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Premium spirits in India grow nearly three times faster than the broader market

ISWAI says lower-priced bottles still made up nearly half of spirits sales volumes in 2025

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Premium spirits are expanding much faster than cheaper liquor in India, according to a report by the International Spirits and Wines Association of India, pointing to a steady shift in consumer demand toward higher-priced bottles even as low-cost products still

make up a large part of the market.

The report said premium spirits sales volumes in India grew at a compound annual rate of 10.2% between 2022 and 2025. That was nearly three times the 3.7% annual growth recorded for the overall spirits market during the same period. By comparison, the lowest-priced segment grew 1.1% a year and regular spirits grew 1.4% a year, showing much slower momentum in the mass-market categories.

The figures indicate a change in the mix of alcohol being sold rather than a single-year jump. The growth rates cited in the report are compound annual rates for the 2022-2025 period. The report, as described by The Times of India on Thursday, did not publish the full pricing thresholds used for each category, and a full public methodology was not immediately available in ISWAI’s public archive.

Even with slower growth, cheaper liquor remains central to the Indian market. The report estimated that the lowest-priced and regular categories together accounted for nearly half of total spirits sales volumes in 2025. That means the shift toward premium products is happening inside a market where affordable brands still dominate a large share of purchases.

The strongest growth inside premium categories came from super-premium Indian-made spirits, which expanded at about 34% a year from 2022 to 2025, according to the report. That segment is still small, however. ISWAI estimated that super-premium Indian-made products represented less than 1% of total spirits volumes in 2025, suggesting that rapid growth is coming from a low base.

The report linked the broader premiumization trend to rising incomes, changing consumer aspirations, and wider access to higher-end brands. It also pointed to changes in retailing, saying stores with broader selections, better product displays, and more room for customers to browse are encouraging people to try new labels and spend more. That suggests the change is not only about income, but also about how alcohol is being presented and sold.

Indian malt whisky was one of the fastest-growing segments in the report. Sales volumes for Indian malts increased at about 39% a year between 2022 and 2025, compared with about 5% annual growth for Scotch malts. ISWAI said Indian malts overtook Scotch malts in sales volumes in 2024, a notable change in a category where imported products have long held prestige with many consumers.

Imported spirits as a whole also outpaced the overall market, though they still represented a relatively small share of total sales. Their volumes rose about 8% annually over the three-year period, and their market share increased from 2.4% to 2.7%, according to the report. That growth shows continued demand for foreign brands, but also suggests that domestic premium products are gaining ground more quickly in some categories, especially malt whisky.

The numbers add detail to a longer-running shift in India’s alcohol market, where producers and retailers have been trying to move consumers toward higher-value products. Volume growth in premium and super-premium categories matters because it shows that the change is not limited to pricing or inflation. More consumers are buying into categories that are positioned above the regular and economy segments, even if those premium segments still account for a smaller part of the total market by volume.

ISWAI estimated the value of India’s alcoholic beverages market at about Rs 6.2 lakh crore, or roughly $71 billion.