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In 2003, Anjali Shahi and Lavanya Jayashankar met as students of Singapore Management University and spent many evenings nursing their favourite drink — gin. Eighteen years later, in January 2021, they launched a label of their own in Goa — Matinee Gin. In the beginning, they made two small batches and sold about 70 cases in the state. After experimenting with a variety of botanicals, they have decided on four that stand out — saffron, white turmeric, kagzi lime and peppercorn. “We are targeting the 30-plus age group who can appreciate and afford a carefully crafted product,” says Shahi, 35. They plan to sell 2,000 cases by year-end. Entrepreneurs like Shahi and Jayashankar, 36, are trying to add new notes to India’s craft alcohol business. Take Varna Bhat, the 35-year-old CEO of Blisswater Industries. In December 2020, she launched the enigmatically named Rahasya vodka, whose ingredients she guards as a secret but which, she assures, trace a lineage to India’s culinary tradition.

Bhat has sold about 500 cases in Goa where a 750 ml bottle retails for Rs 850. “We call it an India-infused drink. Its different notes will evoke a sense of nostalgia for everyone who has experienced India. Right now, we are only selling in Goa. But this financial year, we will be focusing on Karnataka and Maharashtra,” says Bhat, who admits that alcohol business always makes more sense at scale. Shivam Ginglani, 30, founder of Solan-based Ginglani Distillers, says it is possible for craft alcohol to have good numbers. Ginglani wants to create “Himalayan whiskey”, much like single malts that promote their source of water. “Our attempt is to create a new category called Himalayan whiskey, like an Irish whiskey or Scotch. The whiskey will then have a certain sense of origin, which doesn’t happen in India right now,” says Ginglani. He launched Black made with “Himalayan water”. His turnover for FY2020, he says, was Rs 7.4 crore. At 27, Ansh Khanna, cofounder of Peak Spirits, has a single malt under his belt — Kamet, which he launched in late 2020. The distillery is located in Kurukshetra but the whiskey is aged in oak casks that held French wines. Before turning his attention to whiskey, Khanna was part of a wine-making team of a leading winery in the Santa Rita Hills of California in 2017. He then went on to work with Tenzing Wine in Chicago, an importer and distributor of wine and spirits. “Wine continues to shape my journey; it also resulted in the wide use of wine casks for Kamet,” he says. The company is targeting the 30-45 age group as its primary market. 82008660 Craft alcohol is defined as founder-led, transparent about the provenance of ingredients, steeped in experimentation and ideally made in small batches, although the US Craft Spirits Association gives an upper limit of 28 lakh litres of annual production. Surrinder Kumar, an independent consultant and master blender at Kamet, says, “Craft alcohol is a minuscule industry in India. What needs to be seen is if these businesses can get repeat orders and expand their market beyond home states since regulations are cumbersome.” He says, on an average, two out of 10 companies will be successful and the rest will vanish. While craft beer took off in India in a big way in the past three years, with the growth of microbreweries, now craft gin is trying to find space in the bar.

“In the beer segment, about 2% is craft or small scale in India. In comparison, craft beer accounts for 25% of beer sales by value in the US,” says Vikram Achanta, founder, Tulleeho, a drinks training and consulting firm. “In the beer, wine and spirits segment, over 100 entrepreneurs have come up in India in the past three five years. But some find it difficult to access capital. Many have started in Goa as it requires less capital than many other states.” The big challenge will be when they enter states that require more financial and distribution muscle like Delhi, Maharashtra and Karnataka, he adds. Gin itself is just 2% of India’s alcohol market. In that tiny sliver, about 10 craft gin makers have to compete with not just Indian brands but also international ones. Can these craft brands hold their drink?