesale)</b>	All
<b>No. of Cases sold in 2007-08 :</b>	24,000

3. Moet Hennessy India Pvt Ltd

<b>Name:</b>	Moet Hennessy India Pvt Ltd
<b>Address :</b>	301- D & E, "A" Wing, 3rd floor, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018 Tel : 00 91 22 40796500, Fax: 00 91 22 40796523
<b>Website :</b>	<a href="http://www.lvmh.com">www.lvmh.com</a>
<b>C.E.O :</b>	Ashwin Deo
<b>Contact person :</b>	Gaurav Bhatia, Marketing Head
<b>Estb. In :</b>	2001
<b>Major Brands:</b>	Moet & Chandon, Dom Perignon, Veuve Clicquot, Krug, Cloudy Bay, Cape Mentelle, Green Point, Terrazas, Casa Lapostolle
<b>Description About the Company :</b>	Part of the LVMH group. Set up operations in India as a subsidiary in 2001
<b>Distribution: (National, local, regional)</b>	National
<b>Market : (Retail, HoReCa, Wholesale)</b>	All as well as airport Duty Free
<b>No. of Cases sold in 2007-08 :</b>	18,000

4. Global Tax Free Traders Inc.

<b>Name:</b>	Global Tax Free Traders Inc.
<b>Address :</b>	87, Sainik Farms, Central Ave, New Delhi-62 29551375 / 29551039
<b>Website :</b>	<a href="http://www.globaltaxfreetraders.com">www.globaltaxfreetraders.com</a>
<b>C.E.O :</b>	Mukul Mehra
<b>Contact person :</b>	Adil Mehra
<b>Estb. In :</b>	1996
<b>Major Brands:</b>	Concha y Toro, Freixenet, Fetzer, De Loache, KWV, Boisset, Calvet, Taylors, Casetta, Casa Girelli
<b>Description About the Company :</b>	The owners have deep roots into the Liquor industry with the fifth generation working. They have an excellent goodwill and superb reputation. Entered wine business about 8 years ago.

<b>Distribution: (National, local, regional)</b>	Delhi, Gurgaon, Noida, Chandigarh, Punjab, Haryana, Kerala, MP, HP, Jaipur, Jammu, Karnataka, Maharashtra, Goa
<b>Market : (Retail, HoReCa, Wholesale)</b>	Retail, HoReCa
<b>No. of Cases sold in 2007-08 :</b>	14,000

5. Hema Connoisseur Collections (P) Limited

<b>Name:</b>	Hema Connoisseur Collections (P) Ltd.
<b>Address :</b>	D-180 Savitri Nagar, Near Malviya Nagar, New Delhi-110017 32432500 / 26012502
<b>Website :</b>	<a href="http://www.hema.in">http://www.hema.in</a>
<b>C.E.O :</b>	Mr. Amit Agarwal
<b>Contact person :</b>	Mr. Amit Agarwal
<b>Estb. In :</b>	2002
<b>Major Brands:</b>	Emiliana Vinedos ; Alexis Lichine ; Westend Estate, Ramon Roqueta, Abadal; Corte Viola ; Riccardo Prosecco; Volare Liqueurs ; Antica Sambuca
<b>Description About the Company :</b>	Importers, distributors and marketers of wine, beer and liquor in India.
<b>Distribution: (National, local, regional)</b>	National
<b>Market : (Retail, HoReCa, Wholesale)</b>	Retail; HoReCa; Wholesale, Embassies
<b>No. of Cases sold in 2007-08 :</b>	More than 13,500 cases of 9 liters

6. Pernod Ricard India Pvt. Ltd

<b>Name:</b>	Pernod Ricard India Pvt. Ltd
<b>Address :</b>	Tower B, 7th Floor, Global Business Park, Mehrauli - Gurgaon Road, Gurgaon - 122 002, Haryana, India. Tel: +91-124-235 8001-8 / +91-124-506 5001-8
<b>Website :</b>	<a href="http://www.pernodricardindia.com">www.pernodricardindia.com</a>
<b>C.E.O :</b>	Param Uberoi
<b>Contact person :</b>	Rukn Luthra
<b>Estb. In :</b>	1993
<b>Major Brands:</b>	Wine Brands : Jacob's Creek, Mumms, Montana, Nine Hills etc
<b>Description About the Company :</b>	Largest multi-national company in the Wine & Spirits industry: marketing Chivas, Ballantine's, Royal Salute, 100 Pipers, Blender's Pride etc. First MNC to enter the domestic wine business
<b>Distribution: (National, local, regional)</b>	National
<b>Market : (Retail, HoReCa, Wholesale)</b>	All Channels
<b>No. of Cases sold in 2007-08 :</b>	12,000 cases.

