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Moet Hennessy's rollout in Nashik is an attempt to show that it is possible to make world-class wine in India

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By **Anoothi Vishal**

Nashik's heat and dust, the rattling trucks on the highway, and noisy buses ferrying pilgrims to Trimbakeshwar and Shirdi may be far removed from the rolling hills, blue skies and chalk caves of the French Champagne countryside. Yet, as we sip on a glass of cool, sparkling rose, listening to a local dhol-tasha troupe of drummers at the newly launched [Chandon winery](#), not a beat seems amiss.



Grapes like shiraz and chenin blanc do particularly well in the Nashik terroir.

This is Indian [wine](#) from the Indian countryside tailored to appeal to the Indian palate. The fact that it is produced by a French conglomerate may be only incidental if not for the significance of the event.

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India is only the sixth country worldwide where spirits major [Moet Hennessy](#) has now set up a winery outside France. The launch — the first by an MNC in India — this month is a symbolic big step. Nashik, widely described as India's Napa Valley, may not have needed the affirmation, but affirmation this is — both for its terroir and the market for wine in India.

Many serious wine drinkers are often sceptical about Indian wines. But what the winery's rollout shows is faith — that it is possible to make world-class wine in India. And that there will be enough consumers for it.

"We wouldn't have been here if we didn't believe it is possible to make quality wines from vineyards here and that this is the market for the future," says Davide Marcovitch, president, Chandon. The company has been making its Rose and Brut sparkling wines in a neighbouring winery in [Nashik](#) since 2014, and has invested 8 million (Rs 50 crore) till now, including in the spanking new 21-acre facility.

With its launch, India joins other New World regions the MNC forayed into — Argentina (in 1959), California (1973), Brazil (1973) and Australia (1986).

In at least some of these places, Chandon's considerable marketing muscle, not to mention its wine-making expertise, has been at least indirectly responsible in helping the market grow. "Initially, in Brazil, we saw large families go to restaurants but only drink the

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local cachaca. Then gradually, we started seeing a shift to sparkling wine," Marcovitch recalls. Sparkling wine is a significant category in Brazil now though the market for wine is still "developing" there.

The big question to ask is, with the world's eye firmly on Indian wine, will there be a similar progression? More importantly, as an upshot of this, will there be more quality emerging from Indian wineries?

New Wines, New Bottles Despite all the optimism around it and growing at about 20% per annum, wine in India remains nascent. The approximate consumption of "domestic" Indian wine is just about 1 million cases (one case has 9 litres of wine), if you take out port wine from the category. This is in contrast to the 45 million cases in China last year, which is widely regarded as the other "market of the future".

If per capita consumption is still to pick up, the quality of wine made in India — primarily in Maharashtra and Karnataka by 50-odd wineries — has also been questioned. "Despite championing domestic wines, Indian wines are not cool. Nobody gets dazzled by them or says 'wow, this is insanely good'," points out Aneesh Bhasin, wine writer and cofounder of Hipcask, India's first wine-focused smartphone app and consumer platform.



(The oaked Sette is perhaps the most recognised Indian red in the premium category)

Bhasin is echoing popular perception. Some of the Indian wines at the higher end of the spectrum are of good quality, at par with many of the drinkable, if not complex, New World wines. When you go to a restaurant, you could, for instance, safely order Krsma's cabernet sauvignon, made in limited quantities by the Bengaluru-based winery, or the barrel-aged, acclaimed Sette by Fratelli Wines. Grover Zampa's La Reserve, also aged in oak, has been a long-standing old faithful in the premium category. And if you wanted to drink whites, wines from Charosa (try the sauvignon blanc) and from York, both in the same Nashik belt, are credible.

Despite their quality, consumers often hesitate to pick these up. Part of the problem is, of course, availability. Many of the quality wines are being produced by smaller wineries, who do not have capacities, distribution and marketing to take their labels pan-India. Neither can they afford to go to other states with unreasonable tax structures, high label-registration fees and protective barriers against wine from other states.



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Even when they are available, Indian wines contend with consumer bias that holds up anything foreign over Indian. The entry of international heavyweights, with easy brand recognition and commitment to using local grapes will hopefully address this.

Chandon Rose, for instance, uses shiraz grapes that tend to do well in India and have a fuller, spicier nose that appeals to Indian sensibilities. The Brut uses another Nashik favourite, the chenin blanc, fruitier (and more acceptable to the Indian palate) than the high-on-acidity, chardonnay-led styles of Champagne.

Cheap Sip What is even more contentious with consumers, however, is the pricing of Indian wines. Many consumers complain that only premium Indian wines (anything priced above Rs 800-900; retail prices change from state to state) have a certain acceptable quality. Everything below does not make the cut. A fair question to ask then is: If you have to shell out Rs 1,500 for a bottle, would you buy an Indian red or a Chilean, or an Argentinian malbec?

