

AlchoBev Industry Expects up to 20% Growth in Dec Quarter Riding on Bullish Festive Sales

PTI

New Delhi: The alcoholic beverage industry is on a high, with nearly double-digit growth in festive season sales, and now expects an upswing of around 20 per cent in the October-December period, driven by the premium spirits category.

The industry witnessed a spike in sales across categories, whether it's IMFL or Scotch in the whisky segment, or rum or white spirits such as vodka, white rum, gin and tequila in the almost one-and-a-half-month festive season, which is now in its conclusion.

This festive season, the industry has witnessed higher growth in the premium category, as well as in smaller tier II & III markets, alongside the developed markets.

"We have witnessed a highly encouraging festive season, with strong uptake across our premium and luxury portfolio. The festive months continue to be a key consumption period in India, and this year's performance has reaffirmed the growing consumer preference for premium and thoughtfully crafted spirits," Radico Khaitan Chief Operating Officer Amar Sinha told PTI.

Its brands, such as Rampur Indian Single Malt to Jaisalmer Indian Craft Gin, have recorded robust growth across several high-potential markets.

"With the momentum built this festive season, we remain confident of maintaining a healthy positive trajectory into the third quarter as well," he said, adding, "Retail and on-trade channels are optimistic, demand indicators remain strong."

AlchoBev makers expect this momentum to continue through the Christmas and New Year celebrations, driven by factors such as rising consumer spending, higher disposable incomes, and a young, aspirational consumer base.

Helped by this, "Alcobev industry is expecting 10-20 per cent upsurge in sales this festive season (October-December)," said Confederation of Indian Alcoholic Beverage Companies (CIABC) Director General Anant S Iyer.

Good monsoon and a positive economic outlook

will push sales, he said.

"We are already getting positive feedback of liquor sales going up," said Iyer, adding, "Interestingly, premium and luxury segments are the ones where we are seeing good growth, especially in metros/Tier I & II cities."

Similarly, the International Spirits and Wines Association of India (ISWAI), which represents the imported premium portfolio of spirits and wine brands in India, said the festive season has been very buoyant for the spirits sector, fueled by consumer buying amidst the GST benefits passed on by the government.

"... Reports on the ground indicate the upswing is in double-digit numbers, especially in the premium spirits category. The NCR region has seen record sales, with Noida & Gurgaon leading the way," said ISWAI CEO Sanjit Padhi.

ISWAI members include Bacardi, Beam Suntory, Brown Forman, Campari Group, Diageo-United Spirits, Moët Hennessy, Pernod Ricard, and William Grant & Sons -- global leaders in the spirits and wine industries.

"The festive spirit is also visible in regional consumption patterns. As per media reports, the Telangana excise department reported substantial revenue of Rs 1,000 crore over just two days of Dussehra festivities, mainly from IMFL sales. Similar trends were seen in Kolkata, where the Durga Puja festivities led to a 15-16 per cent rise in sales during the 10-day celebration period," it said.

While CIABC represent the home-grown spirits maker, mostly the IMFL players.

ISWAI said that, with a domestic volume of 408 million cases of branded spirits in 2024, it contributed to excise of Rs 3.5 lakh crore in FY24.

Between 2019 and 2024, the overall industry grew at a CAGR of 3.4 per cent, while the premium segment registered double-digit growth, with its market share rising from 42 to above 50 per cent.

CIABC data mentioned that, on a pan-India level, sales volume of IMFL Whisky slowed to 1.4 per cent in FY25, to 40.17 crore cases (12 bottles of 750ml).