7. Sula Selections

<b>Name:</b>	<b>Sula Selections</b>
<b>Address :</b>	Nashik Vintners Pvt Ltd, 1 Matulya Center C, Senapati Bapat Marg Lower Parel, Mumbai - 400 013 91 25322 31663
<b>Website :</b>	<a href="http://www.sulawines.com">www.sulawines.com</a>
<b>C.E.O :</b>	Rajeev Samant
<b>Contact person :</b>	Cecilia Oldne <a href="mailto:cecilia@sulawines.com">cecilia@sulawines.com</a>
<b>Estb. In :</b>	Incorporated in 1997
<b>Major Brands:</b>	Hardy's, Mateus, Ruffino, Two Oceans, JC Le Roux, Maison Pierre, Asahi, Heidsieck Monopole, Trapiche, Gato Negro, Cave St Pierre and (wines only in 75ml)
<b>Description About the Company :</b>	Part of Sula Group-leading producers of premier domestic wines. Very strong in retail (off-trade), especially in affluent areas. Preferred wine provider of the biggest supermarket chain in India, Food Bazaar, distribution tie-ups with Reliance Retail, Bharti Wal-Mart and other major chains. Recently set up Santé Retail, Wine & Beer stores
<b>Distribution: (National, local, regional)</b>	National. Strong presence in all major cities and tourist markets – Mumbai, Delhi, Bangalore, Chennai, Rajasthan, Goa...  90 sales & marketing executives nationwide.  Dedicated Imports Department with strong logistics team.  Leased facilities at import warehouses in Mumbai, Delhi and Goa (air-conditioned)
<b>Market : (Retail, HoReCa, Wholesale)</b>	All sections, particularly retail
<b>No. of Cases sold in 2007-08 :</b>	7,000

8. FineWinesnMore

<b>Name:</b>	FineWinesnMore
<b>Address :</b>	406, Raheja Plaza, Off New Link Road, Andheri West, Mumbai 400053 22-40330000 / 22-40330100
<b>Website :</b>	<a href="http://www.finewinesnmore.com">www.finewinesnmore.com</a>
<b>C.E.O :</b>	Ms. Dharti Desai, Founder & CEO/ Mr. Sumedh Singh Mandla, Founder & Partner
<b>Contact person :</b>	Ms. Dharti Desai, Mr. Sumedh Singh Mandla
<b>Estb. In :</b>	2006
<b>Major Brands:</b>	M. Chapoutier, Canard Duchene, Gerard Bertrand, Georges Duboeuf, Cerreto, Bava, Donnafugata, Carpené Malvolti, Livon, Colpetrone, La Poderina, Yerring station, Mount Langhi, Kaeslar, Brokenwood, Parker Estate

	Coonawarra, Viña Sena, Marques De Murrieta, Forrest Estate, Sileni, Rhum Clement
<b>Description About the Company :</b>	FineWinesnMore is a Food & Beverage management company based in India with head office in Mumbai and a support office in Delhi. They specialize in Marketing and Brand building for Food & Beverage products. Building equity for the F&B companies. Conceptualizing launch and create events and promotions for brands & F&B companies, and undertaking import, marketing & distribution of F&B products.
<b>Distribution: (National, local, regional)</b>	National. 13 cities
<b>Market : (Retail, HoReCa, Wholesale)</b>	On premise (Hotels & restaurants), Retail and Duty Free
<b>No. of Cases sold in 2007-08 :</b>	6,500