With the renewed focus on made-in-India wines, at least some producers seem to be addressing these concerns. "There has been a shift in terms of attention to the quality," says Kapil Sekhri, partner, Fratelli Wines. "Existing players have been upping their game and this is getting only better with newer players coming in. There is a realisation that wine drinkers in India are social drinkers, who will only choose quality and not just any alcohol," he adds.

The challenge now is to bring down prices and make good wines in the budget range. Sekhri acknowledges, "There is a very big market for 400-500 wines and we are looking at ways to make quality wines in that range. Even in markets such as the UK, there is a demand for affordable but quality wines from India and we will be launching a Rs 699 wine there to meet that."

If quality is getting attention, so is innovative marketing. This is vitally important in a country like India where awareness is still low and the intimidation factor quite high when it comes to wine.



(From Left-Right) Piero Masi, chief winemaker at Fratelli with co-owners Alessio Secci, Arjunsinh Mohite-Patil and Kapil Sekhri)

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How do you steer the image of wine from a fuddy-duddy drink, bound by various rules, to a younger, more approachable beverage? In Europe and Old World markets, where wine has been part of everyday lifestyle and complexity is appreciated, pairing it with luxury foods and marketing gastronomic experiences have typically been the key. That strategy does not quite work in India. The demographics are younger and social habits such as drinking before dinner rather than with the main meal call for different strategies.

To appeal to younger millennials, wine needs to be less pretentious, more "cool". And companies are trying to make it so. Chandon, for instance, has been pitching its sparklings as party starters. This change in tack is also visible in some new boutiquey labels.

Vishal Kadakia, founder of The Wine Park, a leading importer of boutique wines, has just launched his own made-in-India label called The Daily Dose. The grapes are sourced from an organic vineyard in Solapur, Maharashtra. The wine is made in a crush pad at the Oakwood winery in Shirampur, near Ahmednagar. The wine, launched last month, is cabernet sauvignon — "fresh, juicy with minimal oak to appeal to the new Indian consumer", as Kadakia puts it. But most importantly, it comes with a fun label — a trendy graphic illustrating the process of wine-making. It is meant to be educational. What it also is a far cry from the elaborate labels you associate with French chateaux and Italian crests.

Instead of investing in his own winery, Kadakia decided to use a crush pad — a common facility shared by many winemakers — a practice quite common in Napa Valley. "Wine is as much about marketing as it is about what is in the bottle. Instead of locking up capital in a winery, we decided to use a shared facility where we monitor the production, and use our resources in marketing," explains Kadakia.

This model of using resources to market and distribute the wine, while owning neither the vineyards nor the winery — grapes are instead sourced from farmers on contracts and wine is made in rented, shared facilities — is finding favour with other younger producers too. Like Kadakia, Bengaluru-based Ajay Shetty, founder of Myra Vineyards, came back to India after stints abroad to find a gap in the market for approachable, quality wine. He launched Myra as a result — and uses the same crush pad as Kadakia to make some of his wines.

Policy Whines Another big wine consumers have with Indian wines is the lack of consistency. "If you do tastings at the wineries, many of the wines are superlative and you recommend these to others. But you soon realise their experience is not the same. Inconsistent quality is a big problem," says Bhasin.

Storage and the logistics of transport aside, some of the production problems stem from the way in which the grapes are sourced. Most Indian wine companies (with the exception of those like Fratelli, which has its own land and rents the rest under longterm leases) buy these from local farmers under contracts.

Contract farming is the only option for those looking at big volumes, or those with limited resources, as it is for foreign players not allowed to own agricultural land in different states. For a product like wine, which is the sum total of the quality of its ingredient, this is a practice fraught with pitfalls.

To make quality wine, you need quality grapes. Farmers driven by profits and out to maximise their yields do not always follow winemakers' specifications. Others sell to rival companies despite having contracts with one. "The politics of it all is unbelievable," says Kadakia.

If these are backend problems, at the front end, state policies regarding wine retail can be pretty harsh. The most encouraging ones are in Karnataka and Maharashtra, where

everything from licences and open wine-only stores to licensing and label registration fees have been rationalised. Then, there are markets like Delhi, which are still growing despite higher taxes because of their sheer demographics. But there are also those at the other end of the spectrum, where winemakers struggle. "In Gurgaon, the licensing and registration fee comes to Rs 20 lakh. It is also very challenging to operate there. So we withdrew from the market," says Sekhri.

With the advent of newer players, who can foster a larger culture of quality wine, hopefully, these will even out. And we will have better sips.

(The writer examines restaurant trends, food history and culinary cultures)

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