9. Mohan Brothers (P) Ltd.

<b>Name:</b>	Mohan Brothers (P) Ltd.
<b>Address :</b>	2nd Floor, Plaza Cinema Building, Connaught Place, New Delhi – 110001 011-23322404,011-23359770
<b>Website :</b>	Not launched yet
<b>C.E.O :</b>	Rohit Mehra
<b>Contact person :</b>	Rohit Mehra
<b>Estb. In :</b>	1965
<b>Major Brands:</b>	Moet Hennessy, Penfolds, Lindemans, Fairview, Barone Ricasoli
<b>Description About the Company :</b>	The Mehra family started the company as a liquor trading company and after splits in the nineties, entered wine business too. They are the biggest distributors for Moet & Hennessy in India and handle the bulk of their business for this company
<b>Distribution: (National, local, regional)</b>	Regional – Delhi, Maharashtra, Karnataka,
<b>Market : (Retail, HoReCa, Wholesale)</b>	Retail, HoReCa
<b>No. of Cases sold in 2007-08 :</b>	4,500

10. TT&G Trading (P) Ltd.

<b>Name:</b>	TT&G Trading (P) Ltd.
<b>Address :</b>	Thapar House, 124, Janpath, New Delhi – 110001 011-23349030 / +91-98113-02824
<b>Website :</b>	<a href="http://www.torres.es">www.torres.es</a>
<b>C.E.O :</b>	Gautam Thapar, Chairman
<b>Contact person :</b>	Sumit Sehgal, Chief General Manager

<b>Estb. In :</b>	2001
<b>Major Brands:</b>	Sangre de Toro, Viña Sol, Santa Digna, Fransola, Mas de Plana, San Medin, Marimar Torres, Angroves
<b>Description About the Company :</b>	The company was formed as a JV with Gautam Thapar of the big industrial Thapar group holding 50% and Miguel Torres and Grant holding the foreign holding. The objective was to promote wines from Torres Spain, Chile and California and single malts from Grant. However, they are in the process of expanding into other brands and national market with further investments.
<b>Distribution: (National, local, regional)</b>	Regional, Delhi, Maharashtra, Chandigarh, Goa
<b>Market : (Retail, HoReCa, Wholesale)</b>	Retail, HoReCa, Embassies
<b>No. of Cases sold in 2007-08 :</b>	4,500

**Other Companies Importing into India**

<b>Company Name</b>	<b>Contact</b>	<b>Address</b>	<b>Phone</b>
Ae Beveragez Pvt. Ltd.	Mr Debjit Dasgupta	S-23, Okhla Industrial Area Phase-II, New Delhi-110020	011-65634188 +91-98111-70188
Amfora Wine & Foods Pvt. Ltd.	Mr Ranjit Gupta	A-249, Defence Colony, New Delhi - 110024	+91-98112-00209
Arjun International	Mr Rajbir Singh	R-9B, Nehru Enclave New Delhi - 110019	011-26229546 011-26446190
Aspri Spirits Pvt. Ltd.	Arun Kumar	111, Chiranjiv Tower, 43, Nehru Place New Delhi-110019	41633981 41633982
Baumgarten & Wallia Pvt. Ltd.	Sachin Rane	001, Ground Floor, New Udyog Mandir No. 2, Mogul Lane, Mahim, Mumbai-400016	022-24448091 9324288363 9833113523
Best Food and Wines Impex		Commerce Center 4 <sup>th</sup> Floor, Dr Rajendra Prasad Road Vasco-de Gamma Goa-403802	832-2512798
Best Foods & Wines Impex	Mr Vibhor Gupta	E-64, 2nd Floor, Anand Niketan New Delhi - 110021	011-41662500 +91-98109-82154
Brand Wacziarg	Ms.Firdous	A-58, Nizamuddin East, New Delhi-110013	011-24355901 011-24355910
Brandwagon	Sumaid S Mandla	203 B-Wing, Crystal Plaza New Link Road, Andheri West Mumbai-400053	02255042200



Castello Farm Products P Ltd		257 Hosur Road Wilson Gardens,Bangalore Karanataka 560027	80 56690251
Champagne Indage	Mr Ranjit Chougule	Indage House, 82, Dr. Annie Besant Road, Worli, Mumbai - 400018	022-24938718
Chateau d'Ori	Mr Yash Mhapsekar Mr Avik Duke (VP-Marketing)	La Maison, 10 <sup>th</sup> Road, Khar, Mumbai - 400052	022-56064933
Chateau de Banyan	Asa Abraham	KV 4, Panampilly Nagar Kochi - 682 036, Kerala, India	0091 484 2323555, 2316251
Connoisseur Imports		53 New Balaji Colony Tirupati-517502,A.P, India	9346233868
Continental Sales Emporium Pvt. Ltd.	Raj Sethia	42A/2, Krishna Nagar, Safdarjung Enclave, New Delhi-110029	41652371 9350254331
Dawine Liquors		44 & 71, Oshiwara Ind. Center, Opp. Goregaon Bus Depot, Goregaon (W) Mumbai-14	22-28783169
Dhall Foods & Beverages Pvt. Ltd.	Mr Vikram Dhall Mr Anil Duggal	5, Community Center, East of Kailash, New Delhi - 110065	011-26464254
Diplomat Impex Pvt. Ltd	Mr L.C. Madan	B-90, Hillview Appartment Vasant Vihar, New Delhi - 110057	+91-98112-03221
Diplomat Stores		B-90, Hill View Aptt., Vasant Vihar, Opp. Vasant Continental Hotel, New Delhi-110057	2615 1116 2614 6638
Divine & Co. Inc.	Mr Iqbal Krishna	90 / 42 - B, 2 <sup>nd</sup> . Floor, Malviya Nagar, New Delhi - 110017	
Embassy International		Embassy House,T-6, Okhla Indl. Area, Phase-2, New Delhi-20	41616111
Fairmacship Stores P.Ltd.		14 Moore Street, Chennai 600001	44 25231383 /84/85
Future Wine & Spirit Brand Pvt. Ltd.		Patel Engg. Co. Building Patel Estate, Jogeshwari (west) Mumbai - 400 102	22 2678 1584 22 26781578
Glefera Foods India Pvt Ltd.	Mr Subhash Dogra	B-1/54, 2nd Floor, Malviya Nagar New Delhi - 110017	011-26685536 +91-98101-20615
Global International		105, Taj Apartments, Factory Road,Ring Road, New Delhi	2332503

GVCM TRADING	Mr Aruna Rangachar Pohl	S -520, Manipal Center, Dickenson Road , Bangalore - 560042	080-56972998 +91-98806-87306
High Spirits	Mr Sanjeev Gupta	187 D, Pocket C, Sidhartha Extention, New Delhi - 110014	011-26347000 +91-98106-03333
Indian Trails Sourcing Services Pvt Ltd.	Shariq Jamil		09999019200
IRUS Corporation	Rakesh Suri	C-15, Sector-30, Noida-201303	95120-2456877 9810066542
Kiara Wine Ltd.	Mr Ravish K Ahuja	Division of Economy Refrigeration Ltd. Kirti Bldg. Ground Floor, Dr V. B. Gandhi Marg, Fort, Mumbai - 400023	022-30282440
M & C Marketing		15/8, Primrose Road, Bangalore 560 025	80 4112 4112
Megabrands Exim Pvt. Ltd.	Mr Jayanti Chandrasekar	27, Gautam Apartments Gautam Nagar New Delhi - 110049	+91-93138-91115
Modern Wines	Sunil Khurana	Amar Kunj, 1/377, Veer Savarkar Marg, Near Vanita Samaj, Shivaji Park Mumbai-400028	022-24468581 9820144794
Munjral Brothers (Distribution) Pvt. Ltd.	Mr Sumit Munjral	356, Patparganj Industrial Estate Delhi-110092	011-22169289 011-22169290
Munjral Brothers (Distribution) Pvt. Ltd.		N-001, Tex Centre, Nariman Plaza, Chandivilli, Sakinaka, Andheri (E) Mumbai-72	22-28579656/57 22-28579658
Mushal Winery & Vineyards	Amarinder Singh	17, Tughlak Road, New Delhi-11	9811410456 9818378745
Paalar Distribution Service Pvt. Ltd.	Mr Kumar V Saj Jaipalan	4C, Garden Apts, Pursukvaakam, Chennai	+91-94441-82910
Pearls Wines	Mr. K.P.Singh	1502, 15th Floor, B Wing Stateman House, Barakhamba Road, New Delhi-1	9350572079 41524690
Radico Khaitan Ltd.	Mr Nitesh Ghai	Plot No J-1, Block B-1, Mohan Co-op. Indl. Area, Mathura Road, New Delhi - 110044	+91-93122-77058
Rama & Company		5205 /5206, Vasant Road, New Delhi - 110 055	23625819 23678989
Rhine & Raavi Agro Pvt. Ltd.	Mr Gurpeetesh Singh Maini	M-84, First Floor, M Block Market, Greater Kailash Part II, New Delhi - 110048	011-41437183 011-41437182
S. V. Distributors Pvt.	Mr Viveka	228, Keytuo Industrial	022-

Ltd.	Rawal Vijay Nair	Estate, Kondivita Road, J.B.Nagar, Andheri (E), Mumbai - 400059	28374813 022-28374814 022-28374816
Samant Soma Wines		25, Bhagirathi Sadan, 3 <sup>rd</sup> Floor, Opp. Caf_Cadell, Cadell Road, Shivaji Park, Mumbai-16	22-4440099 22-4472241
Samant Soma Wines Ltd.	Arvind Vaid	A-227, Okhla Industrial Area, Phase-1, New Delhi-20	51616515 9810752529
Shivoys International		244, Civil Lines Kishore Bazar, Bareilly U.P. India : 243001	581-3299219
Sopexa India	Rajiv Singhal	C/o Ritu Overseas, 6 Floor, Vandhana, 11 Tolstoy Marg, New Delhi-110001	23359874 23359875
Sovereign Impex (P) Ltd.	Mr Naresh V. Uttamchandan	C-15, Community Centre, Safdarjung Development Area, New Delhi - 110016	011-41657017 011-41657018
Starex Import Export India Pvt. Ltd.	Mr Rajesh Bhardwaj	A-13/1, Vasant Vihar, New Delhi - 110057	011-26144465 011-26156173
Sultania Trade Pvt. Ltd.	A.M. David Vice President-International Division	Plot NoA-2, Tahira Industrial Compound, Inside Premsons Industrial Estate, Caves Road, Jogeshwari East , Mumbai- 400 060 , Maharashtra	+ 91 22 2820 2505 + 91 22 2820 2506
Sundeeep Vintners		52, Mamta A, New Prabhadevi Road, Mumbai - 400 025	22 24376179
Vaishali Wineries	Vineet Kumar	3310 Ground Floor, Ranjit Nagar New Delhi	9971485007
Wine Legend	D.K. Raju	MIG-1328, 2nd Main Road TNHB, Velachery, Chennai-42	044-22447681 9444624163
World Wide Food & Beverages	Mr Abhishek Singhania	324/2, 2 <sup>nd</sup> Floor, Ch. Udayram Market, Opp. CNG Pump, Rangpuri, N.H.8, New Delhi - 110037	011-55693791 011-26789705

**XIII. Relevant Contacts**

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<sup>1</sup> ref. market overview

<sup>2</sup> Ref. i.3.1

<sup>3</sup> [http://indianwine.com/cs/blogs/about\\_wine/archive/2007/07/30/vinsura-is-introducing-new-brut-sparkling-wine.aspx](http://indianwine.com/cs/blogs/about_wine/archive/2007/07/30/vinsura-is-introducing-new-brut-sparkling-wine.aspx)

<sup>4</sup> Ref i.3.2

<sup>5</sup> <http://www.rediff.com/money/2007/jan/16wine.htm>

<sup>6</sup> Ref. i.3

<sup>7</sup> Indian Wine Academy – Subhash Arora

<sup>8</sup> Ref. i.8

<sup>9</sup> Ref. i.4.2

<sup>10</sup> Ref. i.5.2

<sup>11</sup> Ref. iii.3.1.3

<sup>12</sup> Ref. iii.1.6

<sup>13</sup> Ref. i.2.1

<sup>14</sup> USDA GAIN report #IN3062

<sup>15</sup> Ref. i.6

<sup>16</sup> Ref. i.1.5.10

<sup>17</sup> About Wine: Present Scenario of Wine Industry in India

<sup>18</sup> Ref. ii

<sup>19</sup> Ref. iii.1.5.2

<sup>20</sup> Ref. ii.3

<sup>21</sup> **Indian Wine Academy: Subhash Arora**